

# WHY DOES SOCIAL POLICY MATTER FOR LEBANON AND THE WIDER MENA REGION?

**Rana Jawad**

Senior Lecturer, University of Bath, UK

## **Introduction**

*This policy brief provides a historical and analytical perspective on social policy in MENA societies: Does it exist? What does it mean? How does it operate? Who provides it and who uses it? These questions underpin this brief since the study of social policy in MENA is somewhat new, even though in practice, governments and civil society organizations have been engaged in social welfare activities since the 1940s (the time of state independence in the region).*

## **OVERVIEW AND POLICY RECOMMENDATIONS**

- ▶ Social policy in Lebanon and the wider MENA region is in its infancy but the welfare systems of the region may be broadly categorized as corporatist/residual. The Rentier state concept continues to be a salient paradigm.
- ▶ A major challenge facing the formulation of social policy in the region is the lack of government commitment to universal social provision programs that promote social justice and social welfare.
- ▶ International organizations exercise a major influence on social policy agendas in the MENA region. They have begun to advocate for a new policy discourse around social protection in the region with conditional cash transfer programs and the extension of social security coverage as key programs.
- ▶ The events of the “Arab Spring” in 2011 brought a glimmer of positive social change to the region. Four years on, only Tunisia has managed a stable transition while the rest of the region has fallen prey to new waves of religious extremism and political disintegration.

This policy brief argues that social policy as an area of scholarship can greatly contribute to academic knowledge and public understanding of the socio-political dynamics in the MENA region. This is because the key units of analysis in social policy such as social welfare, citizenship, equality, poverty, rights, mixed economy of welfare and human wellbeing can allow us to focus on structures of governance and policy processes aimed at enhanced wellbeing in a way that other social science subjects have not yet been able to in the study of politics and society of the Middle East. The data and research covered in this paper stem back over a decade of the author’s own research which benefit from various grants including from the UK Economic and Social Research Council.

### **Revitalizing Social Policy in the MENA: The Contemporary Context**

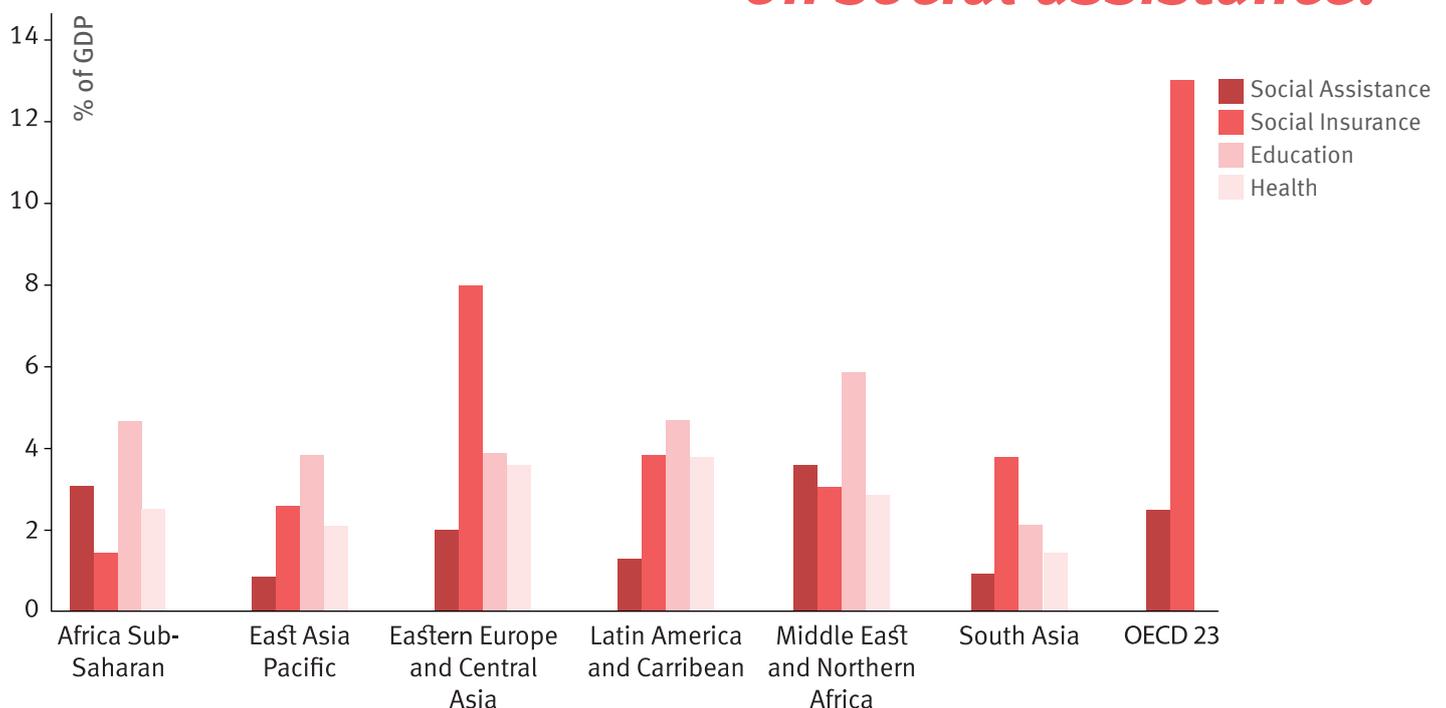
MENA countries provide very similar types of social protection programs to other world regions and face many similar challenges as can be found in India, China, Brazil and South Africa. These range from cash transfers and targeted social assistance to vulnerable groups to earnings-related social insurance schemes. The appetite for universal social protection schemes in the Arab region is small with the exception of an overreliance on inefficient and ineffective food and fuel subsidies. GCC states have made the biggest strides in extending health insurance while various other countries such as Yemen, Jordan and Gaza and the Occupied Palestinian Territories have focused more on improving social assistance programs.

**“The appetite for universal social protection schemes in the Arab region is small with the exception of an overreliance on inefficient and ineffective food and fuel subsidies.”**

Figure 1 below shows social expenditure as a percentage of GDP for the MENA region in comparison to other world regions. It shows that education expenditure occupies the largest share of the Arab region countries’ GDP but social insurance remains among the lowest. The figure also shows, that after education, spending on social assistance occupies the second largest share of GDP. In fact, the MENA region is considered to be the world’s highest spender as a region on social assistance. This situation reinforces the interpretation of social protection in the terms of social assistance.

Figure 1

*Social spending as a percentage of GDP: All regions*  
 Source: World Bank, 2008



More recently, international development agencies have begun to promote an agenda around social protection in MENA which has been met with greater interest by MENA governments in part due to the concerns posed by the Arab uprisings but also as a result of the need to propose new policy objectives in the post-2015 MDGs era. New policies are appearing which include the extension of employment-based health insurance, unemployment benefits for university graduates, reform of food and fuel subsidy programs and unconditional cash transfer programs. These do not constitute a revolution in social policy but are a step in the right direction though they are policies which complement a neo-liberal perspective on social welfare duties and responsibilities.

*Configuration of Social Policy Provision*

In the absence of comprehensive and concrete social policies in the MENA, it is more apt to a certain extent to argue that these countries have social strategies in place. Thus, they are following a combination of medium and short-term social strategies aimed at alleviating the negative effects of public policies geared primarily towards economic growth, and to a lesser degree spreading the fruits of development where possible. The social protection strategies that are adopted by MENA countries may be grouped into three categories as follows:

1. Social protection aimed at needs satisfaction.
2. Social protection in the form of safety nets and social assistance services.
3. Pro-poor growth strategies and social development programs.

**“The MENA region is considered to be the world’s highest spender as a region on social assistance.”**

The bulk of the strategies proposed by MENA countries fall under the category of what we may call social assistance schemes with a limited range of economic growth policies that seek to minimize the impact on the poorest members of the population, if not improve their situation (i.e., pro-poor policies). The policies shown cover the full range of social, industrial and macro-economic policies. The emphasis on private sector investment and employment-based social insurance in the MENA is also made clearer when we look at what kinds of social security legislation are available in the region.

### ***A Residual/Productivist and Corporatist Approach to Social Policy***

In terms of welfare regime analysis, we may pitch MENA countries somewhere between residual and corporatist models. With some minor exceptions of countries with long socialist traditions such as Syria and Egypt, most are now adopting a strong neo-liberal stance whereby the private sector is the main engine of social and economic prosperity, the state provides social safety nets for poor and vulnerable groups, and the family (mainly the nuclear family) and charitable/religious organizations are expected to play a role in offering social support services. This exemplifies the classic definitions of residual or 'productivist' social policy where economic growth is given priority over more equitable mechanisms of redistribution and universal non-contributory coverage.

***“The events of the Arab Spring have made international organizations and MENA governments more aware of the need to develop social protection policies”***

The Arab and Persian Gulf states have traditionally occupied the category of Rentier economies whereby social welfare provision is primarily funded by oil revenues and is divorced from notions of citizenship rights and obligations. There is evidence of positive intentions in some of the Arab and Persian Gulf states to diversify their economies in view of the eventual disappearance of oil and hydrocarbon resources. Indeed positive moves in societal security in these countries may be found in Bahrain, which has now implemented an unemployment scheme.

But there is also a difficulty in the region in relation to the basic intellectual ground work and policy evaluation process. With the exceptions of Turkey and Israel perhaps, most governments of the MENA do not have clear definitions of poverty or social protection, nor have they developed adequate statistical data to analyze the problem of poverty in their countries. There is a general lack of harmonized social welfare expenditure data. Moreover, the definition of social welfare is based primarily on the fulfilment of human needs as demonstrated by the precedence given to social safety nets in social policy. Thus, MENA countries are far from the discourse of social rights and citizenship that is more familiar in the West. Yet, the focus on needs and social safety nets contradicts government policy rhetoric in some MENA countries that seek to 'help citizens achieve their full potential'. Thus, MENA countries remain socially conservative societies where it is envisaged that the family will play the central role in issues of moral and social identity.

In conclusion, MENA governments have two over-arching tendencies in social policy: on the one hand, they are focused on employment-based social security which means that formally employed private and public sector workers are the most likely to receive protection, primarily in terms of end of service indemnity pay, health and education, but with some countries not having old age pension schemes such as Lebanon, being employed for one's entire working life does not protect against poverty once in old age. This corporatist tendency also supports the residual/productivist social policy approach that sees MENA states providing social safety nets that merely alleviate the problem of poverty. MENA governments continue to promote patrimonial social structures that give precedence to the family and the religious community in social welfare initiatives, which is discussed further in the Social Welfare and Religion in the MENA: A Lebanese Perspective (Jawad, 2009).

### ***Conclusion***

This policy brief has offered an overview of the main types of social welfare programs that are in place in Lebanon and the MENA region more widely. It has argued that the region has mainly offered social safety and employment-based social protection since the concepts of citizenship and social rights have not informed social policies. The events of the Arab Spring have made international organizations and MENA governments more aware of the need to develop social protection policies but the focus on conditional cash transfers narrows down the social transformative potential of this new policy agenda.

## References

El-Ghonemy, R. (1998) *Affluence and Poverty in the MENA*, London, Routledge

IPR-MENA social policy network <http://www.bath.ac.uk/ipr/our-networks/middle-east-social-policy/>

Jawad, R. (2009) *Social Welfare and Religion in the MENA: A Lebanese Perspective*, Bristol, The Policy Press

Jawad, R. (2014). *Social protection in the Arab region: Emerging Trends and recommendations for future social policy*, UNDP research paper for the Arab Human Development Report, UNDP regional bureau for the Arab states

Karshenas, M. and Moghadam, V., M. (eds) (2006) *Social Policy in the MENA: Economic, Political and Gender Dynamics*, United Nations Research Institute for Social Development, Basingstoke, Palgrave Macmillan

Loewe, M. (2004) 'New Avenues to be Opened for Social Protection in the Arab World: The Case of Egypt, in *International Journal of Social Welfare*, vol. 13, pp3-14

## ACKNOWLEDGMENT

The AUB Policy Institute would like to thank Dr. Nasser Yassin, Dr. Hana A. El-Ghali, and Ms. Nadine Ghalayini, who dedicated their considerable time and expertise to review and edit this Policy Brief. Their generous contribution is deeply appreciated.

## AUB POLICY INSTITUTE

The AUB Policy Institute (Issam Fares Institute for Public Policy and International Affairs) is an independent, research-based, policy-oriented institute. Inaugurated in 2006, the Institute aims to harness, develop, and initiate policy-relevant research in the Arab region.

We are committed to expanding and deepening policy-relevant knowledge production in and about the Arab region; and to creating a space for the interdisciplinary exchange of ideas among researchers, civil society and policy-makers.

✉ AUB Policy Institute (Issam Fares Institute for Public Policy and International Affairs)  
American University of Beirut  
P.O.Box 11-0236  
Riad El-Solh / Beirut 1107 2020  
Lebanon

📍 Issam Fares Institute Building  
AUB  
☎ 961-1-350000 ext. 4150  
☎ +961-1-737627  
@ ifi@aub.edu.lb  
🌐 www.aub.edu.lb/ifi



Issam Fares Institute for Public Policy and International Affairs  
معهد عصام فارس للسياسات  
العامة والشؤون الدولية

f aub.ifi  
🐦 @ifi\_aub