

ECONOMIC AND SOCIAL COMMISSION FOR WESTERN ASIA

**TOWARDS INTEGRATED SOCIAL POLICIES
IN ARAB COUNTRIES**

FRAMEWORK AND COMPARATIVE ANALYSIS

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Preface

Since the beginning of 2002, the United Nations Economic and Social Commission for Western Asia (ESCWA) has focused on the issue of integrated social policies with a view to promoting a coordinated and effective social vision that encompasses both the social and the economic priorities of countries in the region.

Studies prepared by ESCWA since the launch of the integrated social policies project have analysed the formulation and implementation of social policies at country level in all sectors, including education, health, employment and social security. Background papers on successful experiences in the design, implementation and coordination of social policies aim to provide Arab policy makers with a clear and comprehensive description of policy-making approaches adopted in selected developed and developing countries. The publications further aim to encourage policy makers to examine underlying weaknesses that have led to lapses in the impact of frameworks for sound policy coordination among principal actors in government institutions, civil society and private-sector institutions.

I would like to extend my thanks and appreciation to Mr. Saad Nagi for preparing this report entitled *Towards Integrated Social Policies in Arab Countries: Framework and Comparative Analysis*, an overview in one comprehensive volume of ESCWA's work over the years. I also wish to thank the Social Development Division at ESCWA for its input. The report provides a much-needed comparative analysis of social policies in developed and developing countries, and identifies approaches to enhancing their effectiveness in the Arab region. Given the importance of an integrated social vision for strengthening the social and economic development process, I hope that the study will assist decision makers in the region in forging such a vision.

In the forthcoming phase, field surveys will be conducted in each member country to determine the characteristics and mechanisms required for the design, implementation, coordination and evaluation of integrated social policies. The purpose of this effort is to enhance national social development formulas to suit the circumstances of integrated social policies at the country level, thereby enabling Arab policy makers to devise policy strategies for their respective countries.

Mervat Tallawy
Under-Secretary-General
Executive Secretary

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SYNOPSIS

Objectives

The purpose of this report is to present an analysis of social policies and to identify approaches for enhancing their integration and effectiveness in Arab countries. The analysis is comparative and thus also covers advanced countries (Canada and Norway) and countries at different stages of development (Malaysia, the Republic of Korea and Tunisia). The idea is not to prepare a legislative agenda for the countries concerned, nor is it to examine particular policies in individual countries, since this would far exceed the scope of a single report. Specifically, the objectives are: (a) to clarify the meaning of the concept of “social policy”; (b) to clarify the contexts of social policies and identify organized actors; (c) to outline the functions and assess the results of social policies and to place them within the context of social problems and societal development; (d) to describe current models for policy processes as applied in countries included in the analysis, and to outline a “comprehensive” model; (e) to identify and discuss enabling and inhibiting conditions that affect policy formulation and implementation; and (f) to provide relevant recommendations. The material is organized and presented in the light of these objectives.

Meaning of social development and policy

To appreciate the urgency of this report, it may be useful to take a look first at the value-laden topic of “modernization”. It is claimed that change of the intensity and scope that we are witnessing today has been experienced on only two occasions since the beginning of time—when human life first emerged and during the transition from primitive to civilized society. What makes today different is the phenomenal growth in scientific knowledge and the enormous speed with which this knowledge is spreading globally. Whereas the West enjoyed the luxury of gradual, internally driven adaptation, the developing countries are now having change thrust upon them, often abruptly and at the behest of external forces. The fact is that, willing or not, all humankind will have to adapt to the new conditions.

While modernization is frequently defined in terms of its economic dimensions, it actually encompasses all aspects of society: the *intellectual* aspect, i.e. knowledge and the application of science and rationality to practical affairs; the *political* aspect, involving, for instance, consolidation, which is reflected in increasingly centralized administration and the equitable rule of law; the *economic* aspect, reflected in dramatic growth triggered by the scientific and technological revolution, coupled with the corresponding administrative ability to enact these changes widely and quickly; the *social* aspect, discernible in migration to cities, occupational changes, the levelling of opportunities through the extension of literacy, and the availability of health care, entailing shifts in traditional family and gender relations; and the *psychological* aspect, including the shift from familial/kin interests to more individual concerns and wider collective interests. The transition from stable traditional societies to a dynamic

modern environment requires constant adaptation. Change can be crisis-ridden, traumatic and feared, or it can be anticipated, routinized and welcomed. Increasingly invasive communications and the public's rapidly rising expectations mean that procrastination is not an option; it not only prolongs and magnifies existing problems but also creates others. The role of government in these processes of adaptation is central and its primary mechanism for change is public policy, which has been defined as "whatever government chooses to do or not to do". For these reasons, understanding the processes and conditions that influence public policy is imperative.

Social policy has been defined in a variety of ways discussed in the report: (a) as policy pertaining to certain sectors such as health, education and especially social protection; (b) as policy addressing social problems such as illiteracy, unemployment and especially poverty; and (c) in broader terms and in an integrated manner, as policy addressing social problems while advancing societal development towards the goal of enhancing the well-being and quality of life of the general public. It is the latter perspective that guides this report.

Integrated policy

Societal development aims at the transformation of society, by society, for society. It is a massive, complex and necessary project. The process needs to be inclusive and well coordinated; and developmental policies need to be integrated. The integration of policies serves many purposes, two of which are particularly important: (a) improving efficiency by avoiding duplication and contradictions; and (b) enhancing synergy among policies and ensuring that the whole is more than the sum of the parts. There are four levels at which integration can be accomplished: two external and two internal. The two external levels are: (a) integration among policy areas such as social, economic and political policy; and (b) integration of a policy within a given area with others in the same area. The two internal levels are: (a) integration among the elements that comprise a given policy; and (b) correspondence between the letter and intent of a policy and its operational implementation. The report contains many examples and discussions of these aspects of integrated policies.

Policy contexts

The policy process takes place within many different contexts: historical, ideological and global contexts; the context of organized participants; and the context of information. Outside influences on Arab countries are *historically* important. As part of the Ottoman Empire, they were insulated for centuries from scientific and technological developments and the processes of adaptation they entailed. This was followed by colonization by Western nations seeking to control and exploit them. The colonizers dominated trade, discouraged democratic governance, and geared education to staffing the bureaucracy while neglecting broad public education. This left a legacy of suspicion and distrust of ideas from the West which were perceived as a "cultural

invasion”—a threat to the moral and nationalist fabric. The effects are visible in the contrast with South-East Asian countries, which did not have this heritage and felt free to adapt Western experiences that suited their needs, while protecting values that contributed to cohesion in their societies. Also important is the historical context of the policy issue at hand and the capacity of institutions to deal with it.

Ideology and values: personal and cultural choices are not necessarily justified on scientific or rational grounds. Ideological influences since the Second World War, from inside and outside, are identified and discussed, ranging from interventionist and nationalization policies and command governance to “structural adjustment” policies in the 1980s and 1990s, to be followed hopefully by a realization of the need to adapt to scientific knowledge and its application and to strengthen the capacities of institutions.

Like modernization, *globalization* is inevitable. The resolution of many problems depends increasingly on wider “communities of solution” necessitating regional and international cooperation. Globalization cuts both ways; that is, it embodies both positive and negative consequences within and among nations. Unfortunately the gains and pains are not equitably distributed, and the maldistribution favours countries at advanced stages of development. A major preoccupation of governments in these societies is attending to the interests of their citizens, and the policies of governments in the region should pursue the same goal. Vigilance is necessary in agreements about developing niches in the global economy.

Organized participants are potentially numerous and they vary from one country to another depending on culture, social organization and governance. Within a country, they include *government*, its capacity and its relationship with society; *business* groups, which vary in terms of several characteristics such as public/private, national/multinational, small/large, formal/informal; *political parties* where allowed; *civil society NGOs* which range from interest groups and civic activists to organizations delivering human services and/or those engaged in advocacy on behalf of disadvantaged sectors of the population; the *professions* that implement the various policies concerned with human services; and the *press and media* which, when free from undue influences, can play a crucial investigative and informative role.

Organized participants also include *governments of advanced countries*, which can assist in providing resources, market access, scientific knowledge and technology to developing countries through bilateral agreements, international organizations and/or multinational corporations; and *international organizations* which, though being without authority to enforce international agreements, are nevertheless instrumental in developing international conventions and in conflict resolution. They also have the leverage of funding and moral authority and serve as a reservoir of expertise. Unfortunately the results of their development assistance have so far proved less than effective.

Finally, while availability of *information* does not guarantee the success of policies and programmes, its absence almost always ensures their failure. Abundant, timely and accurate information is essential to identifying and assessing problems, options, approaches and consequences of policies. The Arab region is burdened with both a lack of and low-quality data. Four factors contribute to this: (a) the “politics of statistics”, that is to say, government intolerance of data that differ from those produced by public agencies; (b) requiring permits to conduct surveys so that control is exercised over the information gathered; (c) inadequate training in the increasingly technical process of collection and analysis of data; and (d) deficiencies in commitment to protect the integrity of data.

Functions and results of policy

The function of public policies and programmes is to address human needs that remain unmet and shared values that remain unfulfilled due to weakness in the capacities of relevant institutions. Policy is also the mechanism whereby government promotes opportunities for societal development. Several dimensions are identified and discussed, including: political development; civil society; economic development; poverty and inequality; education, knowledge and skills; health and health care; social protection; social integration; the status of women; and the environment. Data on indicators are also included to assess the results of policies in the various countries to date.

With few exceptions, indicators show the Arab countries in the analysis to be lagging behind the comparative countries, in many cases seriously, in respect of each dimension. Civil society organizations are underdeveloped and subject to government controls; economic development is generally sluggish, with high levels of unemployment, especially among the young and educated; poverty exists at high rates of prevalence and intensity, especially in non-oil-rich countries. The indications are that attention also needs to be given to the quality of education; health and health-care indicators, with notable exceptions, show the need for major improvements; measures of environmental sustainability also show the region to be lagging severely behind; and gender inequality is a prominent feature of the region.

The picture that emerges, again with very few exceptions in respect of individual dimensions, is that policies have not been effective in resolving problems or in building and sustaining environments conducive to progress. The task is further complicated by the tendency for problems to cluster, which underscores the compelling need for a strong commitment to integrated, representative and well-coordinated approaches and policies.

Policy models and processes

Three *basic models* underlie social policy. In the *elite preferences model*, policies flow downward from the top, with the bureaucracy’s role being largely one of

justification and implementation. Accountability is mainly to the elite and therefore less responsive to the population most affected, unless the interests of the two coincide.

The *balance of interests* model is built around a strong civil society and well organized interest groups, who become the bridge between the individual and government. This model allows the compromises and tradeoffs needed for successful implementation of and compliance with programmes to be worked out. However, it is important to note that the poor and disadvantaged are the least capable of organizing and mobilizing resources to influence policies. It is left to others to articulate their interests and bring them to the attention of decision makers.

Rational/scientific models assume full knowledge of society's values and of policy alternatives and consequences in order to ensure an acceptable balance between policy gains and sacrifices. Such complete knowledge is rarely mustered and the model does not accommodate differences in values and preferences. Conflicts in values and preferences are resolved through political processes of negotiation and compromise rather than by scientific means. In practice, this model often ends up with the planners articulating and implementing the interests of the elite and/or with the values of the elite being merely replaced by those of the planners.

A *comprehensive model* is introduced and discussed. It applies to intervention in social problems as well as to the pursuit of opportunities for development. This process involves a cycle of phases that flow into each other. Eight phases are delineated together with enabling and inhibiting influences: (a) identifying problems and opportunities; (b) defining and prioritizing issues; (c) placing issues on the public agenda; (d) defining goals and objectives, and identifying alternative approaches; (e) evaluating alternative approaches; (f) selecting alternatives; (g) implementing selected alternatives; and (h) evaluating programmes.

In addition to the many enabling and inhibiting conditions discussed in connection with each of the phases, several cut across all phases of the cycle with important influences. Education at all levels brings understanding and rationality to all phases of the process. A fair and effective system of public accountability brings discipline to the process. Legitimacy of representation in the negotiations and compromises involved in the policy process enhances public acceptance, support and voluntary compliance. Stability is often used as a rationale for preserving the status quo and often leads to stagnation. Societal development requires capabilities for managing a "dynamic equilibrium". Large and growing populations are also used as explanations for lack of development. History and comparative experience with countries such as the Republic of Korea show that development is an important factor in lowering fertility rates and population growth. Finally, the influence of the broader sociocultural environment is also discussed.

By definition, models are pure forms that are not fully applied in reality. However, some countries approximate more closely than others to one particular model. The report includes an analysis that compares the applicability of the models and realities to Arab countries and to Canada, Malaysia, Norway and the Republic of Korea. Clearly, the dominant pattern in Arab countries is the elite model, with minimal public representation in the process because of restricted political freedoms. In advanced countries (Canada and Norway) with egalitarian cultures and a strong commitment to collective interests and social justice, the process is dominated by the balance of interests and scientific models. The transitional comparative countries (Malaysia and the Republic of Korea) are characterized by a mix of elite preference with strong elements of the rational/scientific model, especially in the Republic of Korea.

Recommendations

The report concludes with a set of recommendations, some for countries of the region and others for ESCWA in its role as a regional arm of the United Nations. Recommendations for the countries are grouped into two categories: (a) those related to the big picture of societal development; and (b) those related to narrower issues pertaining to particular sectors or institutions of society.

I. INTRODUCTION: MEANING OF SOCIAL POLICY

A. OBJECTIVES

The purpose of this report is to present an analysis of social policies in countries in the Arab region, as well as in others selected for comparative purposes, in order to identify approaches likely to enhance their integration and effectiveness. The idea is not to prepare a legislative agenda for the countries concerned, nor is it to examine particular policies in individual countries, since this would far exceed the scope of a single report. ESCWA has published “country studies” in which policies in each country included in this report are discussed.¹ Specifically, the objectives are: (a) to clarify the meaning of the concept of “social policy”; (b) to clarify the contexts of social policies and identify organized actors; (c) to outline the functions and assess the results of social policies and to place them within the context of social problems and societal development; (d) to describe current models for policy processes as applied in countries included in the analysis and to outline a “comprehensive” model; (e) to identify and discuss enabling and inhibiting conditions that affect policy formulation and implementation; and (f) to provide relevant recommendations. The material is organized and presented in the light of these objectives.

B. SOCIAL POLICY

The word “social” has been defined as: “Concerned with, interested in, the constitution of society and the problems presented by this”.² This also implies concern with, and interest in, societal change and development. To advance understanding of the concept of “social policy”, a starting point for policy makers, implementers, analysts and interested publics is to keep in mind the rather obvious but far-reaching fact that these policies do not exist or operate in a vacuum. They are embedded in complex systems composed of structural and dynamic features that involve the whole society and culture. An informed perspective must take into account the various aspects of these interrelationships and their mutual influences, which are substantial. Three basic features are particularly useful when it comes to clarifying the meaning of “social policies”: (a) institutions, (b) mechanisms and (c) the composition of society.

1. The quest for well-being, the most fundamental and most universal of human concerns, underlies the emergence of *institutions* pertaining to the various functions of society. Thus, the institutions of *family and kinship* attend to procreation, socialization and nurturing of the young, care for members in need of assistance and satisfaction of the emotional needs of constituents. *Religion* attends to moral development and spiritual fulfilment. The *economy* provides the framework for such functions as

¹ These are reports on social policies in individual countries published by ESCWA in 2004.

² *The Oxford Universal Dictionary on Historical Principles*, 3rd edition revised with addenda (London, Oxford University Press, 1955), p. 1935.

saving, investment, production, distribution and exchange. *Polity and law* distribute and regulate power and authority, and define and administer justice. The institutions of *education and knowledge* cohere around information, science, invention and innovation. *Health care* is concerned with physical, mental and emotional well-being. And *social protection* addresses the need for support and care of segments of the population who, temporarily or permanently, are unable to attend to their own needs. Each of these institutions embodies systems of values that set goals, norms that define standards of behaviour, and organizations that promote these goals and standards, and apply them in their respective spheres of human activity. Alongside these relatively specialized complexes of values and norms, cross-cutting universal moral values and ethical norms influence behaviour within all institutional areas.

2. In performing their societal functions, institutions rely on certain *mechanisms* such as public policy, markets, professional expertise, actions by private citizens collectively and individually, and technology. While separable, these mechanisms affect each other in major ways.

3. The criteria for classifying the *composition* of a society are virtually unlimited. The examples used here are selected for their importance to social policy: gender, socio-economic stratification, ethnic composition and rural/urban distribution. Differences along these lines, especially in traditional societies, often translate into rigid inequalities of opportunity, inequities in the distribution of power and resources, discrimination and other forces inimical to the integration of society. The effects of these social categories are intricately bound up with societal institutions and mechanisms.

These are the main features of society and culture that have evolved to advance human well-being by maintaining security, reinforcing cohesion, expanding opportunities, managing change and regulating interaction. Strengths and shortcomings in the capacities of institutions and mechanisms have a crucially important impact on development. Such shortcomings not only curtail progress but also bring about problems that they are supposed to prevent and to which they must respond.

This report is concerned with public policy, which can be defined in general terms as “whatever governments choose to do or not to do”.³ The central role of political institutions and the pervasive influence of this mechanism are evident in the existence of policies relating to all institutional areas—polity itself, law, economy, family, education, health, social protection and others. The focus here is on “social policy” and on further specification of its meaning which, as in the case of all concepts, does not rest only on semantics but also on use. Jacques Baudot gives an

³ Thomas R. Dye, *Understanding Public Policy* (New Jersey, Prentice-Hall Inc., Englewood Cliffs, 1972).

insightful account of the recent history of the use of the concepts of “social policy” and “social development” in United Nations circles, which we quote at length. He begins by recalling:

“... the approach to social policy and social development that was taken by the Social Summit. The starting point was that social policy is a national responsibility and each country should determine its own path to development and progress. However, there are universal goals that national governments and other actors on the world scene are committed to pursue and these are above all the eradication of poverty, full employment, and the promotion of social integration in societies that are stable, safe, just and respectful of human rights. There are also universal prescriptions that give legitimacy to social policy and are indispensable to social development, notably the rule of law, democracy and good governance. Moreover, developing countries require a supportive external environment, especially a dynamic and fair world economy, and an active international cooperation, for their social policy to be sufficiently funded and their social development to be comprehensive and successful. And the process of globalization presents challenges and threats, notably intensified poverty and social disintegration, but also opportunities for social development, including through sustained economic growth and ‘cross-fertilization of ideals, cultural values and aspirations’. In the texts adopted in Copenhagen and Geneva, an ambiguity was maintained on the meaning of the term social policy, used either to designate sectoral policies, for instance on education or health, or to refer to overall policies, for instance on equity, participation or social integration. In addition, a plea was made for a holistic approach to development and the integration of economic and social policies.

Among the many developments that have occurred since this approach was adopted in 1995, three are particularly significant from the viewpoint of the evolution of the concept of social policy:

Firstly, the international community rapidly decided to attach priority to the goal of eradication of poverty, one of the ten commitments made in Copenhagen. ... By all accounts, the pursuit of this objective generated an unprecedented level of cooperation between the various international entities concerned with development ...

The second significant fact is that despite exceptions and notwithstanding difficulties of judgement due to lack of reliable data, there is strong evidence that social problems in the world, including poverty, are on the rise rather than abating. To mention only two such negative trends, inequalities and imbalances between developed and developing countries are on the whole increasing, and in most countries a growing number of individuals are being marginalized and fall into extreme forms of indigence. A society for all ... and an international community welded by cooperation, participation and partnership, seem to be receding ideals. Instead, violence and conflicts dominate the international agenda.

Thirdly, in the last few years, in the United Nations, the use and visibility of the expressions ‘social policy’ and ‘social development’ have considerably diminished. Official documents reduce social development to a limited number of problems and sectors. Resolutions and declarations ... ignore social development. At the time of the Social Summit unsuccessful attempts were made to introduce in the text the concept of ‘human development’, seen by its proponents as ‘people-centred’ and ‘empowering’ and by its opponents as ‘individualistic’. Currently, social development tends to be de-facto identified with and replaced by poverty elimination and humanitarian assistance. As to social policy, when mentioned, it evokes purely remedial thinking and measures such as ‘safety-nets’.

And yet there is ample historical evidence that no society is able to progress towards those goals that are valued by most people—notably a decent level of living for all, freedom and participation and a sense of purpose and integration in a community—without a purposeful, comprehensive and coherent social policy. At the same time, a number of past political doctrines of social intervention in the technocratic or coercive modes have exposed their limits and are morally and practically indefensible in societies that are increasingly pluralistic and in a world that, in spite of insecurity and conflicts, is increasingly open and interdependent. Hence the necessity of a reflection on the need for renewed approaches to social policy and the conditions⁴ under which they could be elaborated and encouraged by the United Nations”.

Ambiguities in the meaning of “social policy” are evident in the preceding discussion. Three approaches may be readily identified.

In the *first* of these approaches, definitions are based on *institutions* and their differentiation and specialization. Many policies are institution-specific, such as those concerned with licensing of hospitals and accreditation of schools, which fall within the spheres of health and education respectively. Because of their pervasive influence, political and economic institutions that regulate power and resources are singled out for individual recognition. By contrast, policies addressed to some or all other institutions are grouped together in a residual category labelled “social”, which generally includes education, health, social protection and the environment. These are often referred to as sectors.

The *second* approach is based on *problems* and *issues* and is called “holistic” or “integrative”. This type of approach is a response to the fact that institutionally based definitions, owing to their fragmentation, fail to accommodate the analysis of major social issues and problems including but not limited to poverty, well-being, quality of life, standards of living, justice and human rights. There is no one-to-one

⁴ Jacques Baudot, “International Forum for Social Development”, United Nations, Department of Economic and Social Affairs, Internal Memorandum, 2003. pp. 2-3.

correspondence between these issues and institutional areas; they cut across multiple, if not all, areas. The question of the applicability of the term “social” to a mix of integrated policies remains open. It is apparently being resolved through a shift to naming problems and issues directly such as “poverty” or “quality of life” and de-emphasizing the use of the term “social”. This might account for Baudot’s observation, quoted earlier, that “in the last few years, in the United Nations, the use and visibility of the expressions ‘social policy’ and ‘social development’ have considerably diminished”.⁵ This shift and its consequences argue for use of the terms “public policy” and “societal development” respectively.

The *third* approach to defining the “social” character of problems or issues is not based on their content but on the *prevalence* of their effects. Within this perspective, problems, development goals and policies become “social” when they affect large numbers of people. “Public policies generally are not designed with the needs of *individuals* in mind”.⁶

These approaches are not contradictory; in fact, in many ways they are complementary and the appropriateness of their use depends on the context. In this report, only social problems, social goals and related policies that affect large numbers of people will be considered. Most of the problems, goals and policies addressed are multidimensional and cut across several if not all institutions. Some, however, fall more substantially within particular institutions.

C. SOCIETAL DEVELOPMENT

Few concepts have raised so many hopes and expectations and caused such frustration and disappointment as that of “development”. Furthermore, the concept has become enmeshed in a semantic web that impedes analysis and real comprehension. We take development to mean change that advances the human condition. It has been the object of informal efforts on the part of families and communities since the beginning of time, and the aim of public policies since the emergence of nation states. More recently, its international dimension has been expanding. Current development trends, accomplishments and setbacks can be made more intelligible by virtue of a clearer understanding of processes of “modernization”. A respected historian describes the awesome significance of these processes as follows:

“The change in human affairs now taking place is of a scope and intensity that mankind has experienced on only two previous occasions and its significance cannot be appreciated except in the context of the entire course of world history. ...

⁵ Ibid., p. 4.

⁶ Donald E. Chambers, *Social Policy and Social Programs: A Method for the Practical Public Policy Analyst* (Boston, Allyn and Bacon, 2000), p. 2.

The process of change in the modern era is of the same order of magnitude as that from prehuman to human life and from primitive to civilized societies; it is the most dynamic of the great revolutionary transformations in the conduct of human affairs. What is distinctive about the modern era is the phenomenal growth of knowledge since the scientific revolution and the unprecedented effort at adaptation to this knowledge that has come to be demanded of the whole of mankind”.⁷

An inescapable conclusion is that the course of human history and the progress of nations are tied to participating in the scientific and technological transformations and to the changes they bring about. For some countries, the change has been crisis-ridden, traumatic and feared. For others, it has been anticipated, routinized and welcomed. Procrastination and delays in adaptation leave institutions outdated and weak, and this in turn breeds and magnifies all kinds of societal problems, which are not only of a structural nature but are also reflected in the attitudes and behaviour of individuals.

Many attempts have been made to define modernization and to develop categories for the classification of its dimensions. With notable exceptions, the definitions reflect the disciplinary orientations of the analysts. More importantly, they have tended to emphasize economic dimensions, especially production and growth, paying far less attention to equity in distribution.⁸ Classification schemes differ in grouping the innumerable elements involved in modernization. However, as Black has pointed out: “It should ... be apparent that the various aspects of human activity, however categorized and defined, are continually interacting and can be discussed in discrete compartments only by a deliberate act of gross oversimplification.”⁹ He proceeds to identify five categories—intellectual, political, economic, social and psychological. The following excerpts from his description of these categories provide a useful historical context for the planning and management of development:

“Intellectual: It is important to start with the intellectual realm, since the growth of ... understanding and control over [the] environment in all of its complexity plays such a vital role in the process of change in modern times. It is clear that little has changed except ... knowledge. ... Historians trace the immediate origins of modern knowledge in Western Europe to the renaissance of the twelfth century, when the writings of Greek and Arabic scholars became available and creative work of a lasting order was initiated in many fields. ... An important feature of the intellectual revolution was the application of science to ... practical affairs ... in the form of technology. ...

⁷ C. E. Black, *The Dynamics of Modernization* (New York, Harper & Row, 1966), pp. 1-4.

⁸ Baidya Nath Varma, *The Sociology and Politics of Development: A Theoretical Study* (London, Routledge & Kegan Paul, 1980), p. 15.

⁹ Black, *Dynamics of Modernization*, p. 9.

Political: The political implications of modernization are most strikingly apparent in the consolidation of policy-making that has occurred in both the public and the private domains. ... In the public domain this has taken the form of increasing centralization of the administrative organs of the state. ... The relatively centralized and rationalized functions of a modern state would not be possible without the rule of law maintained by a highly organized bureaucracy, and a close rapport between the state and every member of the society. Indeed, the replacement of arbitrary administration of individuals by a legal system is the hallmark of modernization in the political realm ... Modern societies rely to such a degree on the acceptance and participation in one form or another of its inhabitants that the structure of the state has been determined to a large extent by its ability to gain such acceptance. ...

Economic: The economic aspect of modernization has been so dramatic that many have regarded it as the central and determining force in this process. In fact, however, economic development depends to a great extent on the intellectual and political aspects of the process, the growth in knowledge and the ability of political leaders to mobilize resources. Yet economic growth has no doubt been compelling in its effect on individuals. ... At the heart of this growth has been the scientific and technological revolution. ... [A] profound difference [between tradition and modernity] in economic levels and patterns of growth ... may be seen in the contrast ... between advanced and undeveloped societies ... In seeking an explanation for this diversity of growth trends one must look beyond economics to the political, social and psychological factors.

Social: Profound social changes have accompanied and complemented the intellectual, political and economic aspects of modernization. ... A phenomenal migration to the cities accompanies [the] change in occupations ... This urbanization generally involves a significant transformation of the family ... These trends have been associated with a considerable levelling in terms of income, education and opportunities. ... Modernization is also accompanied by the extension of literacy... Relations between men and women also undergo a marked change... Equally striking has been the improvement of health as a result of modern medicine. ...

Psychological: The psychological aspect of modernization is of fundamental importance, for in the last analysis it is on the perceptions of individual human beings that everything depends. The manner in which an individual adapts to his environment is a result of the conditioning received in the early years of life in the home setting and also of influences in later life that may be sufficiently powerful to affect the firmly set pattern established in childhood. ... The rather rigid social structure of traditional societies also tends to inhibit individualism. ... The sense of achievement inspired by a desire to get ahead or to gain new privileges is consequently limited. ... The fundamental problems of human nature and relations do not alter as societies modernize, but they are dealt with in a different environment. The essential difference

is that the relative stability of traditional society is lacking under modern conditions”.¹⁰

The question of the relative importance of these components, their interrelationship and whether or not they need to be sequentially addressed has given rise to a great deal of discussion. A useful concrete analogy is to view the complementarity of these components as a multi-sided liquid container: the amount it can hold is determined by the shortest side. Thus, while *progress in each of these aspects is a valued end in itself*, their mutual synergies make a compelling case for integrated approaches to development. Examples of the interplay among these dimensions can be seen in: (a) the need for economic resources in order to modernize and extend the reach of systems of education, health care and social protection; (b) the central role of educated and skilled human resources in advancing and maintaining economic progress; (c) the importance of public policies and programmes for protecting the integrity of markets against excesses and other failures, for setting standards and monitoring the provision of services, and for promoting balance between individual and collective interests; (d) the value of pluralist democratic governance that is respectful of human rights and freedoms in unleashing human capabilities; and (e) the necessity of shared commitments to justice and ethics that advance fair, orderly and constructive human interaction within all spheres of societal development.

Several issues relating to the course, processes and effects of modernization should be of import to policy makers, analysts and concerned publics. *First*, modernization is an ongoing process. The challenge faced in societies that modernized earlier was primarily internal and the transformation took place generally over several centuries and is still continuing. In societies that modernized later, on the other hand, the challenge has been increasingly external. Aided by advances in communication and trends towards globalization, along with the rise in expectations, the pace and abruptness of change have been steadily intensifying.¹¹

A *second* issue relates to concern about homogenization of cultures so that they conform to one model. Analysts’ observations do not necessarily lead to such a conclusion. “At the most fundamental level”, success in modernization is dependent on the ability “to keep the delicate balance required for survival between the maintenance of the traditional pattern of values that serves as the basis of cohesion and adaptation to new knowledge that requires a revision of the traditional value system.” Therein lies the answer to the question of whether—or rather the degree to which—modernization leads to the homogenization of cultures. The resulting mixes of retained values and norms with those newly acquired tend thus far to support the idea of the

¹⁰ Ibid., pp. 9-26.

¹¹ Ibid., p. 8.

emergence of “multiple modernities”. Socio-cultural differences among advanced societies are instructive in this respect.

Third, modernization is viewed as an ideology which combines a set of values which, according to Varma, include: representative governments, mass education, growing income for all classes, and provision of welfare for the needy.¹² He adds a number of “criteria”, namely, rationality, individualism, secularism, the application of scientific principles for advancing technology as well as personal goals, equality before the law, and freedom from prejudice which “is a vital part of the dignity of the individual”.¹³ Large sectors of the elite and the general public in Arab countries, and also in other countries, maintain ideologies that conflict with different combinations of these values. They offer resistance, both passively and actively, because of concern over the negative side effects of modernization, a vested interest in maintaining the status quo, or just fear of change.

Fourth, while modernization yields spectacular benefits in various branches of human affairs, it entails many serious contradictions, dilemmas and other problems. Thus, while providing the means for extending peoples lives, it has led to the perfection of weapons of mass destruction with potentially exponential increases in loss of life. Technological ability to expand the reach of political control, when not associated with democratization, places more people under authoritarian rule. Increased emphasis on materialism as a guiding purpose in life heightens stress to attain goals while degrading adherence to socially acceptable norms; as a result, a tendency to confuse unethical “expediency” with “efficiency” is a feature of modernization. This also tips the necessary balance in commitments towards individual versus collective interests by devaluing the latter. Several other trends that accompany modernization—such as urbanization, competition and political centralization—have increased the individuation of societies, thereby increasing vulnerability to feelings of isolation and alienation. Other serious consequences are associated with the rapid pace of change which has aroused an understandable longing for simplicity, clarity and certainty. This desire has in turn led, in large measure, to a rise in conservatism in both developed and developing societies. Knowledge, will, the mobilization of resources and the development of mechanisms are required to address these and other problems encountered in the course of modernization. Crucial among these mechanisms are public policies and programmes, especially those relating to education.

D. INTEGRATED POLICIES

Societal development aims at the transformation of society, by society, for society. It is a massive, complex and necessary project. The process needs to be

¹² Baidya Nath Varma, *The Sociology and Politics of Development*, p. 5.

¹³ *Ibid.*, p. 7.

inclusive and well coordinated; and developmental policies need to be integrated. The integration of policies serves many purposes, two of which are particularly important: (a) improving efficiency by avoiding duplication and contradictions; and (b) enhancing synergy among policies, and ensuring that the whole is more than the sum of the parts. There are four levels at which integration can be accomplished: two external and two internal. The two external levels are: (a) integration among policy areas such as social, economic and political policy; and (b) integration of a policy within a given area with others in the same area. The two internal levels are: (a) integration among the elements that comprise a given policy; and (b) correspondence between the letter and intent of a policy and its operational implementation. The remainder of the report includes many examples and discussions of these aspects of integrated policies.

E. THE COUNTRIES

Three groups of countries are included in this analysis. *First*, the thirteen countries that constitute the ESCWA region: Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Oman, Palestine, Qatar, Saudi Arabia, Syrian Arab Republic, United Arab Emirates and Yemen. The *second* group comprises five additional Arab countries: Algeria, Libyan Arab Jamahiriya, Morocco, the Sudan and Tunisia. The *third* group consists of countries selected for comparative purposes. They include Canada and Norway because of their advanced levels of societal development; Malaysia because a majority of the population are Muslims; and the Republic of Korea as an example of rapid and relatively equitable modernization. Information about the populations and areas of these countries is presented in table 1.

TABLE 1. POPULATION AND AREA

Country	Population (Millions)	Land area (1000 m ²)	Country	Population (Millions)	Land area (1000 m ²)
Algeria	32.3	919.6	Qatar	0.7	43.3
Bahrain	0.7	0.3	Saudi Arabia	25.1	830.0
Egypt	73.4	386.7	Sudan	39.1	967.5
Iraq	25.9	169.2	Syrian Arab Republic	18.0	71.5
Jordan	5.6	34.4	Tunisia	10.0	63.2
Kuwait	2.5	6.9	United Arab Emirates	4.2	32.3
Lebanon	4.5	4.0	Yemen	20.0	203.9
Libyan Arab Jamahiriya	5.6	679.4	Canada	31.9	3 849.7
Morocco	30.6	172.4	Malaysia	25.6	127.3
Oman	2.7	82.0	Norway	4.6	125.1
Palestine	3.8	2.4	Republic of Korea	48.2	38.6

Sources: Column 1: 2004 World Population Data Sheet, Population Reference Bureau; column 2: World Bank, World Development Indicators 2004.

II. VALUES, IDEOLOGIES, AND STRUCTURES: CONTEXTS OF SOCIAL POLICY

The environment within which the policy process takes place exhibits much of the complexity of society itself. In this chapter, important contexts are identified and discussed, including those of history, development, institutions and mechanisms, values, ideologies, globalization and participants. The next chapter is devoted to the most fundamental aspect of this environment: the issues that policies address. It should be noted that the various features of the policy environment involve considerable overlaps and causal connections.

A. HISTORICAL CONTEXT

Policy analysts need to consider two historical features. *First*, the history of the country, including the stages of development of its institutions. As has already been mentioned, this analysis covers eighteen Arab countries and four others for comparative purposes. Every country has a unique history. However, the Arab States share some weighty phases that have significantly affected their course of development and policy environments in similar ways. As part of the Ottoman Empire, they were insulated from centuries of scientific and technological development in the West, and from individual and institutional adaptation to that development. The insulation was not limited to hardware innovations; it affected all aspects of human affairs, including modes of organization and systems of administration and management.

This phase was followed by self-serving colonization by Western powers seeking to obtain control over geopolitically important territories and to exploit their resources. Education systems were largely geared towards training bureaucrats to carry out day-to-day government operations, instead of providing a broad public education service. International and large-scale trade was dominated by foreigners. Implanting political cultures of democratic governance actually ran counter to the interests of the colonizers. This colonial era did not always end peacefully.

The contemporary phase is marked by interventionist policies by world powers, internal tensions along ethnic lines and ideological confrontation, all of which frequently involve violence. Of particular importance are the military invasion of Iraq, the struggle in the Occupied Palestinian Territory, the current armed conflicts in the Sudan and the recent conflicts in Lebanon and Algeria. The region has also experienced military coups and other struggles for political power, which often divert attention away from societal needs.

These national histories have contributed greatly to deficiencies and lags in institutional capacities in the region. The history of relations between the Arab countries and the West is of special relevance to problems of modernization and development. Resentment of the West's policies has given impetus to the emergence

of different kinds of nationalist sentiment among political and intellectual elites, whose words and actions shape public attitudes and opinions. Modernization, as described earlier, has often been viewed as “cultural invasion” and a threat to the moral and nationalistic fabric of society.

The influence of these factors may be appreciated when countries of the region are compared with those of South-East Asia, whose historical experience has been different. For example, the people of the Republic of Korea approached development with greater objectivity and openness, adapting their institutions to the models of modern States that are driven by advances in scientific and technological knowledge. They understood “the ways in which different societies around the world are affected, what must unavoidably be changed and what must at all costs be preserved”.¹⁴ Thus, they were better able to maintain those traditional values and norms that promote cohesion, while adapting others to trends of modernization. As the data show, their achievements speak for the effectiveness of these policies and efforts.

The *second* feature of the historical context is the policy issues at hand. This includes the history of legislation and programmes addressing the issues concerned, their constituencies and their strengths and limitations. The legislative histories of related issues are also important, especially for the integration of policies and programmes.

B. CONTEXT OF VALUES AND IDEOLOGY

Values and ideologies, especially of the political elite, greatly influence various phases of policy formulation. The term *ideology* is used here to designate a complex set of values and value biases; and:

“... by a *value* we mean simply a conception of what is preferred. Values express a vision of how things ‘ought’ to be. ... value statements can be simple or complex, but in the end, they need no justification because they are personal or cultural preferences”.¹⁵

In the analysis of social issues and social policies, it is important to distinguish between statements of ideology and values, on the one hand, and statements of scientific fact, on the other. While the first are statements of what *should*, *ought* or *must* be, the latter are statements of what *is* or *are*.¹⁶ These distinctions are particularly important in the field of policy, since ideological positions are at times argued on scientific grounds without adequately meeting requisite rules of evidence.

¹⁴ Black, *The Dynamics of Modernization*, p. 1.

¹⁵ Chambers, *Social Policies and Social Programs*, p. 18.

¹⁶ *Ibid.*, pp. 18-19.

To illustrate the influence of ideology, consider its impact on the role of the “State” versus that of “markets” in societal development. In the aftermath of the Second World War and the era of liquidation of the colonies (1950s and 1960s), the Arab region, like most developing countries, favoured a State interventionist ideology. Governments became heavily involved in nation-building, centralization and consolidation of political power. Social security and other programmes of social protection were introduced. And, in pursuit of rapid industrialization and economic growth, governments expanded public ownership of business enterprises by nationalizing existing ones and developing others.

Consequently, in most of the Arab region, as in other developing countries, the ideology of “interventionist and often intrusive state-led development strategies combined with an emphasis on centralized political control ... frequently resulted in stagnation and inefficient economies and political regimes that were unresponsive, authoritarian and corrupt”.¹⁷ These conditions engendered a shift in ideology that is well described by Grindle:

“The response to problems created by ‘too much state; occupied the development agenda for much of the 1980s and early 1990s. In changes triggered by debt and fiscal crises, international pressure, and loss of support for centralized and authoritarian regimes, this period was marked by dual transitions. Many governments committed themselves to market-oriented approaches for generating economic growth at the same time that civil societies organized to press for democratic elections and greater participation in decision making. ... Throughout this period also, development specialists joined in an attack on the state for having ‘grown too large, intervened in economic interactions too energetically and mismanaged policy making and implementation too regularly’. ...

For much of the 1980s, intense concern about reducing state involvement in the economy overwhelmed the policy agendas of international financial institutions, which often took the lead in such initiatives, and reformist policy elites. Stabilizing macroeconomic conditions, liberalizing domestic and international trade, deregulating the market, privatizing state-owned industries and reducing the state and fiscal drag of central bureaucracies were the first priorities of economic reformers.”¹⁸

Another ideological shift emerged on which we again cite Grindle:

“For a considerable period ... reform initiatives were blind to the critical importance of having capable states, not just minimal ones, if markets were to perform

¹⁷ Merilee S. Grindle, “The Good Government Imperative”, in Merilee S., Grindle, ed., *Getting Good Government: Capacity Building in the Public Sectors of Developing Countries* (Cambridge, Harvard University Press, 1997), p. 3.

¹⁸ *Ibid.*, pp. 3-4.

effectively and citizens were to be assured of basic rights and freedoms. Only after a decade of experimentation with reducing government did economic reformers become explicit about the importance of strengthening government by infusing it with the capacity to be efficient, effective, and responsive, and with the capacity not only to manage macroeconomic policy, but also to regulate some forms of market behaviour”.¹⁹

“By the mid-1990s, good government had been added to the development agenda precisely because of greater awareness that neither markets nor democracies could function well—or perhaps function at all—unless governments were able to design and implement appropriate public policies, administer resources equitably, transparently, and efficiently, and respond efficaciously to the social welfare and economic claims of citizens”.²⁰

The renewal of ideological emphasis on the role of government in development, as expressed in policies and programmes, should focus attention on the capacities of political institutions and how they can be enhanced. Greater reliance will need to be placed in this context on scientific data and analysis rather than on ideology alone.

From a comparative perspective, ideological positions in the various countries about the roles of the State and markets have led to four types of political economies. One—*communism*—has been dismantled in the strongholds of the States of the former Soviet Union and has survived in very few countries. The other three models represent forms of capitalism: (a) *laissez-faire capitalism* characteristic of the Anglo-Saxon countries, of which Canada is included in this analysis; (b) *social corporatism* as in Scandinavia, of which Norway is part of this analysis; and (c) *State industrial and trade policies*, of which two countries are included here—the Republic of Korea, an early practitioner, and Malaysia, a later convert. These models have all been economically effective, albeit in different ways and with different shortcomings, especially with regard to social policies. The Arab countries do not offer coherent models. Furthermore, weaknesses in the capacities of political institutions in the Arab countries not only limit progress towards the adoption or development of such models, but seriously limit public debate on these vital issues.

C. GLOBALIZATION CONTEXT

Influential economic and geopolitical forces have been speeding up trends towards globalization, with modernization being a major contributor. Advances in means of communication and transportation have enormously facilitated the flow of information and people across national boundaries. Other technological breakthroughs have been changing the face of business by expanding the global reach of enterprises

¹⁹ Ibid., p. 4.

²⁰ Ibid., p. 5.

and expediting the movement of capital, goods and services (the movement of labour has been much more limited because of protectionist barriers). These trends have led to an increasing emphasis being placed on international cooperation as a dimension of development.

A useful concept in this discussion is that of “community of solution”, which refers to the boundaries within which a problem can be defined and addressed.²¹ These can be local, regional, national or international in scope. The elements for defining and resolving an increasing number of major problems are becoming global in nature. Movements of capital, goods, services and labour raise many questions of distributive equity across countries. Differences among countries in institutional capacities and in socio-economic conditions have also become major global concerns. Moreover, the issues of peace, security and the environment have become increasingly important items on the global agenda, as they affect human well-being in fundamental ways.

A pressing issue for every country is where and how it fits into the evolving global economic order. The process is commonly viewed as one of finding a niche in the rapidly integrating global economy based on the country’s “comparative advantage”. And, as Evans points out:

“From this perspective, ‘development’ is no longer just a local trajectory of transformation. It is also defined by the relation between local productive capacity and a global array of sectors. The countries that fill the most rewarding and dynamic sectoral niches are ‘developed’. Being relegated to niches that are less rewarding or filling less desirable links in a ‘commodity chain’ reduces the prospect of progressive change”.²²

A number of Arab countries have significant oil and gas reserves for export and they enjoy an important niche in a world that is increasingly dependent on these sources of energy. However, reliance on these natural endowments has known limits, especially in view of rapidly expanding populations, rising levels of unemployment, and dependence on foreign enterprises in the high-end aspects of the process—extraction and marketing. Most countries in the region have had difficulty establishing rewarding niches in the global economic division of labour. It is important to note that: “In a world of constructed comparative advantage, social and political institutions—the state among them—shape international specialization”.²³ Countries can change their positions in the international division of labour. In a comparative study of the

²¹ Saad Z. Nagi, “Toward a Global Community of Solution”, in Jacques Baudot, ed., *Building a World Community: Globalization and the Common Good* (Copenhagen, Royal Danish Ministry of Foreign Affairs, 2000), p. 179.

²² Peter Evans, *Embedded Autonomy: States and Industrial Transformation* (Princeton, New Jersey, Princeton University Press, 1995), p. 8.

²³ *Ibid.*, p. 9.

development of significant niches in the international economy, Evans compared Brazil, India and the Republic of Korea. He makes useful distinctions between “predatory” and “developmental” States on the basis of the organization of government bureaucracies and their relations with society. (More will be said about these distinctions under the following heading.) Evans concludes that “Korea can legitimately be considered a version of embedded autonomy”.²⁴ An account by Kim, then Minister of Trade and Industry of the Republic of Korea, explains:

“In the 1960s when Korea’s economic development began in earnest, the nation faced very difficult economic circumstances. We lacked natural resources, our population growth was a high 3 per cent a year and unemployment was large and growing. Per capita GNP was a mere \$80 and the savings rate was extremely low. In addition, Korea had a very weak industrial base and manufactured exports were ... almost nonexistent.

Making the most of advantages and based upon a strategy of export-led industrialization, Korea was able to achieve a rapid economic growth rate that averaged 8.7 per cent and the per capita income reached almost \$7500 in 1993. In the same year, Korea’s foreign trade volume registered \$166 billion ... [which] makes Korea the world’s 12th largest trading nation”.²⁵

With regard to the positioning of the Arab countries within the global economy, urgent attention must be given to two areas. One is *tourism*, which has become the “world’s biggest business”, accounting for US\$ 4.4 trillion in 1998, a figure estimated to increase to US\$ 10 trillion in 2010.²⁶ Historical endowments, climate, coastal areas and proximity are ingredients conducive to a major niche for many countries in the region. Much can be learned from the successes of other countries in attracting tourists while preserving and improving their own resources. The other area is that of *human resources*, which are abundant but require adequate preparation in terms of knowledge and skills, and also in terms of work ethics, whether for the public or the private sector. So far, these have been major missed opportunities which need to be addressed by active policies and programmes.

Globalization is also exerting a growing influence on public policies by bringing cultures and societies into closer contact. Through vastly advanced means of communication and transportation across borders, people in poorer and less democratic societies develop higher aspirations by learning about the lifestyles of those living in more prosperous and more democratic circumstances. These dynamics create crises of expectations that demand policy attention on the part of the ruling

²⁴ Ibid., p. 12.

²⁵ Chulsu Kim, *The Korean Experience: A Model for Ideas*, paper presented at a World Bank Conference, Private Sector Development in Egypt, October 1994 (Cairo, mimeograph, 1994), pp. 2-3.

²⁶ Rana Dogar, *Newsweek*, 8 August 1998, pp. 45-47.

elite. Another possible influence is the diffusion and adaptation of policy innovations. Thus, means of communication and population movements become important agents of policy change.

Just like development and modernization, globalization is inevitable and can be expected to accelerate in both scope and pace. All major transformations in human affairs are potentially double-edged in their consequences; they are capable of yielding both positive and negative effects. Neither the negative nor the positive effects are equitably or randomly distributed among nations. The modernization divide underlies many of the serious disparities among nations in the current global order, whether political, economic or social, as well as disparities in the ability of developing countries to influence the course of globalization. It was recently estimated that protectionism in respect of agricultural products by advanced societies has been costing the developing countries US\$ 100 billion per year. Furthermore, the influence of globalization has not been equitably distributed within nations, exacerbating economic and other inequalities among sectors of the population, at times with serious consequences.²⁷ Emphasis should be placed on policies at all levels, as well as on negotiated arrangements in order to anticipate, prevent and/or ameliorate these potentially negative impacts.

D. STRUCTURAL CONTEXT: ORGANIZED ACTORS

Obviously, the management and development of society entail voluminous policies and programmes. The following pages are devoted to identifying and discussing the roles of leading organizations in this regard and of others that participate in or exert influence on the processes involved. These include national governments, the business sector, the professions, civic associations (NGOs), other governments—especially those of advanced countries—and international organizations. The levels of involvement and influence of these actors vary considerably from one country to another depending on political culture, social organization and style of governance.

1. *National governments*

Within a country, the authority and responsibility to enact and implement public policies and programmes rest with the national government, and with local government where there is meaningful decentralization.²⁸ This report is concerned with how governments, through these policies and programmes, affect political, economic and social processes. In addressing this question, analysts consider several

²⁷ Amy Chua, *World on Fire: How Exporting Free Market Democracy Breeds Ethnic Hatred and Global Instability* (New York, Doubleday, a Division of Random House, 2003).

²⁸ The Copenhagen Declaration and Programme of Action: World Summit for Social Development, 6-12 March 1995 (New York, United Nations), p. 11.

issues, of which two are particularly relevant: (a) the relationships between government and society and (b) the capacities of government organizations.

First, on the relationships between government and society, it is useful to refer to distinctions by Evans between “predatory” and “developmental” States. In a predatory State, the relationships between government and the public are more individualized and based on individual interests and interpersonal relations:

“Predatory states lack the ability to prevent individual incumbents from pursuing their own goals. Personal ties are the only source of cohesion, and individual maximization takes precedence over pursuit of collective goals. Ties to society are ties to individual incumbents, not connections between constituencies and the state as an organization”.²⁹

By contrast, government in a developmental state is more professionalized and is still embedded in society, albeit through collective and organized constituencies:

“Highly selective meritocratic recruitment and long-term career rewards create commitment and a sense of corporate coherence. Corporate coherence gives these apparatuses a certain kind of ‘autonomy’. They are not, however, insulated from society ... To the contrary, they are embedded in a concrete set of social ties that binds the state to society and provides institutionalized channels for the continual negotiation and renegotiation of goals and policies. Either side of the combination by itself would not work. A state that was only autonomous would lack both sources of intelligence and the ability to rely on decentralized private implementation. Dense connecting networks without a robust internal structure would leave the state incapable of resolving ‘collective action’ problems, of transcending the individual interests of its private counterparts. Only when embeddedness and autonomy are joined together can a state be called developmental”.

This apparently contradictory combination of corporate coherence and connectedness, which I call “embedded autonomy,” provides the underlying structural basis for successful state involvement in industrial transformation. Unfortunately, few States can boast structures that approximate the ideal type.³⁰

Some analysts see autonomy as contributing to greater “rationality” in government actions, which are more capable of addressing the interests of the broader public and collective interests rather than individual and private interests. “In such perspectives, state officials are judged to be especially capable of formulating holistic

²⁹ Peter Evans, *Embedded Autonomy: States and Industrial Transformation*, p. 12.

³⁰ *Ibid.*, p. 12.

and long-term strategies transcending partial, short-sighted demands from profit-seeking capitalists or narrowly self-interested social groups”.³¹

Others, however, argue that:

“state officials’ own self-legitimizing arguments, their claims to know and represent ‘general’ or ‘national’ interests, should not be taken at face value. State officials have no privileged claims to adequate knowledge of societal problems or solutions for them, argue the skeptics. Besides, their legitimating symbols may merely mask policies formulated to help particular interest or class fractions. ...

Still, no matter how appropriate ... autonomous state activity might be, it can never really be ‘disinterested’ in any meaningful sense. This is true not only because all state actions necessarily benefit some social interests and disadvantage others ... More to the point, autonomous state actions will regularly take forms that attempt to reinforce the authority, political longevity and social control of the state organizations whose incumbents generated the relevant policies or policy ideas. We can hypothesize that one (hidden or overt) feature of all autonomous state actions will be the reinforcement of the prerogatives of collectivities of state officials”.³²

Norway and Canada are typical examples of developmental States, both in their Governments’ internal organization and in the relationship between government and society. As has already been mentioned, the Republic of Korea has achieved great advances in an impressively short span of four decades. As noted earlier, public policies played a central role in the country’s impressive economic development during that brief period. Malaysia is in the early stages of transition. The Arab countries are lagging seriously behind in these respects.

It is important to say a word here about strategies employed by countries, including the Republic of Korea, that achieved what is referred to as “the East Asian miracle”:

“Implementing shared growth to solve the problem of political legitimacy requires sharing, but it also requires growth. We now discuss ... institutional traits that have been critical to achieving both these goals. Foremost among them is technocratic insulation—the ability of economic technocrats to formulate and implement policies in keeping with politically formulated national goals with a minimum of lobbying for political favors from politicians and interest groups. Without it, technocrats in the high-performing Asian economies would have been unable to introduce and sustain

³¹ Theda Skocpol, “Bringing the State Back In: Strategies of Analysis In Current Research”, in Peter B. Evans, Dietrich Rueschemeyer and Theda Skocpol, eds., *Bringing the State Back In* (Cambridge, Cambridge University Press, 1985), p. 14.

³² *Ibid.*, pp. 14-15.

rational economic policies, and some vital wealth-sharing mechanisms would have been neutralized soon after their inception”.³³

The results were not only outstanding rates of growth but also growth rates that were achieved with “low and declining levels of inequality, contrary to historical experience and contrary evidence in other regions”.³⁴ This highlights the role of leadership, in that the knowledge and orientation of leaders and the choices they make are crucial to what government organizations can accomplish. Insulation in the sense used in the above quote actually means “autonomy” rather than “isolation” from society. Keen awareness of and sensitivity to societal conditions and anticipation of eventual public scrutiny of plans necessitate the “embeddedness” mentioned earlier. The late 1990s “meltdown” in the East Asian economies, including that of the Republic of Korea, prompted a rethinking of their development model. The problems were attributed primarily to speculative activities, especially in real estate, excessive exposure of banking systems and corruption, mostly in the form of “cronyism”. These are “market failures” engendered by the lack of appropriate policies, lack of transparency and failure to institutionalize self-regulating norms.

The *second* issue is *the capacity of government organizations*, which largely determines the effectiveness, efficiency, accountability and responsiveness of their actions. Capacities refer to governments’ capabilities for promulgating and enforcing policies while maintaining public order on the basis of acceptance of the legitimacy of regimes. Governments’ capacity to enact and implement policies and programmes varies in terms of levels of development of human resources, organizational structures and available resources. It should be noted that the capacity of governments is enhanced where regimes enjoy legitimacy and are accepted by the public rather than depending on the use or threat of the use of violence. These criteria form a continuum in which Norway and Canada rank highest among advanced societies, followed in this sample by the Republic of Korea, which has made great strides, and then by Malaysia, which is in the early stages of transition. The Arab countries remain at a low level in terms of government capacities. Several are seriously restricted by war and occupation, ethnic violence and other forms of strife. All suffer serious limitations in terms of the quality of human resources and organizational capabilities. With the exception of petroleum-dependent economies, they also face a considerable lack of natural resources.

2. *Business sectors*

Representing the engines of economic prosperity, organizations and leaders of business sectors are usually active participants in policy matters, especially those that

³³ World Bank, *The East Asian Miracle: Economic Growth and Public Policy* (New York, Oxford University Press, 1993), p. 167.

³⁴ *Ibid.*, p. 29.

affect their interests. They also have the resources to mobilize and can make their voices heard. Business enterprises vary in several dimensions, four of which are of importance to this discussion: public/private, national/multinational, small/large and formal/informal. The mix of these dimensions differs among the countries forming part of this analysis and the following are some observations on their participation in policy processes.

Informal and small enterprises constitute much larger portions of the economies of developing countries in the region than is the case in industrialized States. In spite of their significance to developing countries, these enterprises receive little policy attention, largely because they lack the leadership, awareness and resources needed to organize in pursuit of their collective interests. If and when their interests are actively represented in policy processes, this is usually done by non-governmental organizations (NGOs). Policy issues of relevance to this category of enterprise include, among others, access to credit, access to simple technologies to increase their efficiency, collective marketing, appropriate forms of health and social protection for owners and workers, and economic security.

Large private-sector domestic enterprises are influential actors in the formulation and implementation of policies. They exercise influence through their ability to organize industrial and trade associations that act as advocates for their interests. In the countries of the region, these enterprises influence policies through their owners' and managers' personal relationships with policy makers, which leads to nepotism, cronyism and corruption. Examples of policy issues of concern include taxation, import and export tariffs, government/enterprise roles in costs of infrastructure, "anti-trust" and other regulatory protections for market competition, regulation of monopolies, improving the quality of human resources, labour relations, consumer protection, and environmental protection. In some countries, the strength of lobbying efforts on behalf of this category of enterprise can be seen in the governments' "excessive" concessions of land, infrastructure and long-term exemptions from taxation and from import and export duties.

As part of government, public-sector enterprises are probably the closest to central policy decision-making and action circles; they can usually count on cabinet members as their advocates. Most of the policy issues mentioned above are also of relevance to public enterprises. In addition, they take a keen interest in governments' planning and allocation of resources since these activities affect their budgets and operations far more directly.

Multinational corporations constitute a special breed of business enterprise in terms of their relationship to national policies. As mentioned earlier, the securing of effective niches in the global economy requires large inflows of international capital and advanced technology. The governments of the region compete with those of developing and developed countries to attract investments by these giant enterprises and industrial development. The policy issues mentioned above, in combination with

those relevant to the domestic private sector, are also important to such enterprises. In addition, they are concerned about policies that have a bearing on the security of their investments. The interests they serve are primarily those of their owners, stockholders and managers. They are also interested in markets for their products and services. These interests should neither be ignored nor exaggerated; they should be addressed through regulatory frameworks that balance them with the interests of workers, consumers and the country as a whole. Some multinational corporations have been known to engage in exploitative labour practices, including the creation of “sweat shops”, and have had a destructive impact on environmental conditions. Thus, special emphasis needs to be placed on policies related to wages, work conditions, health care, social protection of workers and environmental protection. The influence of these corporations on public policy is usually exercised at high levels of government, where negotiations for such investments are conducted. Because of competition among nations to secure their investments, the corporations are particularly powerful in bringing their interests to bear on policies. International and regional organizations can help strengthen the positions of individual developing countries in such negotiations.

3. Non-governmental organizations

Non-governmental (civil society) organizations have been rapidly assuming more responsibilities and gaining greater visibility and power at both national and global levels. Some are composed of people who form “interest groups”, such as labour unions, business alliances, professional and scientific associations, philanthropic foundations and communal groups. Others are involved in the delivery of human services such as education, health care, credit and economic support, and conflict resolution. Still others are focused on such issues as civil rights for women and minorities, other human rights, environmental protection, democratic governance, corruption and abuse of power. Many of these organizations assume advocacy roles to promote the interests of their constituents or broader public interests pertaining to particular problems or issues.

Through the mobilization of constituents and resources, these organizations can influence national policies and their implementation. On this feature of society, there are major differences among the countries included in this analysis, not only in terms of numbers of NGOs, but also in terms of their functions and effectiveness. Here again, when placed on a continuum, Norway tops the list by virtue of the considerable political space it gives to organizations such as labour unions and industrial associations. By contrast, NGOs in countries of the region are less developed and operate under government hegemony. One important function of civil society organizations is the mobilization of “volunteerism”, which can be for all kinds of civic activities and human services. As will be demonstrated later, there are considerable differences in terms of that function as well. (More will be said about NGOs and their capacities in the following chapter).

4. Professions

In addition to policies and markets, the professions constitute a crucial mechanism in the management of societal affairs. The implementation of most policies concerned with human services, such as health care, education and social services, depends to a large extent on the professions. Members of these professions are trained not only in technical aspects of their fields, but also in certain ethics to guide their interaction with patients, students and clients. There are competing ideologies about the place of the professions and the services they provide in relation to public policies and market mechanisms. Adam Smith, an early proponent of markets, made exceptions for services, especially education, which he regarded as a public responsibility.³⁵ However, concern about macroeconomics has led international organizations, especially the International Monetary Fund (IMF), to prescribe the privatization of services such as education and health care. One serious problem is that of “goal displacement”, where the performance of these organizations is evaluated on the basis of profits rather than the intended goals of knowledge and health.³⁶ Another area of policy concern in regard to the professions and the influence of their associations on policy processes stems from the fact that: (a) the professions and their organizations have interests of their own; (b) these interests are at times in conflict with those of their patients, students and clients; and (c) when there are such conflicts, the professional organizations are most likely to lobby for the interests of their members. These and other complexities and unintended consequences make it necessary to ensure clarity and balance in policies.

5. Press and the mass media

It is surprising how little is written about the role of the press and the mass media in public policy. They can be important sources of information about societal problems and can provide platforms for debate about approaches to addressing such problems. This is one of the most significant public services they can provide. Much has been written about their shortcomings in performing this role because of ownership, the ideological influence of journalists and owners, and the “commoditization” of products.³⁷ These are all issues that should be given careful consideration because of their consequences for the press, and for press freedom, press regulation and the role of the press as a public service.

Furthermore, the training of journalists and analysts, not only in terms of substance but also in terms of objectivity and other ethical requirements, is crucial.

³⁵ Emma Rothschild, *Economic Sentiments: Adam Smith, Condorcet, and the Enlightenment* (Cambridge, Massachusetts, Harvard University Press, 2001), p. 97.

³⁶ Peter M. Blau, *The Dynamics of Bureaucracy* (University of Chicago Press, 1955).

³⁷ Oliver Boyd-Barrett and Chris Newbold, *Approaches to Media: A Reader* (London, Arnold: a member of the Hodder Headline Group, 1995).

6. *Governments of advanced countries*

These governments are policy makers and negotiators on behalf of the richest and most modernized countries. It is from these countries that resources, market access, knowledge, technology and skills are being sought for modernization and development at the global level. In a rapidly globalizing world, the influence of these governments on national policies in the region flows through many channels, of which three are particularly important. *First*, bilateral “aid agreements”, usually referred to as “international cooperation”. The aid can take a variety of forms, including monetary grants and/or loans, and in-kind donations, as in the case of food items or the construction of infrastructural facilities. It can also come in the form of encouraging the movement of capital, industry and technology, that is, investment in the target country. A *second* source of leverage is the opening-up of the markets of an advanced society to the products of a developing one. A *third* major source of influence on developing countries is that exercised through international organizations such as the IMF, the World Bank and the World Trade Organization (WTO). These organizations are heavily influenced by the interests of advanced societies. In this context, Norway is notable for its official development assistance (ODA) contribution of 0.93 per cent of gross national income (GNI), which places it among the handful of countries that have exceeded the ratio recommended by the United Nations (0.70 per cent).³⁸ This is a manifestation of the values espoused by the Norwegians, which are rooted in their social consciousness and the pursuit of collective interests. Their outlook on the world is an extension of this communal orientation.

7. *International organizations*

Effective distributive and redistributive systems require the promulgation of enforceable policies, laws and rules that are binding on particular populations. In other words, they require a government. However, international organizations do not at present constitute a government; the authority they possess is delegated to them by their member States. And while some organizations, such as the WTO, assist in international dispute resolution, international agreements are enforced by States.

It is important to note, however, that international organizations nonetheless possess a certain leverage. The United Nations and its agencies provide financing, however limited in the scheme of global finance, for development projects. More significantly, the moral weight of the United Nations brings together global leaders at international conferences that address important issues. Resolutions stemming from these conferences are converted into policies and programmes in many countries. Furthermore, United Nations agencies serve as a reservoir of scientific and technical capabilities that are greatly needed for the dissemination of information, standard-

³⁸ Norway – the official site in the UK, “Society and Policy”, 15 September 2004. Available at: <http://www.norway.org.uk>.

setting and assisting in the management of change. The World Health Organization (WHO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the International Labour Organization (ILO), the Food and Agriculture Organization of the United Nations (FAO) and the United Nations Children's Fund (UNICEF) are examples of such organizations that have been heavily involved in such functions and, directly or indirectly, in shaping policies, especially those related to social development.

E. INFORMATION CONTEXT

Abundant, timely and accurate information is essential for identifying problems that need policy attention. Such information serves, among other things, to determine and explain patterns of prevalence and severity of problems, to identify options and approaches, to assess effectiveness and efficiency in their implementation, and to identify secondary and unintended effects. While availability of information does not guarantee the success of policies and programmes, its absence almost always ensures their failure. However, it has become almost a ritual for reports about developing countries, including the Arab region, to begin by lamenting the lack and low quality of data. This is harmful not only to social policies and programmes but to economic development as well. A President of the National US-Arab Chamber of Commerce once declared that "inadequate access to information is proving to be a major obstacle to otherwise encouraging moves towards long-term economic development in the Middle East".³⁹

This juncture in human history is often called the "information age", not only because of the phenomenal transformation in means of communication and the global flow of information, but also because of the increasingly vital role of information in policies, programmes, markets and all other arenas of human action. Information is also essential to advancing scientific and technological knowledge and training. A concentrated effort needs to be invested in identifying and addressing the causes of lags in the quality and adequacy of information in the Arab countries. The following are some contributing factors:

1. A major influence is that of the "politics of statistics", in other words government agencies' low tolerance of data that are inconsistent with what they themselves report. This intolerance is particularly evident with regard to information on social problems such as poverty and unemployment. The objective is to keep such information from the higher circles of governance as well as from the public. Another frequently mentioned concern is that such data "harm the reputation of the country". The irony is that the existence of social problems is known inside and outside the countries concerned and to large sectors of the populations experiencing them.

³⁹ Reuters, "Poor Information Blocks ME Economic Integration", reported in the *Egyptian Gazette*, 29 November 1994.

Furthermore, the absence of accurate data invites speculation and exaggeration and simultaneously robs the country of one of its most important tools for correcting problems and managing development.

2. Many countries in the Arab region require permits for the conduct of surveys. The criteria leave much to the country's discretion, which is generally used to limit opportunities. The rationale often given is the need to avoid duplication, but this overlooks the fact that science requires replication. Science and research are self-correcting systems; reliable and valid information drives out information that fails to meet these criteria. Moreover, science and research require openness of mind and country, which are the same conditions needed for development.

3. Survey methodologies are becoming increasingly technical, including sampling designs, preparation of data collection instruments, organizing and supervising field-work operations, and applying advanced statistical models for the analysis of results. To varying degrees, there are deficiencies in both trained capabilities and support equipment in the various countries. Inadequate commitment to protecting the integrity of data is equally important.

F. THE SIGNIFICANCE OF CONTEXTS

These are the important contexts within which decision makers look for space for new policies. Their significance goes well beyond intellectual curiosity. The contexts can influence policies in a variety of ways. In most cases, there are winners and losers in terms of power, resources and other privileges. Conflicting interests call for accommodations and compromises that affect the outcomes. Commitments to different values can lead to similar conflicts. Depending on the substance of a policy issue, certain contextual elements may be sufficiently powerful to constrain the freedom of policy makers, even in elite-driven models. Other configurations can facilitate plans, even where they are in doubt. Complexities of substantive issues and pressures of different contextual elements may lead to inaction or to token action—inappropriate options in the face of pressing needs for social development. Open public debates in participatory governance can help create space for important issues and shape policies to suit the needs of the population.

III. SOCIAL PROBLEMS AND SOCIETAL PROGRESS: FUNCTIONS AND RESULTS OF SOCIAL POLICY

There can be no understanding of the functions of public policies without a clarification of their role in regard to social problems and societal progress; these are the most immediate contexts of policies. Social problems are identified in various ways, ranging from claims by the elite to analysts' research reports. The concept is applied here with reference to unmet human needs and unfulfilled shared values. As has already been mentioned, these problems arise primarily because of lags and shortcomings in the capacities of institutions. The functions of public policies go beyond addressing problems; they are also necessary in order to progress towards valued goals and collective interests. What governments "choose to do or not to do" has considerable influence on the functioning of society and on the direction and pace of change.⁴⁰

At the risk of replicating other material, a number of policy issues are presented and discussed in this chapter.⁴¹ The list is not exhaustive; and there are unavoidable overlaps among categories. Data on selected indicators of the results of policies so far are also presented, although the lack and poor quality of available information proved an obstacle in this regard.

A. POLITICAL DEVELOPMENT

Political development has been justified on many grounds, notably contributions to economic and social development. The premise advanced here is that the goals of political development and the values they represent are so fundamental that they should be pursued for their own sake as well. Related policy issues may be grouped in three categories: (a) political and constitutional; (b) justice and the rule of law; and (c) public administration.

1. *Political and constitutional issues*

The process of democratization occurs along a number of dimensions and can follow different models depending on the prevailing social structures and cultural orientations. Countries at advanced stages of liberal democracy exhibit such variations. However, there are certain defining characteristics of what democratic governance means. At a general level, it means institutions and organizations for the

⁴⁰ Thomas Dye, *Understanding Public Policy*, p. 1.

⁴¹ The material includes: the Universal Declaration of Human Rights, 1948; the Copenhagen Declaration and Programme of Action adopted at the World Summit for Social Development, 1995; the United Nations Millennium Declaration, 2000; the World Bank's *World Development Reports*; reports from various United Nations agencies; the *Arab Human Development Reports* for 2002 and 2003; other region-specific documents and other literature.

management of power and authority built around protecting and fostering universal human rights and civil liberties, equality of opportunity, public participation, pluralism, checks and balances, transparency, accountability, the rule of law and other characteristics. For semantic consistency, regimes with high standing in terms of these characteristics are referred to as “democratic”; those with low standing are identified as “command” governance regimes.

The appeal of “democracy” as a concept and term has led to its wide usage, mostly with reference to the false emulation of democratic procedures. While political parties may be present, none except the ruling party may have the freedom to build up their bases; elections may be held but with distortions that ensure the preservation of the status quo and a one-party monopoly; different branches of government may exist—executive, legislative and judicial—but with no real separation of powers; and so on. Distinctions between “procedural” and “genuine” democracies cannot be determined solely on the basis of written descriptions and organizational charts.

The pathways to democracy and its sustainability entail many difficult issues for policies and action, of which several are particularly important from a developmental perspective: top-down versus bottom-up processes; immediacy versus gradualism; barriers to progress and support; the relationship between civil society and the State; internal and external influences; and the relationship of religion to democratization. Neither the scope nor the purpose of this report permits a detailed analysis of these issues, especially in view of the variability of circumstances from country to country. However, some general points may help to shed light on them.

First, developments in both directions, top-down and bottom-up, are necessary. As the power of central political elites is diminished by changes to democratic institutions through sharing and circulation, top-down processes call for exceptional leadership and unyielding commitment to the values of genuine democracy. Bottom-up processes require an environment within which supportive political cultures and institutional arrangements can thrive. Changes of this kind can occur only when basic rights and freedoms are protected. In short, there is a symbiotic relationship between the two directions.

Second, immediacy and gradualism depend on many considerations, including, in particular, the balance required for sustaining the change while maintaining public order. However, no consideration should become a rationale for inaction. A publicly declared agenda specifying steps and setting reasonable dates can go a long way towards generating confidence and support.

Third, a supportive external environment is of considerable importance in the transition to, and in ensuring the sustainability of, democratic regimes. Membership of the European Union clearly demonstrates that insistence on shared standards of democracy, combined with significant economic and other forms of assistance, have been very effective. Obviously not all countries are eligible for such membership.

Rather, the question is: What can be learned from the European experience that would be of use at the international level?

The *fourth* point concerns the relationship between political and religious institutions, Islam in this case. The following passages describe the cascade of existing material and impressions about Islam and democracy, and the results of a unique empirical study:

“Popular perceptions in Western societies, often resembling anecdotal stereotypes, hold that Islam and democracy are mutually exclusive concepts, and that levels of piety and acceptance of democratic principles are inversely correlated; that is, the more religious a person is, the less likely it is that he or she will embrace democratic principles. As Tessler reports, such perceptions of the relationship between piety and democracy in the region may be misinformed by Western experiences. In West European and American societies, more religious people indeed tend to hold more conservative views and attitudes towards governance and domestic and foreign policies. Tessler’s study shows that, at least in Morocco and Algeria, this is not the case.

If one assumes that the embrace of the commitment to civic virtues are key requirements for the creation and maintenance of stable democracies, it is crucially important to study, monitor, and assess public attitudes toward democratic principles and policies that support secularization and democratization. There have been very few attempts systematically to study the impact of Islamic religious attachments on individuals’ attitudes toward democracy and governance. Tessler’s original study and conclusions show that, ‘despite some statistically significant relationships, Islam appears to have less influence on political attitudes and behaviour than is frequently suggested by students of Arab and Islamic society’. Moreover, in the context of his examination of the Moroccan and Algerian societies, Tessler shows that Islam is not necessarily an obstacle to democracy, Islamic attachments do not seem to obstruct the emergence of an open political culture, and thus eventually of sustainable democracy. Interestingly, the only significant correlation between piety and political conservatism was found among women, who seem to fear greater economic inequality between the sexes as an indirect consequence of a liberal political and economic order”.⁴²

2. *Justice and the rule of law*

Justice is a basic pillar of social cohesion and social progress. A crucial structural feature is the independence of the judiciary from both external and internal influences. The United Nations *Universal Declaration of Human Rights* devotes

⁴² Albrecht Schnabel, “A rough journey: Nascent democratization in the Middle East”, in Amin Saikal and Albrecht Schnabel, eds., *Democratization in the Middle East: Experiences, Struggles and Challenges* (Tokyo, New York, Paris, United Nations University Press, 2003), p. 13.

several articles to equality before the law and entitlement to a fair hearing before an impartial tribunal. A recent report to the Programme on Governance in the Arab Region of the United Nations Development Programme (UNDP) provides an excellent assessment of the status of and issues surrounding *judicial independence in the Arab world*. The following excerpts reflect some of the salient points in the report:

“Judicial independence and the rule of law have moved to the center of global attention. ... Judicial independence is critical to three areas of governance. In all these areas, however, the application of the principles of judicial independence raises difficult issues. ... First, protection of human rights depends partly on a robust, fair and independent judiciary willing to hold all political and social actors to legal and constitutional protections. ... Second, judicial independence facilitates political stability and fairness. ... Finally, judicial independence is critical for the development of healthy and sound economies.

Yet despite nearly universal support for the idea of judicial independence, Arab constitutional systems vary greatly in how much specificity they give to the concept. Yemen and Palestine, for instance, have some thorough provisions on how to guarantee judicial independence; Sudan and the United Arab Emirates spell out the court structure in some detail. Yemen goes so far as to ban exceptional courts ... and Saudi Arabia grounds judicial independence in *Shari‘a* principles ...

[T]he independence of the judiciary is not alien to the Arab and Islamic traditions; in fact, there are strong religious, political and cultural norms supporting the concept. The task is not to change existing norms but to live up to them”.⁴³

The authors provide an insightful analysis of problems relating to interrelationships with the legislative and executive branches of government. They conclude that:

“[T]he idea of ‘checks and balances’ is more unique to constitutional systems built on the American model. A ‘checks and balances approach’ allows the branches to oversee each other’s work but prevents them from dominating each other. The focus is far less on building walls of separation among the various branches of government and more on allowing them the tools to hold each other accountable. ... A ‘checks and balances’ approach would not work in the Arab world because pluralism is so weak in society. The executive is so strong that following a ‘checks and balances approach’ would lead it to domination by the executive.

Thus, if the Arab states wish to live up to their commitments to judicial independence, they must focus more on a firmer implementation of a separation of

⁴³ Adel Omar Sherif and Nathan J. Brown, “Judicial Independence in the Arab World”, prepared for the Programme on Governance in the Arab Region, UNDP, 2004, pp. 1-8.

powers approach, allowing the judiciary sufficient corporate autonomy from the other branches of state”.⁴⁴

The importance of protecting the independence of the judiciary cannot be overstated. In addition, however, genuine justice requires an understanding and application of the concept in a broad and encompassing manner:

“It includes a constitutional structure and modes of governance that guarantee fundamental human rights and freedoms, assure people security in thought and property, provide effective avenues for political participation, and promote a sense of belonging and commitment. It includes the checks and balances necessary to channel authority and the use of discretion away from self-serving arbitrariness and toward the public good. It means impartiality in other aspects of the law—civil and criminal—and universal application that instills self-discipline and respect for the law and legal institutions. It calls for equity in the system of rewards so that people’s earnings and gains are proportional to the quality and amount of effort they put into their work and sanctions proportional to violations. It entails redistributive measures to meet the needs of the unfortunate and dependent while preserving the motivation of the capable and talented. Equally important to these legal expressions, justice also means people’s fairness and civility to each other in their daily interaction”.⁴⁵

Because the influence of justice is broadly dispersed among the various dimensions of human affairs, empirical indicators are disseminated throughout areas in which policy issues arise. They can be seen in almost all of the tables presented in this chapter.

3. *Public administration*

Public administration, at times referred to as civil service, is central to the implementation of public policies and programmes. And although administrative bureaucracies lack the authority to enact legislation, they can significantly influence policy processes through their involvement in identifying problems, providing relevant information and translating policies into operational regulations. Thus, capacities for governance are in large part determined by the quality of human resources and the organization of the civil service. Related policies seek to address such issues as enhancing effectiveness, efficiency, transparency, accountability, responsiveness and ethics in the management of public affairs. Data on the relationship between government organizations and the public are rare in the region, largely because of government restrictions. The limited information available indicates low levels of

⁴⁴ Ibid., p. 9.

⁴⁵ Saad Z. Nagi, *Poverty in Egypt: Human Needs and Institutional Capacities* (Lanham, Lexington Books, 2001), p. 253.

responsiveness on the part of “bureaucrats” and high levels of frustration on the part of the public.⁴⁶

The problem of corruption is most damaging to governance and to all aspects of development. Corrupt transactions occur when “those vested with official authority and power ... exploit their position in order to make a gain for themselves, their family, or social group”.⁴⁷

Useful distinctions have been made between “grand” and “petty” corruption, both of which inflict serious damage.⁴⁸ Corruption on any scale is not a victimless crime. It can seriously impede development and “damage the quality of life of the ordinary citizen—particularly that of the most vulnerable members of society”.⁴⁹ In addition to economic costs, corruption victimizes the public and stymies development through inefficiency and complicated bureaucratic procedures.⁵⁰

B. CIVIL SOCIETY

The social relations that bind people vary along a continuum between “communal” and “associational” patterns. The communal pattern represents traditional primary relations that are ends in themselves. People are familiar with each others’ circumstances and needs, and sharing is based on a tradition of reciprocity involving money, produce, labour and other resources. By contrast, associational patterns are built around common interests of categories of people who form “interest groups” such as labour unions and business alliances. Members of these groups do not necessarily know each other, and the relationships that bind them are not ends in themselves but means to other purposes. Both communal and associational networks constitute intermediate structures that serve important functions such as linkage and mediation between individuals and governments. They are connecting tissues in the fabric of society and are avenues for political participation. Centralization, urbanization and other forces of change have been moving societies towards associational patterns.

⁴⁶ Ibid., pp. 232-233.

⁴⁷ Gunnar Myrdal, *Asian Drama: An Inquiry into the Poverty of Nations* (New York, the Twentieth Century Fund, 1968), p. 948.

⁴⁸ George Moody-Stuart, “The Costs of Grand Corruption”, in *Newsletter of the Economic Forum for the Arab Countries, Iran & Turkey*, Vol. 4, No. 2, September 1997, p. 9.

⁴⁹ *The Economist*, “Who Will Listen to Mr. Clean?” 2 August 1997, p. 52.

⁵⁰ Gunnar Myrdal, *Asian Drama*.

TABLE 2. NGOS PER MILLION PEOPLE, 2000

Country	NGOs	Country	NGOs	Country	NGOs
Algeria	33	Morocco	47	Tunisia	125
Bahrain	..	Oman	148	United Arab Emirates	295
Egypt	28	Palestine	..	Yemen	18
Iraq	22			Malaysia	83
Jordan	133	Qatar	..	Norway	918
Kuwait	369	Saudi Arabia	48	Republic of Korea	45
Lebanon	291	Sudan	25		
Libyan Arab Jamahiriya	78	Syrian Arab Republic	36		

Source: Centre for the Study of Global Governance, *Global Civil Society 2001* (Oxford, Oxford University Press, 2001).

Note: Two dots (..) indicate that data is not available.

Formal organizations other than those of government bureaucracies and for-profit business firms are becoming ubiquitous. Table 2 shows the ratio of NGOs per million people, as identified by the Union of International Associations. Two considerations call for caution in interpreting the data: (a) the effect of small populations on the ratios; and (b) uncertainty as to whether decentralized organizations, as in the case of Canada, were counted as one national organization or multiple affiliates. With regard to policies, the “problem” concerning the place of civil society organizations was described in a survey by researchers at Johns Hopkins University as follows:

“Despite their growing presence and importance, however, civil society organizations have long been the lost continent on the social landscape of our world. ... [S]ocial and political discourse remains heavily dominated by a ‘two-sector model’ that acknowledges the existence of only two social spheres outside of the family unit—the market and the state, or business and government. ... [This approach is] reinforced by statistical conventions that have kept this ‘third sector’ of civil society organizations largely invisible in official economic statistics. ... [B]asic information about these organizations—their numbers, size, activities, economic weight, finances and role—has ... been lacking, ... deeper understanding ... has been almost nonexistent. As a consequence, the civil society sector’s ability to participate in the significant policy debates now under way has been seriously hampered and its potential for contributing to the solution of pressing problems too often challenged or ignored”.⁵¹

⁵¹ Johns Hopkins report, p. 3.

Many of these NGOs are concerned with the interests of their members, others with advocacy for certain public causes and still others with providing various services to individuals, families and communities. The proliferation of the last type of NGO in developing societies has been given a strong impetus by bilateral and multilateral international donors seeking alternatives to inefficient government agencies for channelling developmental resources and efforts. NGOs are also viewed as avenues for encouraging volunteerism and enhancing opportunities for participation at the grassroots level.

Only four countries in this report (Egypt, Morocco, Norway and the Republic of Korea) were included in the survey mentioned above. Figure 1 shows the vast differences between Norway (7.2 per cent) and the other three in terms of the civil-society organization workforce as a proportion of the economically active population. In this respect, the proportion reported for Egypt (2.8 per cent) is almost twice that for Morocco (1.5 per cent). On the mobilization of volunteers, figure 2 again shows Norway with a high ratio of 63.2 per cent. The data also show very large differences between the two Arab countries in the survey—Morocco (52.8 per cent) and Egypt (2.8 per cent)—which warrant further study.

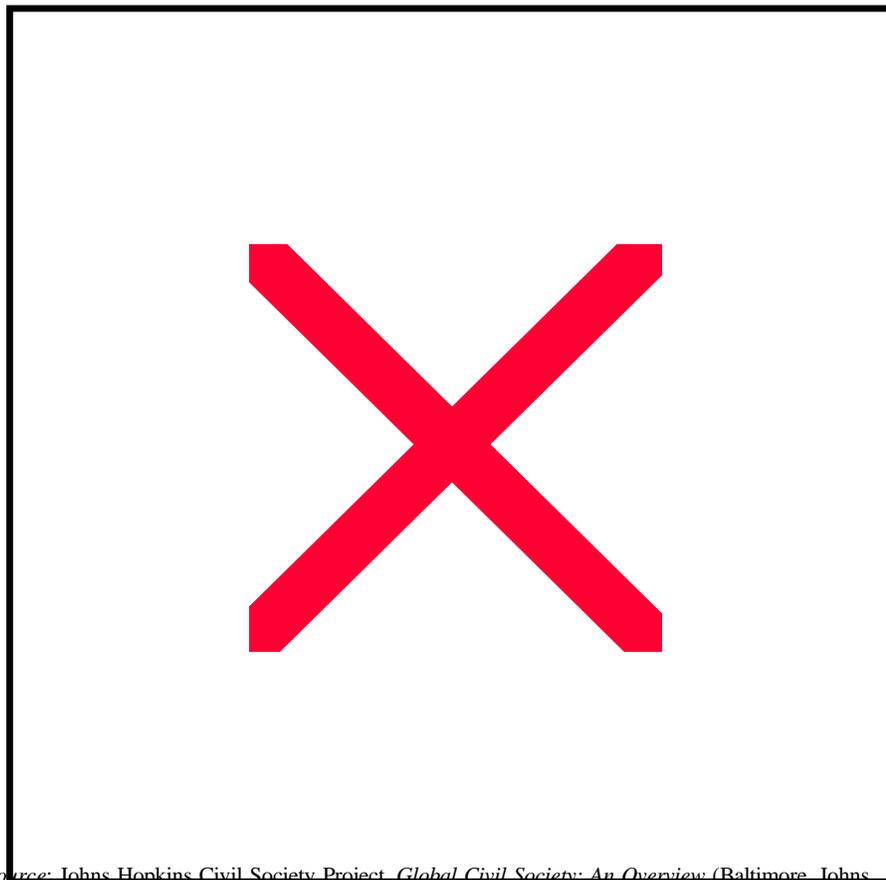
Many NGOs have been hard at work to fulfil their stated objectives; however, many others have not. Leaders and workers in NGOs may be motivated by altruism, employment opportunities or self-interest. The NGO movement in the Arab region, as in other developing societies, has been largely a top-down process. And it has frequently attracted exploitative leadership, especially in national-level organizations. The benefits they seek include finances and privileges, the prestige and influence associated with visibility, and access to those in positions of power and authority. Beneficiaries are usually members and kin of the elite who have knowledge about the process, sufficient influence to sail through the bureaucratic hurdles, and the networking to facilitate funding. It is unfortunate that these instances cast doubt on the many altruistic hardworking leaders and workers and on the organizations they manage. Furthermore, recent research casts doubt on the responsiveness of these organizations to the general public, at least in Egypt, where a recent empirical study concluded that it “is a politically contested terrain characterized by authoritarian and repressive tendencies”.⁵²

Relations between government and civil society organizations vary greatly depending on levels of democratization. Command regimes are generally suspicious of and show little tolerance for independent NGOs. They introduce laws and rules aimed at control rather than regulation. “The quest for community will not be denied for it

⁵² Maha Abdelrahman, *Civil Society Exposed: The Politics of NGOs in Egypt*, in the American University in Cairo Press Complete Catalog, Fall 2004 (Cairo, American University in Cairo Press, 2004), p. 19.

springs from some of the powerful needs of human nature”.⁵³ The reference to community here is in the sense of associations among people that fulfil the “needs of cultural purpose, membership, status and belonging”.⁵⁴ Restrictions imposed on freedom of association in the pursuit of individual and collective rights and interests contribute significantly to the emergence of clandestine groups.

Figure 1. Civil society organization workforce as share of economically active population, by country

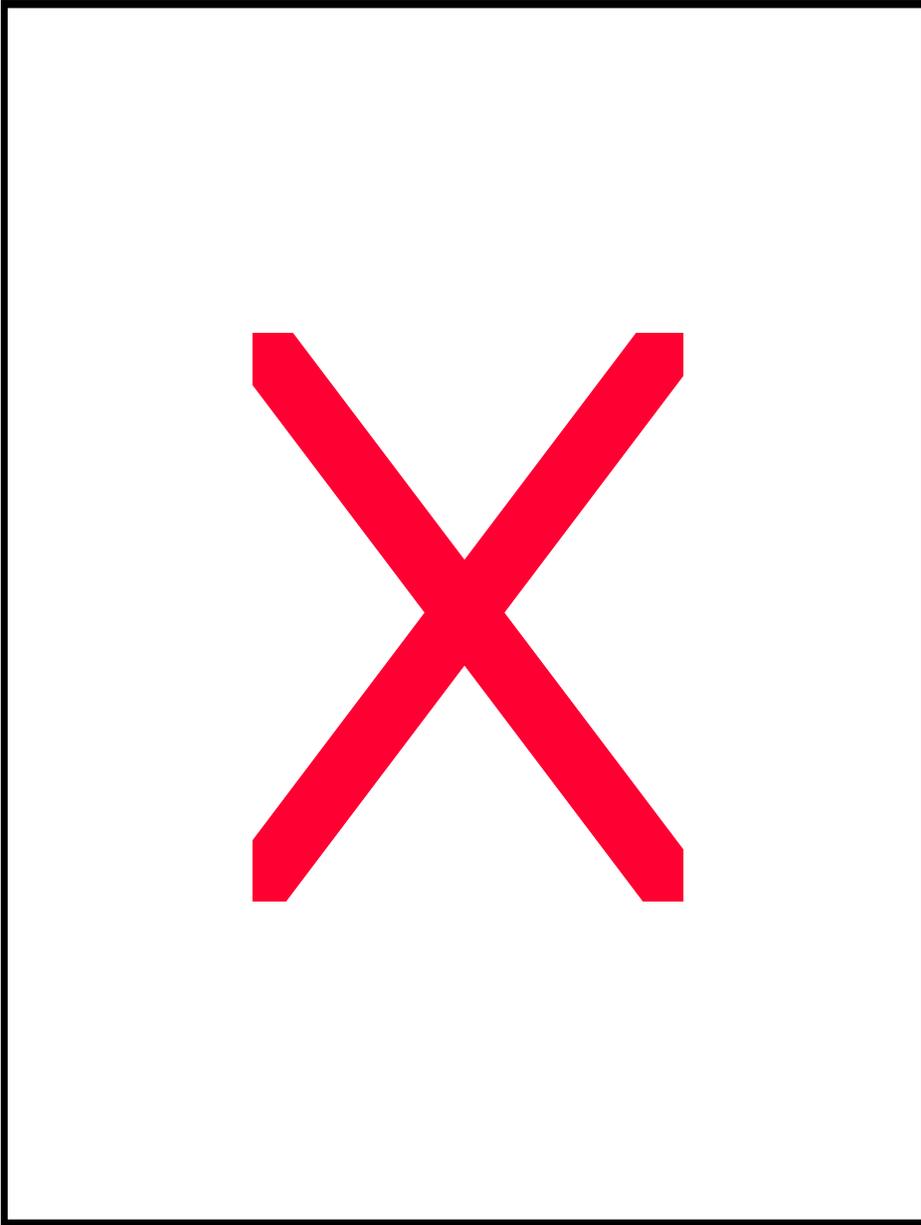


Source: Johns Hopkins Civil Society Project, *Global Civil Society: An Overview* (Baltimore: Johns Hopkins Center for Civil Society Studies, 2003).

⁵³ Robert Nisbet, 1990, quoted in Denis J. Sullivan, *Private Voluntary Organizations in Egypt: Islamic Development, Private Initiative and State Control* (Gainesville, Florida, University Press of Florida, 1994), p. 7.

⁵⁴ Denis J. Sullivan, *Private Voluntary Organizations in Egypt*, p. 7.

Figure 2. Volunteer share of civil society organization workforce, by country



Source: Johns Hopkins Civil Society Project, *Global Civil Society: An Overview* (Baltimore, Johns Hopkins Center for Civil Society Studies, 2003).

Finally, it is useful to recall the emphasis placed by De Tocqueville, one of the early analysts of civil society, on “civil associations” and their importance to democratic structures.⁵⁵ He also observed that civil associations will be characteristically weak in countries where political associations are also weak or prohibited:

“It is hardly probable that this is the result of accident, but the inference should rather be that there is a natural and perhaps a necessary connection between these two kinds of associations. ... I do not say that there can be no civil associations in a country where political association is prohibited, for men can never live in a society without embarking on some common undertakings; but I maintain that in such a country civil associations will always be few in number, feebly planned, unskillfully managed, that they will never form any vast designs, or that they will fail in the execution of them”.⁵⁶

NGOs serve important functions in society. Related policies should encourage their formation and facilitate their activities. However, they should also be regulated (not controlled) in order to maintain transparency, accountability and adherence to their stated objectives.

C. ECONOMIC DEVELOPMENT

It has been repeatedly indicated that economic prosperity is a vital component of societal progress and that it is closely intertwined with developments in other aspects of society. A selected number of indicators are used to assess the effectiveness of related policies in the Arab countries (see table 3). They include: per capita GDP, the value of merchandise trade, foreign direct investment and rates of unemployment.

TABLE 3. INDICATORS OF ECONOMIC DEVELOPMENT, 2004

Country	GDP per capita (US \$) ^{a/}	Trade (% GDP) ^{b/}	Gross foreign direct investment flows (% GDP) ^{c/}	Unemployment (Adult)
ESCWA member countries				
Bahrain	15 257	172.9	17.18	5.5 ^{f/}
Egypt	1 117	50.2	1.84	9.2 ^{f/}
Iraq	1 334	68.7	0.89	28.1 ^{h/}
Jordan	2 058	107.8	5.54	15.2 ^{g/}
Kuwait	20 233	76.5	(3.80)	1.1 ^{g/}
Lebanon	4 337	52.7	1.69	8.4 ^{h/}

⁵⁵ A. de Tocqueville, *Democracy in America*, Phillips Bradley, ed. (New York, Alfred Knopf, 1945 [1835]).

⁵⁶ De Tocqueville, 1835, quoted in R. Nisbet, *The Sociological Tradition* (New York, Basic Books, 1966), p. 131.

TABLE 3 (*continued*)

Country	GDP per capita (US\$) ^{a/}	Trade (% GDP) ^{b/}	Gross foreign direct investment flows (% GDP) ^{c/}	Unemployment (Adult)
ESCWA member countries (<i>continued</i>)				
Oman	9 336	84.3	(0.07)	..
Palestine	1 272	..	..	25.5 ^{f/}
Qatar	44 650	90.9	2.38	3.9 ^{f/}
Saudi Arabia	10 703	69.5	0.78	4.6 ^{f/}
Syrian Arab Republic	1 325	71.9	5.12	11.9 ^{g/}
United Arab Emirates	24 237	133.7	0.78	2.3 ^{e/}
Yemen	653	80.8	(0.16)	11.5 ^{d/}
Total ESCWA member countries	3 624	82.5	1.13	
Non-ESCWA member countries				
Algeria	2 619	61.6	1.34	29.8 ^{e/}
Libyan Arab Jamahiriya	4 866	97.2	0.70	..
Morocco	1 636	60.1	1.77	..
Sudan	641	38.0	6.86	..
Tunisia	2 922	81.5	2.20	..
Total non-ESCWA member countries	1 891	66.1	2.21	
Total Arab countries	2 953	75.2	1.40	
Canada	30 711	60.0	5.49	7.7 ^{g/}
Malaysia	4 672	195.9	5.68	3.9 ^{f/}
Norway	54 598	52.2	1.61	3.9 ^{g/}
Republic of Korea	14 118	70.3	1.84	3.1 ^{g/}

Sources: ^{a/} World Development Indicators Database; *Arab Unified Economic Report*, September 2005; Palestinian Monetary Authority, official web page; ^{b/} IMF, Direction of Trade Statistics, quarterly, June 2005; *Arab Unified Economic Report*, September 2005; ^{c/} United Nations Conference on Trade and Development (UNCTAD), *World Investment Report*, 2005, annex table B.1; *Arab Unified Economic Report*, September 2005; ^{d/} to ^{h/} ESCWA, *Compendium of Social Statistics and Indicators*, seventh issue (forthcoming); ^{d/} Data refer to 1999; ^{e/} Data refer to 2000; ^{f/} Data refer to 2001; ^{g/} Data refer to 2003.; ^{h/} Data refer to 1997.

Notes: Two dots (..) indicate that data is not available.

Figures on per capita GDP show five tiers: (a) Norway, Canada, Qatar and the United Arab Emirates; (b) other oil-rich countries of the region, joined by the newly industrialized Republic of Korea; (c) Lebanon and Malaysia; (d) most of the remaining Arab States, which range from US\$ 2,922 in Tunisia to US\$ 1,272 in Palestine; and (e) the Sudan and Yemen, with less than half of the previous category.

The value of merchandise trade is even more revealing of economic structures and of the strength of niches developed in the global economy. Several conclusions may be drawn from the data. First, “fuel” exporting countries show larger export values compared to others in the region. However, oil-exporting countries in the region have not sufficiently developed other sectors of their economies for export. For example, fuel is shown as accounting for 90 per cent of Saudi Arabia’s exports, compared to Malaysia where manufactures account for 80 per cent. When assessed on a per capita basis, Norway and Canada have commanding leads. In terms of development, it is important to study the differences that have led to faster progress in some countries than in others. For example, during the 1990s, the value of exports from Egypt increased by 17 per cent, while nearly doubling in Tunisia. By 2001, manufactured goods accounted for 33 per cent of export values in Egypt and 77 per cent in Tunisia. Integration into the global economy may also be indicated by the volume of foreign direct investment (FDI). Table 3 shows FDI as a percentage of GDP. The 2004 FDI figures include the net inflow and outflow of investments. Clearly, Canada and Malaysia are heavily involved, with large outflows which mean significant investments outside their countries. The Republic of Korea’s figures seem to indicate greater dependence on national resources, invested for the most part within the country’s borders. The Arab countries show low levels of engagement in FDI, with the exception of Sudan where the ratio is larger because of a small GDP.

Caution needs to be exercised in describing and interpreting data on unemployment. To begin with, definitions vary among countries in ways that can significantly affect the results. In addition, unemployment and poverty data are among those heavily influenced by the “politics of statistics”, which affect their availability and accuracy. Nevertheless, with limited exceptions, the pattern shows higher rates of unemployment in the Arab region than in the industrialized and transitional countries.

The inescapable conclusion from the indicators of economic development presented above is that the Arab economies are facing serious challenges in becoming globally competitive and capable of supporting decent living standards for their citizens. Certain policy areas are particularly important, including those aimed at promoting national savings and investments, attracting foreign capital and technology while protecting the rights of workers and the environment, clarifying the roles of government and private enterprises with respect to the massive need to build the countries’ infrastructure, maintaining equity in economic growth, promulgating regulations to promote and safeguard transparent and fair competitiveness in markets, protecting consumers, and upgrading the quality of human resources by enhancing knowledge and skills.

D. POVERTY AND INEQUALITY

Concern about poverty has been a common theme through the ages, across religions and cultures, in countries with diverse economic and political regimes, and at different levels of development. However, its prevalence and intensity vary greatly

among nations. The differences are rooted fundamentally in the capacities and limitations of the institutions that address human needs, namely family and kinship, economy, polity, philanthropy, education and health care. To further understand this complex problem, it must be placed within the broad context of the values, norms and organizational frameworks of these institutions. The forces involved expand or limit opportunities and determine the distribution of resources and power.

Poverty is a complex multidimensional problem; consequently, definitions and indicators vary. Mention should also be made of the serious gaps in comparative data on comprehensive indexes such as affordability of basic needs or standards of living. In fact, available data on poverty need to be interpreted with caution because of political sensitivity to estimates.⁵⁷ The earlier classification of countries into five tiers, based on per capita GDP, clearly reveals the poverty and wealth of these nations.

As has already been mentioned, a consensus has been emerging at the international level on according high priority in societal development to the reduction of poverty and the alleviation of its impact. This was part of the Copenhagen Declaration (1995) and was reaffirmed on subsequent occasions.⁵⁸ Addressing poverty has also become a primary objective of other major international organizations, for instance the World Bank, as well as of industrial countries' bilateral assistance programmes. However, as noted earlier, the situation has not improved and has in fact worsened. This calls for increased coordination at all levels, improved information in terms of both availability and quality, and enhanced understanding of the causes and dynamics of poverty.

In order to understand poverty, it is important to say a word about a once dominant perspective referred to as the "*culture of poverty*".⁵⁹ Proponents of this perspective maintain that certain interrelated socio-economic and psychological traits, combined with particular beliefs and values, constitute a cultural system characteristic of the poor; that this system tends to inhibit motivation to work or change; and that it is socially transmitted and perpetuated across generations. Critics of this point of view hold that the poor are motivated and indeed attempt to better their circumstances, and that the explanation of poverty lies in the lack of opportunity and an enabling environment. The results of a national survey in Egypt lend support to the latter position.⁶⁰ Intergenerational mobility was sizeable in terms of both education and occupation, even in the lowest strata. In addition, the most frequently mentioned

⁵⁷ Saad Z. Nagi, *Poverty in Egypt: Human Needs and Institutional Capacities* (Lanham, Lexington Books, 2001), p. 253.

⁵⁸ The Copenhagen Declaration and Programme of Action, p. 4.

⁵⁹ Oscar Lewis, "The Culture of Poverty", in L. Ferman, J. Kornbluh and A. Haber, eds., *Poverty in America* (Ann Arbor, Michigan, University of Michigan Press, 1966).

⁶⁰ Nagi, *Poverty in Egypt*.

purpose of assistance sought and/or received by households in poverty was to cover the costs of education for the respondent or the respondent's children. Furthermore, assistance received for education, unlike that for other purposes, was most often in the form of loans. The study also sheds some light on the dynamics of poverty—among those who experienced intergenerational educational mobility, there was a 9.4 per cent net reduction in poverty rates.

Policy issues related to poverty are many and varied; they touch on all institutions. At a general level, there is a need to address economic growth, expansion and upgrading of labour markets, distributive equity, redistributive measures and other means of social protection, access to credit and assistance in building assets, promoting and protecting equality of opportunity and, importantly, access to quality education and health care.

E. EDUCATION, KNOWLEDGE AND SKILLS

Education is a cornerstone of all aspects of societal development. It is necessary for nurturing democratic and accountable governance, enhancing the quality of human capital which is indispensable to economic prosperity, and instilling rationality. Appropriate curricula can also be influential in building cultures of tolerance, social consciousness, environmental awareness and aesthetics. In addition, education is a prerequisite for participation in the scientific and technological revolution, the effects of which are vividly demonstrated in health care, communication, transportation and other aspects of human affairs. Table 4 presents data on rates of illiteracy among sectors of the population aged 15 and over and aged 15 to 24, enrolments at the secondary and tertiary levels and expenditures on education as a percentage of GDP.

The distributions in the table demonstrate clear differences among Arab countries as well as between them and countries at more advanced stages of development. Illiteracy ratios for persons aged 15 and over remain high in all Arab countries, especially Yemen (51.0 per cent), Morocco (49.3 per cent), Egypt (44.4 per cent) and the Sudan (40.1 per cent). The ratios for persons aged 15 to 24 should be of great concern, since they reveal serious failures in the more recent performance of education systems. The same four countries record significantly higher ratios than the rest in this regard.

TABLE 4. ILLITERACY AND EDUCATION INDICATORS

Country	Illiteracy 2000-2004		Enrolment ratio 2002/2003	
	Ages 15+	Ages 15-24	Secondary (Net)	Tertiary (Gross)
Algeria	31.1	10.1	67	21
Bahrain	11.5	1.4	87	33
Egypt	44.4	26.8	81	29
Iraq	60.7 ^{a/}	55.4 ^{a/}	..	14
Jordan	9.1	0.6	80	35
Kuwait	17.1	10.9	77	..
Lebanon	14.0 ^{a/}	4.8 ^{a/}	..	44
Libyan Arab Jamahiriya	18.3	3	..	58
Morocco	49.3	30.5	36	11
Oman	25.6	1.5	69	7
Palestine	10.8 ^{a/}	1.6 ^{a/}	84	35
Qatar	15.8	5.2	82	22
Saudi Arabia	22.1	6.5	53	25
Sudan	40.1	20.9	..	..
Syrian Arab Republic	17.1	4.8	43	..
Tunisia	26.8	5.7	64	27
United Arab Emirates	22.7	8.6	71	35
Yemen	51	32.1	..	..
Canada	..	..	..	58
Malaysia	11.3	2.8	70	29
Norway	..	..	96	81
Republic of Korea	..	..	87	85

Sources: Columns 1 and 2: UNESCO Institute for Statistics, Literacy assessment July 2004; columns 3 and 4: UNESCO Institute for Statistics, *Global Education Digest 2005*.

Note: Two dots (..) indicate that data is not available.

^{a/} Data refer to the year 2000; source: *ESCWA Statistical Abstract*, No. 25.

Particularly notable also are the low levels of enrolment in secondary education in Iraq, Morocco, Syrian Arab Republic and Yemen, as well as in tertiary education in many Arab countries, especially the Syrian Arab Republic, the Sudan and Oman, which record ratios below 10 per cent. The ratios in Morocco, the United Arab Emirates and Yemen are barely above 10 per cent. By comparison, enrolment in tertiary education stands at 59 per cent in Canada, 70 per cent in Norway and as high as 82 per cent in the Republic of Korea. The picture of public expenditures is incomplete due to lack of data for most Arab countries. However, fragmentary evidence indicates consistently strong public commitment on the part of advanced and transitional societies. The figures also show high levels of public support for education

in Tunisia and even more so in Yemen. It should be noted that the ratio of expenditures is significantly affected by the size of GDP, which is especially small in countries such as the Sudan and Yemen.

The major policy issues relating to education revolve around access, costs and quality. In most if not all countries, while the primary responsibility for basic education rests with the government, private schools are available for those who prefer them and can afford to pay. Particularly important are concerns about equality of opportunity across gender and socio-economic divides. In-depth studies of education in the Republic of Korea can be highly instructive for reform efforts. The following extended quotes from an analysis by McGinn and associates highlight certain aspects of the evolution of national objectives, policies and practices:⁶¹

“Changes in government have not been accompanied by major changes in goals for education. In March 1946, ... the National Committee on Educational Planning adopted these goals for the new educational system: (1) Formulation of character which is realized in international friendship and harmony as well as in national independence and self-respect; (2) Emphasis on individual responsibility and a spirit of mutual assistance: enforcement of a spirit of faithful and practical service; (3) Contribution to human civilization by originating science and technology and by refining and emphasizing national culture; (4) Cultivation of a spirit of persistent enterprise by elevating the physical standards of the people; (5) Cultivation of sincere and complete character by emphasis on the appreciative and creative power of fine arts.

These goals later were adopted by the Rhee Government without major change and were embodied in the Education Law. The ultimate goal of Korean education is prescribed in Article 1, as follows:

Education shall aim at, under the great ideal of *hongik in'gan* (benefits for all mankind), assisting all people in perfecting individual capability, developing the ability for independent life, and acquiring citizenship qualifications needed to serve for the democratic development of the nation and for the realization of human prosperity.

To realize these goals, more specific objectives were adopted, as follows:

(a) Cultivation of knowledge and habits needed for the sound development and sustenance of body and of indomitable spirit; (b) Development of patriotic spirit for the preservation and enhancement of national independence and values for the cause

⁶¹ Noel F. McGinn, Donald R. Snodgrass, Yung Bong Kim, Shin-Bok Kim and Quee-Young Kim, *Studies in the Modernization of the Republic of Korea: 1945-1975: Education and Development in Korea*, (published by the Council on East Asian Studies, Harvard University; distributed by Harvard University Press, Cambridge, Massachusetts, 1980) pp. 27-30, 68, 73-75, 77, 78.

of world peace; (c) Succession and development of national culture and contribution to the creation and growth of world culture; (d) Cultivation of truth-seeking spirit and of the abilities to think scientifically, act creatively, and live rationally; (e) Development of the love for freedom and of high respect for responsibilities necessary to lead well-harmonized community life with the spirit of faithfulness, cooperation, love and respect; (f) Development of aesthetic sensitivity to appreciate and create sublime arts, to enjoy the beauty of nature and to utilize leisure effectively for cheerful and harmonious life.

The goal statements appear to represent an effort to blend modern concepts of education with traditionally approved social values". [pp. 27-31]

"The low *public* cost of education in Korea can be explained as a result of several factors. Perhaps the *least* important of these is foreign aid to education". [p. 68]

"...Korea is one of the few developing countries that has implemented a policy of automatic promotion at all levels. Typical in most countries is a pattern of late entry, failure, and repetition, leading either to high dropout rates (usually mistakenly ascribed to lack of interest of parents in their children's education) or to a high percentage of children who are several years older than would be expected for their grade level. ... [T]hat is not the situation in Korea ... Most children are of correct age for their grade. ...

How is automatic promotion maintained? Educators in many countries justify high rates of failure in terms of the inability of students to master the material presented to them, material necessary for success at higher levels in the system and, supposedly, for performance as a productive member of society. Failing less able students allows teachers to focus on those with more ability, to operate with smaller classes and, in general, to maintain a high standard of educational input. Korea, on the other hand, not only keeps all children in school through the 6th grade and most through the 9th, but also does so with very large classes. One might expect, therefore, that the content of what is taught in Korean schools and the method of teaching used would differ considerably from what is taught in other countries' schools. ...

[T]he major difference is in terms of how hard students work. All students pass in Korea, but grades are still used as diagnostic information by parents concerned about the long-run educational future of their children. Because all students are seen as capable of passing, poor performance in the classroom is viewed more as evidence of inadequate application by the student than as an indication of low ability, and is likely to result in increased pressure from the parents concerned to assure that their children reach the higher educational levels". [pp. 73-75]

"The low unit cost of education has been possible because of the willingness of teachers to work for wages lower than those paid persons of equivalent training in

other developing countries. There are several explanations for this. First, the profession of teacher is highly respected in Korea and must therefore provide considerable psychic benefit. Second, teachers could expect to receive some financial and material rewards over and above those included in official reports of costs, chiefly through working as examination tutors after school hours. Third, especially between the early 1950s and late 1960s, the overproduction of high school and college graduates unable to obtain employment in more remunerative professions made available a pool of low-cost labour for education. Teacher training programmes for high school and college graduates were of relatively short duration and low cost". [p. 78]

In pursuit of quantitative performance and universal enrolment, the Republic of Korea did not lose sight of quality in education. Results from an international survey illustrate this point. The following is a description of the study:

"The Third International Mathematics and Science Study (TIMSS) is the largest, most comprehensive and most rigorous international comparison of education ever undertaken. During the 1995 school year, the study tested the math and science knowledge of a half million students from 41 nations in five different grade levels. In addition to tests and questionnaires, it included a curriculum analysis, videotaped observations of mathematics classrooms and case studies of policy issues".⁶²

Reports reviewed from this study are for eighth-grade students. On a scale ranging from 200 to 800 points, the Republic of Korea scored 607 in mathematics, second only to Singapore (643) and ahead of Japan (605), Germany (509) and the United States (500). In science, the Republic of Korea ranked fourth (565) behind Singapore (607), the Czech Republic (574) and Japan (571). The scores for Korean students were higher than for those from the United States (554) and Germany (531). Kuwait was the only Arab country included in the study. With scores of (392) and (430), in mathematics and science respectively, it ranked 39th on both subjects, just ahead of Columbia and South Africa.

Thus, within a short span of a few decades, the Koreans were able to practically eliminate illiteracy, reach nearly full enrolment in basic education and accumulate a wealth of educated human resources. Policies aimed at effective use of these resources have led to a remarkable surge in economic development in terms of both scope and pace. McGinn and associates identify the contributions of education to this progress: (a) improving the quality of labour through increased skills, efficiency and work knowledge; (b) increasing labour mobility, and promoting division of labour and increased labour force participation; (c) increasing scientific and technical knowledge to promote technical progress through inventions, discovery and swift adaptation;

⁶² United States Department of Education, the Third International Mathematics and Science Study (TIMSS), 1996, p. 9.

(d) increasing entrepreneurial ability to improve management and allocation of factors of production; and (e) making people more responsive to economic change, and removing social and institutional barriers to economic growth.⁶³

The ratio of the labour force with tertiary education is a useful indicator of the role of education in upgrading human resources, but no such data were available for the Arab countries. Three other indicators are also revealing in terms of these relationships – training in science and engineering, expenditures on research and development (R&D) as a percentage of GDP, and patent applications by residents. Available data show that, in relative terms, the Arab countries are in much weaker positions on all three counts. Training in science and engineering lags appreciably behind industrial societies. R&D expenditures are also lower, as exemplified by Tunisia (0.45 per cent), Egypt (0.19 per cent) and Morocco (0.18 per cent). Expenditures in the Republic of Korea (2.96 per cent) were followed by those in Canada (1.94 per cent) and Norway (1.64 per cent). It is important to keep in mind existing differences in the size of GDP. Finally, the figures on patent applications by residents show the Republic of Korea in the lead with 50,861, followed by Canada (4,259) and Norway (1,399). Among the Arab nations, Egypt recorded the highest number (406), followed by the Syrian Arab Republic (50), Saudi Arabia (33) and Algeria (32). Ten countries recorded no applications. It is not surprising, in view of this information, to see a much stronger niche for the industrial societies in global science and technology.

F. HEALTH AND HEALTH CARE

Health care institutions have been affected by advances in science and technology in a spectacular manner. However, the benefits of these advances are seriously maldistributed within and among nations at all stages of health care: preventive, curative and restorative. Various types of indicators are used to assess and compare these distributions. Many are related to numbers and per capita ratios of health care professionals, hospital beds and equipment. These are means for maintaining health; they are not ends in themselves. Other indicators measure the outcome or output of the system as registered by the health status of the population, such as infant mortality and life expectancy at birth (table 5). Commitment to this important institution is measured by two other indicators—public expenditures on health care as a percentage of GDP and total per capita expenditures on health.

Distributions along these variables show a remarkable correspondence between levels of investment in health care and the health status of the population. Most notable are the effects of sanctions and wars on Iraq and the outstanding efficiency in the Republic of Korea and Malaysia. Among the other Arab countries, Bahrain, Kuwait, Oman, Qatar and United Arab Emirates show the highest investments and

⁶³ McGinn and others, *Studies in the Modernization of the Republic of Korea*, p. 101.

correspondingly better outcomes. At the other end of the continuum are the Sudan and Yemen, with the lowest levels on both sets of indicators—investment and health. The remaining countries fall in the middle of the range on the various measures.

TABLE 5. HEALTH INDICATORS AND EXPENDITURES

Country	Infant mortality (per 1000 live births) 2000-2005	Life expectancy at birth 2000-2005	Public expenditure on health (% GDP)	Total health expenditures per capita/year (US\$)	WHO rating of overall health system performance ^{a/}
Algeria	37	71.0	3.10	73	81
Bahrain	14	74.2	2.90	500	42
Egypt	37	69.6	1.90	46	63
Iraq	94	58.8	1.02	225	103
Jordan	23	71.2	4.50 ^{c/}	163 ^{c/}	83
Kuwait	91	76.8	3.50	630	45
Lebanon	22	71.9	2.20 ^{b/}	499 ^{b/}	91
Libyan Arab Jamahiriya	19	73.4	1.60	143	87
Morocco	38	69.5	2.00	59	29
Oman	16	74.0	2.40	225	8
Palestine	21	72.4	..	..	..
Qatar	12	72.7	2.20	885	44
Saudi Arabia	23	71.6	3.40	375	26
Sudan	72	56.3	0.60	14	134
Syrian Arab Republic	18	73.2	2.40	65	108
Tunisia	22	73.1	4.90	134	52
United Arab Emirates	9	77.9	2.60	849	27
Yemen	69	60.3	1.50	20	120
Canada	5	79.9	6.80	2 163	30
Malaysia	10	73.0	2.00	143	49
Norway	4	79.3	6.80	2 981	11
Republic of Korea	4	76.9	2.60	532	58

Sources: Columns 1 and 2: United Nations Population Division, Department of Economic and Social Affairs, *World Population Prospects: the 2004 Revision*; columns 3 and 4: World Bank, *World Development Indicators 2004* [CD-ROM], International Bank for Reconstruction and Development [producer, distributor]; column 5: World Health Organization, *The World Health Report 2000: Health Systems: Improving Performance*, Geneva.

Notes: Data refer to 2002 unless otherwise specified; two dots (..) indicate that data is not available.

^{a/} Data refer to varying years; ^{b/} Data refer to 1998; ^{c/} Data refer to 2001.

The World Health Organization (WHO) conducted an extensive cross-national survey of the performance of health care systems based on a number of criteria including: disability adjusted life expectancy; health equality in terms of child survival; responsiveness level and distribution; fairness of financial contribution; health outcomes and overall system performance.⁶⁴ Table 5 includes ratings based on “overall system performance”, which show Oman (8) ahead of all countries in the analysis, followed by Norway (11). Health systems in Saudi Arabia, United Arab Emirates, Morocco and Canada are also in the upper 30, in that order. The lowest system performers were the Sudan, Yemen, Syrian Arab Republic and Iraq, also in that order.

Important policy issues relate to access, costs, affordability, quality, human resources and organization. Discussions and decisions about these issues are heavily influenced by values and ideologies, which are not necessarily rooted in facts. Among the issues attracting much attention and intense debate are those concerning rights and responsibilities for health care, and the role of government versus that of markets. Differences in positions are not clarified by comparisons between Canada and Norway because of similarities in their systems. But when the United States, where mixed models are in operation, is included, the comparisons are more instructive. “Conservatives generally believe that health is not a right but a privilege that citizens must earn through past or present labor-force participation. ... [L]iberals argue that healthcare is a right that should be bestowed on each individual at birth”.⁶⁵

“Forty-five million ... have no health insurance at all. ... Another 33 million have limited-coverage insurance ... As a nation, we [in the United States] spend over 14 percent of our Gross Domestic Product on healthcare—about 50 percent more per capita than any other country. But ... [a] World Health Organization ranking of national healthcare ranked the United States 39th ... In terms of fairness and access for all, the same report ranked us 54th”.⁶⁶

This is a case of abundance of resources and high levels of expenditure, but deficient policies influenced by ideology and special interests. To discredit a national health insurance plan, private interests play on longstanding fears of big government. “In truth, it is the private market that has created a massive bureaucracy, one that dwarfs the size and costs of Medicare, the most efficiently run health-insurance programme in the U.S. in terms of administrative costs ... [with] overhead averages [of] about 2 per cent a year. ... [A] 2002 study for the state of Maine ... concluded

⁶⁴ World Health Organization, *The World Health Report 2000: Improving Health Systems* (Geneva, World Health Organization, 2000).

⁶⁵ Dawn J. McCarty, J. Rick Altemose and Robert E. Moffit, “Do We Need a National Healthcare Policy?” in Howard Jacob Karger, James Midgley and C. Brené Brown, eds., *Controversial Issues in Social Policy* (Boston, Allyn and Bacon, 2003), p. 125.

⁶⁶ *Ibid.*, p. 126.

that administrative costs of private insurers in the state ranged from 12 per cent to more than 30 per cent".⁶⁷

G. SOCIAL PROTECTION

Table 7 shows data on age dependency ratios for the various countries. The highest rates of dependency are in Yemen, Palestine, Mauritania and Somalia, in that order. All the high rates in these countries are in the form of high percentages of children below 15 years of age. The advanced industrial societies—Norway, Canada and the Republic of Korea—have significantly higher proportions of people aged 65 and older. Among countries of the region, the highest proportions of people in this older category are in Tunisia and Lebanon, in that order. It is also important to note the low rate of population growth in the industrialized countries. Recently, however, there are indications that fertility rates have also been dropping in the Arab countries.

TABLE 7. DEPENDENCY RATIOS AND CATEGORIES

Country	Dependency ratio	Population aged 0-14 (% population)	Population aged 65 + (% population)
Algeria	0.36	32.13	4.37
Bahrain	0.31	27.79	2.82
Egypt	0.39	34.80	4.63
Iraq	0.45	42.08	2.79
Jordan	0.41	38.49	2.96
Kuwait	0.27	25.23	1.51
Lebanon	0.37	29.92	7.12
Libyan Arab Jamahiriya	0.35	31.35	3.71
Morocco	0.37	32.35	4.60
Oman	0.38	35.57	2.27
Palestine	0.50	46.24	3.30
Qatar	0.25	24.13	1.33
Saudi Arabia	0.41	38.70	2.72
Sudan	0.43	39.98	3.46
Syrian Arab Republic	0.42	38.71	3.04
Tunisia	0.34	28.42	6.03
United Arab Emirates	0.24	23.35	1.07
Yemen	0.50	47.50	2.32
Canada	0.31	18.51	12.80
Malaysia	0.38	33.25	4.26
Norway	0.35	19.94	15.13
Republic of Korea	0.28	19.96	8.16

Source: World Population Prospects: The 2004 Revision.

Notes: Data refer to 2002 unless otherwise specified.

⁶⁷ Ibid, p. 135.

This calculation is based on the formula adopted by the author which is: dependency = total population under 14 + total population over 65/total population, while the correct formula to calculate such an indicator is: dependency = total population under 14 + total population over 65/population 15-64.

Dependency exposes certain categories of the population to the risk of adverse effects from weaknesses in societal institutions. These include the poor, vulnerable children and adolescents, persons with disabilities and the multi-problem elderly. In traditional societies, families and communities provided much of the needed care and assistance within the limits of their knowledge, technical capabilities and socio-economic means. In modern societies, public policies and programmes are aiding families in these functions and/or are addressing the needs in other ways. However, societies in transition are characterized by weaknesses in both systems of support, which leave increasing numbers and proportions of people in these categories in difficult situations. As might be expected, poverty further complicates the lives of these citizens and their families.

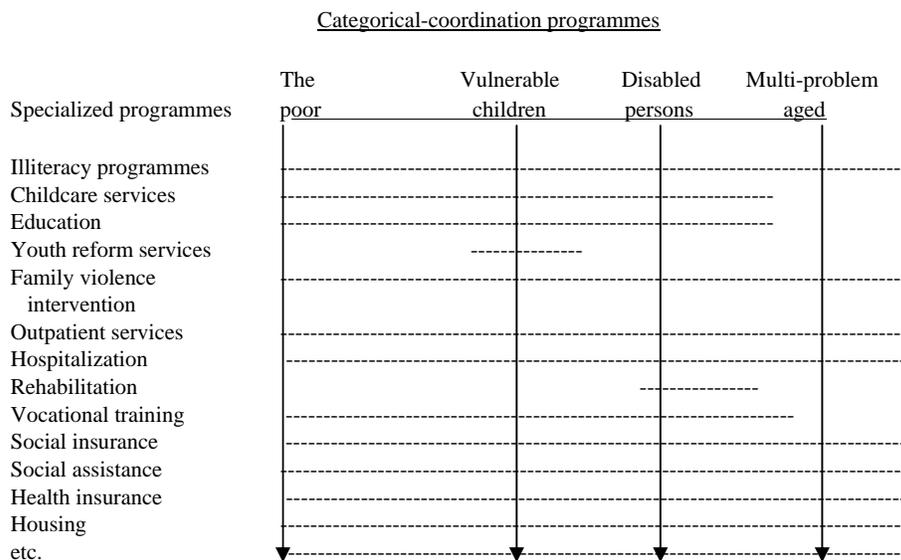
Related policies and programmes are concerned with such issues as income maintenance, rehabilitation for people with disabilities, assisted living for the frail elderly, intervention in cases of family violence and neglect, reformatories for deviant youth, affordable housing, and availability of credit and training for those of the poor who are interested in developing productive opportunities. Specialization is an inevitable outcome of differences in the nature of the problems to be addressed. Specialization also results from the growth of knowledge about these problems and from the corresponding technological developments. Unfortunately, specialization has often resulted in considerable proliferation and fragmentation in the structure and delivery of services.

People with multiple problems, especially in developing societies, face difficulties in managing their way through the maze of bureaucracies to get the services they need and the benefits to which they are entitled. In organizing human services, distinctions should be made between “specialized” and “categorical” programmes; both types are important and their relationships need to be well articulated.⁶⁸ Currently, there are considerable ambiguities in the functions of these two types, which lead to structural confusion. Specialized programmes are problem-oriented, regardless of the population that encounters the problem. Thus, health care is oriented towards pathology and injuries, no matter who experiences them—vulnerable children, other children or adults. By contrast, categorical programmes are organized around the needs of certain categories of the population for case identification and management across the various specialized services.

⁶⁸ *Time*, 11 October 2004, p. 50.

As has already been mentioned, both components need to be considered in models for the structure and delivery of services. Along with other sectors of society, vulnerable groups share many problems that fall within the domains of the same specialized agencies. The similarity of these needs makes it important to ensure that programme development is undertaken with one eye on the nature of problems and related service requirements and the other on the broader structure of services. A partial list of specialized programmes is included in figure 3. With few exceptions, these programmes are oriented to most, if not all, sectors of the population. There should be no need to duplicate any of these services through newly created programmes. Rather, efforts to build community services should be directed towards improving the standards and expanding the capacities of available services and towards developing services where they are lacking.

Figure 3. A diagrammatic scheme for the organization of human services at the community level



Source: S. Z. Nagi, *Child Maltreatment in the United States: A Challenge to Social Institutions* (New York: Columbia University Press, 1997), p. 142.

Coordination of these services calls for the other programme component—categorically oriented services. Such agencies are needed for sectors of the population with multiple problems whose needs fall within the domains of several agencies, namely the poor, vulnerable children, people with disabilities and the multi-problem aged (see figure 3). The responsibilities of these agencies include: (1) case finding through outreach activities; (2) keeping up-to-date records on cases to facilitate case

management and follow-up monitoring; (3) case management through specialized services as well as through related legal and administrative aspects as necessary; and (4) reporting to relevant authorities about deficiencies in both quality and quantity of specialized services at the local level. This strengthens checks and balances in the organization and delivery of services.

For the categorical services to perform these responsibilities effectively, they must have: (a) legal mandates rendering the practices of other agencies consistent with these responsibilities; and (b) resources to contract for services needed for the cases they manage.

H. SOCIETAL INTEGRATION

The Copenhagen Declaration and Programme for Action contains an informative discussion of the issues. Here is how the problem is stated:

“The pluralist nature of most societies has at times resulted in problems for the different groups to achieve and maintain harmony and cooperation, and to have equal access to all resources in society. Full recognition of each individual’s rights in the context of the rule of law has not always been fully guaranteed. Since the founding of the United Nations, this quest for humane, stable, safe, tolerant and just societies has shown a mixed record at best. ...

... Notwithstanding the instances of progress, there are negative developments that include social polarization and fragmentation; widening disparities and inequalities of income and wealth ... ; problems arising from uncontrolled urban development and the degradation of the environment; marginalization of people, families, social groups and communities ... ; and strains on individuals, families, communities and institutions as a result of the rapid pace of social change, economic transformation, migration and major dislocations of population, particularly in the areas of armed conflict”.⁶⁹

Differences in the ethnic composition of countries can become a source of considerable tension and may at times lead to armed conflict. The differences can be in ethnic background (racial and/or cultural), language or dialect and/or religion.

The Copenhagen Declaration and Programme of Action includes a number of recommendations for policies and actions addressed to these issues; the following is a summary of the objectives:

“The aim of social integration is to create ‘a society for all’, in which every individual, each with rights and responsibilities, has an active role to play. Such an

⁶⁹ The Copenhagen Declaration and Programme of Action, p. 95.

inclusive society must be based on respect for all human rights and fundamental freedoms, cultural and religious diversity, social justice and the special needs of vulnerable and disadvantaged groups, democratic participation and the rule of law”.⁷⁰

Heads of State or Government of 117 countries and the European Community attended the World Summit for Social Development. Only five Arab countries were represented at that level (Algeria, Kuwait, Morocco, the Sudan and Yemen).

I. STATUS OF WOMEN

Not much national progress can be accomplished without institutional change to unleash the energies of half of the population of the various countries. In addition to the imperatives of justice and human rights, “gender inequality—the differential access to opportunity and security for women and girls—has become an important and visible issue for the economies of the Middle East and North Africa”.⁷¹ Table 7 shows some dimensions of the gender gap.

Several observations may be made about the distributions shown in the table. To begin with, there are large gender differentials along all dimensions and vast intra-regional discrepancies. In Qatar, 15.1 per cent and 17.7 per cent of adult women and men, respectively, are illiterate. But more than one half of adult women and more than one third of adult men in Egypt, Morocco, the Sudan and Yemen are unable to read or write. There are considerable differences between the comparative countries, on the one hand, and those in the Arab region, on the other, in terms of the percentage of women in non-agricultural wage employment. Women’s share of non-agricultural wage employment is highest in Morocco (26.2 per cent), followed by Oman (25.6 per cent) and Tunisia (25.3 per cent). The representation of women in national parliaments is highest in Iraq (31.6 per cent), where a quota system has been introduced, and Tunisia (22.8 per cent). These rates are comparable with those of developed countries, such as Norway (37.9 per cent) and Canada (21.1 per cent).

Policies aimed at eliminating gender disparities must take into account the complexity and longstanding causes of existing conditions. The issues include equal opportunities for education, health care, labour-market participation, positions of leadership and authority, participation in political processes, security from violence in the family, and other protections afforded by human rights. Effective approaches call for integrated programmes rather than taking up isolated issues separately.

⁷⁰ Ibid., p. 95.

⁷¹ The World Bank, *Gender and Development in the Middle East and North Africa: Women in the Public Sphere* (Washington, D.C., International Bank for Reconstruction and Development/World Bank, 2004), p. 1.

TABLE 7. INDICATORS OF GENDER EQUALITY/INEQUALITY

Country	Adult illiteracy		Percentage of women in non-agricultural wage employment (data refer to 2003 or latest year available)	Women in leadership positions in public service	
	Female	Male		Percentage of parliamentary seats (single or lower house, as of 30 September 2005)	Number of ministerial and sub-ministerial positions
Algeria	40.4	22	15.5	6.2	5
Bahrain	15.8	8.5	13.4	0	2
Egypt	56.4	32.8	21.6	2.9	2
Iraq	76.6	45.1	11.9 ^{a/}	31.6	6
Jordan	14.1	4.5	24.9	5.5	3
Kuwait	19	15.3	24.1	1.5	1
Lebanon	19.7	7.9	25.9 ^{a/}	4.7	1
Libyan Arab Jamahiriya	29.3	8.2	15.0 ^{a/}	..	1
Morocco	61.7	36.7	26.2	10.8	2
Oman	34.6	18	25.6	2.4	4
Palestine	16.1	5.6	16.8	5.7	3
Qatar	15.1	17.7	15.2	..	1
Saudi Arabia	30.5	15.9	14.5	0	0
Sudan	50.9	29.2	18.9	9.7	1
Syrian Arab Republic	25.8	9	18.2	12	2
Tunisia	36.9	16.9	25.3	22.8	3
United Arab Emirates	19.3	24.4	14.4	0	1
Yemen	71.5	30.5	6.1	0.3	1
Canada	..	..	49.2	21.1	..
Malaysia	14.6	8	38	9.1	14 ^{b/}
Norway	..	..	49.1	37.9	23 ^{b/}
Republic of Korea	3.6	0.9	41.2	13	..

Sources: Columns 1 and 2: UNESCO Institute for Statistics; column 3: United Nations Statistics Division (UNSD), Millennium Development Goals Indicators Database [http://millenniumindicators.un.org/unsd/mi/mi_goals.asp]; column 4: Inter-Parliamentary Union [<http://www.ipu.org>]; column 5: ESCWA Centre for Women and Population Reference Bureau, *Women of Our World 2002*.

Notes: Two dots (..) indicate that data is not available.

^{a/} Data refer to 1990.

^{b/} Data refer to 2002 and are derived from *Women of Our World 2002*.

J. ENVIRONMENT

The concept of sustainable development was introduced to raise consciousness of the dangers of current patterns of production and consumption in regard to depletion of global resources and the degradation of soil, water and atmospheric conditions. Given the sharing of waterways, the atmosphere and the use of natural resources, environmental issues have far-reaching regional and global implications.

Several United Nations declarations address the issues involved, including the need to “enact effective environmental legislation”, the need for cooperation “to strengthen endogenous capacity ... through exchanges of scientific and technological knowledge”, the need to “develop national law regarding liability and compensation for the victims of pollution and other environmental conditions”, and the need to develop “environmental impact assessment, as a national instrument, ... for proposed activities likely to have an adverse impact on the environment”.⁷² In addition, it is necessary to raise citizens’ awareness of environmental ethics and practices.

K. GENERAL ISSUES

1. *Clustering of human problems*

The *tendency for human problems to cluster* is a characteristic phenomenon at all levels—individual, family, community and country. The constellations of problems described above generally go hand in hand—poverty, illiteracy, limited access to and poor quality of education, poor health and limited access to care and sanitation, gender inequality and undemocratic governance. This clustering has several significant implications for both explanation and intervention. It is essential to keep in mind the larger picture when planning for laws to address individual problems and to identify not only the conditions that underlie this concentration of negative elements and barriers to change, but also effective avenues for intervention. Simply attributing these problems to cultural differences and leaving them unaddressed is not only failing the affected populations, but also increasing the risks to the security and well-being of others.

2. *Marginality syndrome*

Mention has already been made of the specialization and fragmentation of services driven by the growth in knowledge and technology. As new intervention programmes to deal with social problems are introduced, a process of differentiation takes place by virtue of which the boundaries of existing problems are re-examined and criteria of eligibility re-established. Gate-keeping decisions regarding acceptance

⁷² United Nations, the Rio Declaration on Environment and Development and the Millennium Declaration.

or rejection of applicants for services and benefits, especially where doubt exists, are subject to the influence of three factors: (a) the types of services—whether they entail direct dispensation of funds, as in the case of insurance or compensation benefits or public assistance, or the provision of services as in the case of health care, vocational training or employment services; (b) the relationship between the supply of services—determined by limitations on funds and personnel—and public demand for these services; and (c) the types of goals set for the services—whether they are specific and directly measurable, or diffuse and intangible. Specific and measurable goals become criteria in assessing the efficiency of agencies and their personnel, and thus contribute to the emphasis on selectivity in these operations.

The impact of specialization is felt more strongly by those who are neediest but have the greatest difficulty in qualifying for programmes that administer services and benefits. These are people whose limitations in any one area are not severe enough to make them eligible for assistance under one programme or another. They are marginal in all or most areas to the point of exclusion from the different programmes. However, a review of their global situation would reveal greater overall limitations and need.⁷³

3. *Social problems and institutional capacities*

As pointed out earlier, social problems are largely the result of limitations in the capacities of institutions (systems of values and norms and organizations) that carry out the functions of society and attend to fulfilling human needs. Several trends and conditions are important to understanding the dynamics of institutional capacities, their strengths and limitations. The *first* of these is shortcomings and lags in adaptation to accommodate the global swell of modernization. Rapid advances in means of communication and globalization are exerting considerable pressure on countries, such as those of the Arab world, where such shortcomings and lags are common. Proper management of this transformation in ways that address prevailing social problems requires active, balanced and equitable approaches. “[E]ffectiveness in representation, coordination, and commitment” have been suggested as guiding aims for institutional development.⁷⁴

The *second* factor is the dominance or hegemony of certain institutions over others. Institutional dominance indicates a spill-over in values, norms and mechanisms from the dominant institution to others. Consider, for example, a pattern common to the Arab world, the dominance of family values and norms and their effects on government bureaucracies and business enterprises which have been riddled with nepotism and favouritism. Selecting people for positions of authority is determined

⁷³ Saad Z. Nagi, *Disability and Rehabilitation: Legal, Clinical, and Self-Concepts and Measurement* (Columbus, Ohio State University Press, 1969), pp. 168-170.

⁷⁴ Micael Castanheira and Hadi Salehi Esfahani, “Political Economy of Growth: Lessons Learned and Challenges Ahead”, mimeograph, 2001, p. 8.

more by loyalty than by competence. The rising dominance of economic values and norms vis-à-vis those of other institutions such as education, health care and social protection are also affecting policies and programmes in these vital public services.

A *third* source of weakness in institutions is the gap between the ideals reflected in values and norms, on the one hand, and the actual behaviour of organizations and individuals, on the other. Behaviour can fall short of expectations for a number of reasons. Important among them are: deficiencies in organizational structures, inadequacies in human resources in terms of quantity and/or quality, resource limitations, imbalances in the pursuit of personal versus collective interests, imbalances in commitment to goals versus prescribed means for achieving them, and weaknesses in moral and ethical standards.

It is important to note that there are no one-to-one causal relationships between social problems and institutions. Typically, a given problem results from weaknesses in more than one institution. Consider “poverty”, which is rooted in limitations in the capacities of most institutions. By the same token, weaknesses in a given institution contribute to the prevalence and intensity of multiple problems. These patterns of causal relationships have important implications for the formulation and implementation of public policies and programmes, and reinforce the need for multiple and integrated strategies.

4. *Social problems and the organization of knowledge*

Much can be learned from the history of relationships between the physical and biological sciences, on the one hand, and hard technologies, on the other. The pathways of these areas of science and technology were quite independent until the dawn of the current era of modernization. Inventions were largely the product of intuition mixed with trial and error. The continuous and rapidly accelerating pace of convergence between science and technology has yielded spectacular advances in all walks of life, as may easily be observed in modes of communication, transportation, construction and health care. The organization of scientific knowledge about technical problems has been instrumental in facilitating these accomplishments.

Without getting too deeply involved in these complex issues, it may be useful to draw attention here to the distinction between two forms in which scientific knowledge is organized.⁷⁵ The *first* consists of “principle theories”, in which basic knowledge concerning various fields is set forth. The *second* consists of “pattern theories”, which are configurations of factors, each converging on some central phenomenon which the theory sets out to explain. This form is most appropriate for organizing problem-centred knowledge. It provides more complete explanations at more concrete levels than the basic theories relating to the disciplines. In addition, this

⁷⁵ Abraham Kaplan, *The Conduct of Inquiry* (San Francisco, Chandler, 1964).

form of organization is far more amenable to incorporating multidisciplinary knowledge—a particularly important characteristic since no one discipline, let alone one theory, can provide adequate explanations for complex technical or social problems pressing for resolution.

While the analogies between technical and social problems are imperfect, they are nevertheless quite instructive in terms of the organization of knowledge for problem solving. The scientific knowledge most relevant to the explanation of social problems comes primarily from the social and behavioural sciences; each is defined by a number of basic theories and levels of analysis. The applied knowledge accumulated through these disciplines pertains to the structural and dynamic features of society and culture, such as institutions, organizations, policies and systems of management. By way of illustration, we may take poverty again as an example. Many theories are advanced to explain poverty, for instance motivation, socialization, institutions, stratification and mobility, the State, power, markets and exchange, to name just a few. Each of these theories can provide only a partial explanation of poverty. The search for a more complete understanding of the problem would require the incorporation of these partial explanations into an interdisciplinary scheme that is also sufficiently concrete to include guides for action.

A number of factors inhibit the accumulation of such information about social problems. One important factor, for instance, is that incentives in academic departments, where training and much of the research are carried out, orient research activities inwardly towards the discovery and verification of basic principles underlying the respective discipline, while problem-oriented interdisciplinary scholarship is neglected. This narrowing of specialization has limited the utility of available knowledge about social problems, which, in turn, has led to the fragmentation of conceptions and plans for societal development.

IV. MODELS, REALITIES, AND CONDITIONS: PROCESSES OF SOCIAL POLICY

The literature on policy processes is extensive, and much of it is specialized, focusing on particular issues or phases of the process.⁷⁶ This chapter attempts first to characterize underlying models and then to construct a comprehensive model that combines important phases in the formulation and implementation of policy. Influential enabling and inhibiting conditions in each phase are identified and discussed. Finally, practices in the Arab countries and others covered by the analysis are placed within this framework.

A. UNDERLYING MODELS

Countries differ greatly in terms of how policies are formulated and implemented. However, they represent variations on three basic models, including, elite preferences, balance of interests, and rational/scientific. As with all models, these are pure forms that are neither fully nor exclusively applied in any country. The pattern followed in any given country is usually dominated by one of these ideal types, but combines elements of the others. The following are descriptions of these three models.⁷⁷

1. *Elite preferences*

The governing elite can be traditional rulers, military leaders, leaders in single or dominant political party systems, a wealthy aristocracy with connections to those in positions of power and authority, or combinations of these. In this model, accountability to sectors of the population who are most affected by social policies and development is at best minimal, and political institutions are less responsive to the requirements of social programmes such as those of education, health care and social protection. Social problems attain greater significance when their resolution is also in the interest of the elite and of their regimes. The model suggests that:

“‘the people’ are apathetic and ill-informed about public policy, that elites actually shape mass opinion on policy questions more than masses shape elite opinion. ... Public officials and administrators merely carry out the policies decided upon by the elite. Policies flow ‘downward’ from elites to masses; they do not arise from mass demands. ... Society is divided into the few who have power and the many who do not. ... [A] small number of persons allocate values for society; the masses do not

⁷⁶ See, for example, Garry D. Brewer and Peter deLeon, *The Foundations of Policy Analysis* (Homewood, Illinois, The Dorsey Press, 1983); Donald E. Chambers, *Social Policy and Social Programs: A Method for the Practical Policy Analyst* (Boston, Allyn and Bacon, 2000); Thomas T. Dye, *Understanding Public Policy* (Englewood Cliffs, Prentice-Hall, 1972); Bruce S. Jansson, *Becoming an Effective Policy Advocate* (Pacific Grove, Thomson Learning, Inc., 2003); Harold D. Lasswell, *The Decision Process*, (College Park, Bureau of Governmental Research, University of Maryland, 1956).

⁷⁷ Thomas R. Dye, *Understanding Public Policy*, pp. 20-28.

decide public policy. ... Only non-elites who have accepted the basic elite consensus can be admitted to governing circles”.⁷⁸

2. *Balance of interests*

This model is built around the idea of strong civil societies and well organized interest groups. It is based on the proposition that:

“[I]nteraction among groups is the central fact of politics. Individuals with common interests band together formally or informally to press their demands upon government. ... [S]uch a group becomes political ‘if and when it makes a claim through or upon any of the institutions of government’. Individuals are important in politics only when they act as part of, or on behalf of, group interests. The group becomes the essential bridge between the individual and his government. ...

[P]ublic policy at any given time is the equilibrium reached in the group struggle. This equilibrium is determined by the relative influence of interest groups. Changes in the relative influence of any interest groups can be expected to result in changes in public policy; policy will move in the direction desired by the groups gaining in influence and away from the desires of groups losing influence. ...

The influence of groups is determined by their numbers, wealth, organizational strength, leadership access to decision makers and internal cohesion”.⁷⁹

It is important to note that sectors of the population who would be most affected by social policies and programmes are the least financially able, the least knowledgeable on how to organize, and the least likely to exercise their voting rights. It is therefore left to others to articulate their interests and to bring these interests to the attention of policy makers and the public at large. In open democratic societies, this is accomplished by associations devoted to humanitarian interests; labour unions whose constituents feel in need of social protection; professional societies active in such areas as human services; researchers and journalists concerned with social problems; political parties and individual politicians motivated by ideology or self interest; and bureaucracies administering related programmes.

3. *Rational/scientific model*

Many countries aspire to follow this model and to convince their populations and others that they are doing so. However, the underlying assumptions about the role of science and its relationship to values seriously limit its application. The problem is well articulated in the following passages:

⁷⁸ Ibid., p. 20.

⁷⁹ Ibid., pp. 23-24.

“A rational policy is one which is correctly designed to maximize ‘net value achievement’. By ‘net value achievement’ we mean that all relevant values of a society are known and that any sacrifice in one or more values which is required by a policy is more than compensated for by the attainment of other values. This definition of rationality is interchangeable with the concept of efficiency—efficiency is the ratio between valued inputs and valued outputs. We can say that a policy is rational when it is most *efficient*—that is, if the ratio between the values that it achieves and the values that it sacrifices is positive and higher than any other policy alternative. One should *not* view efficiency in a narrow dollars-and-cents framework—in which basic social values are sacrificed for dollar savings. Our idea of efficiency involves the calculation of *all* social, political and economic values sacrificed or achieved by a public policy, not just those which can be measured by quantitative symbols.

To select a rational policy, policy makers must: (1) know all of the society’s value preferences and their relative weights; (2) know all of the policy alternatives available; (3) know all of the consequences of each policy alternative; (4) calculate the ratio of achieved to sacrificed societal values for each policy alternative; (5) select the most efficient policy alternative. This rationality assumes that the value preferences of *society as a whole* can be known and weighted. It is not enough to know and weigh the values of *some* groups and not others. There must be a complete understanding of *societal* values. Rational policy making also requires *information* about alternative policies, the *predictive capacity* to foresee accurately the consequences of alternative policies, and the *intelligence* to calculate correctly the ratio of costs to benefits. Finally, rational policy making requires a *decision-making system* which facilitates rationality in policy formation. ...

There are many barriers to such rational decision making. In fact, there are so many barriers ... that it rarely takes place at all in government. Yet the model remains important for analytic purposes because it helps to identify barriers to rationality”.⁸⁰

Science can contribute to conceptualizing and gathering much of the information needed. However, the magnitude of what needs to be known, as stated above, is daunting, if not prohibitive, even more so the synthesis of accumulated knowledge in a manner suitable for application. Science is most useful in identifying, explaining and assessing problems as well as in evaluating performance in view of already established programme goals; these are no mean functions. But science cannot resolve conflicts and trade-offs among values surrounding priorities in policies and decisions. In the public arena, these value choices are made through political processes. Thus, this policy model may merely replace the values of the elite with those of technical planners. In reality, however, technical planners are more likely to end up articulating and implementing the elite’s interests and preferences.

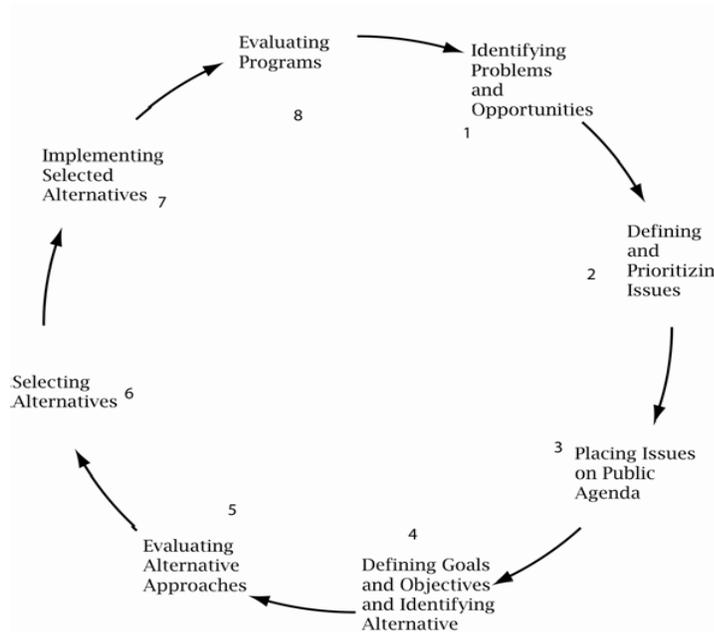
⁸⁰ Ibid., pp. 27-28.

B. A COMPREHENSIVE MODEL: ENABLING AND INHIBITING CONDITIONS

A graphic representation of this model is presented in figure 4. Three general points of clarification are in order. *First*, the policy-programme process applies to both social problems, where the concern is with intervention, as well as with social progress where the goal is to enhance opportunities through development. The two objectives often overlap. *Second*, the process is viewed as a cycle which begins with the identification of an issue—a problem or an opportunity—and ends with programme evaluation. The current cycle connects to future cycles when evaluations reveal negative side effects and/or new opportunities that become issues for new cycles. Effective planning and implementation may be expected to lead to a spiral of constructive cycles, while vicious ones are more likely to result from defective plans. And, *third*, the process of policy formulation and implementation is untidy; attempts to divide it into phases are by necessity arbitrary. The following is a discussion of important stages which, in reality, flow into each other.

Conditions that influence the various phases of the process are also identified. The influences may be enabling or they may inhibit effective outcomes. Generally, enabling and inhibiting conditions do not represent dichotomies that are either present or absent in a country. Rather, they are continua on which countries can be rated. Overlaps are unavoidable since there is no one-to-one correspondence between stages and conditions.

Figure 4. Policy-programme cycle



1. *Phase 1: Identifying problems or opportunities*

Problems and opportunities are identified by individuals or organizations from various sectors of the population. In an open society, these include the ruling elite and others who have influence because of proximity to the elite; the upper strata of government bureaucracies involved in the administration and management of public programmes; the legislative branch of government; researchers in academic institutions and free-standing centres; analysts and reporters in the press and mass media; and civil society organizations such as those representing business, labour, the professions, and advocacy groups for the powerless and for other issues.

The objective here is to bring these issues to the attention of government agencies responsible for setting the public agenda. The process involves mobilizing support, of special interests or of the public at large, for addressing the problem or pursuing the opportunity. The means range from preparing published material to petitioning and lobbying members of the administrative and legislative agencies of government, organizing strikes and other forms of peaceful civil disobedience, or taking part in public demonstrations and other forms of collective action that can be peaceful or violent. Clearly, it is far easier for the ruling elite, members of legislative bodies and the upper strata in administrative bureaucracies to place an issue on the public agenda. In open societies, the mass media also have a strong influence on setting the public agenda.⁸¹

Among the many conditions that enable or inhibit this phase in the policy process, two are particularly important. *First*, since the formulation and implementation of public policies is the primary mechanism for the exercise of governance, constitutional structures, the nature of regimes and their relationships to society have a profound influence throughout the policy-programme process. The protection of civil liberties and political freedom is a strongly enabling condition in identifying social problems and opportunities for societal progress. Under such conditions, civil society organizations concerned with these issues multiply. They also energize volunteerism and advocacy. Political liberties also mean pluralism of parties that are formed freely and offer the public different positions on social issues. In addition, a free press and free mass media offer related news and analysis unrestricted by political pressures. Democratic governance also promotes freedom of scientific inquiry guided by the norms of science—reliability and validity—rather than being constrained by political and other extraneous influences. Finally, the governing elite and high officials of government bureaus also have a crucial role to play in identifying social issues that require policy attention; indeed they have a

⁸¹ See Maxwell E. McCombs and Donald L. Shaw “The Agenda-Setting Function of Mass Media”, in Oliver Boyd-Barrett and Chris Newbold, eds., *Approaches to Media: A Reader* (London, Arnold, a member of the Hodder Headline Group, 1995), p. 153; and Kurt Lang and Gladys Engel Lang “The Mass Media and Voting”, in Bernard Berelson and Morris Janowitz, eds., *Reader in Public Opinion and Communication*, (New York, Free Press, 1996), p. 466, quoted in *ibid.*, p. 154.

responsibility to do so. Fulfilling these responsibilities requires critical assessments of the status quo and the freedom to voice opinions about the need for changes in policies.

Command governance has the opposite influence on these entities and on their ability to become effective identifiers of social problems and opportunities for progress. When the status quo serves special interests, voices for change may not only be ignored but prevented from making themselves heard.

Second, information is central to issue identification. Of the various types of information, the need here is for material that confirms the existence of a problem, that the problem affects sub-populations or the whole population, and that it requires the attention of government. The existence of such information enables the various entities named above to communicate with the public and the authorities about the issue. Needless to say, the absence of or limitations in such information inhibit ability to make the case.

2. Phase 2: Defining and prioritizing issues

The process of defining policy issues begins with those who identify them and may be characterized by varying degrees of completeness and specificity. The issues thus defined may take the form of a letter of petition, an advocacy group's leaflet, a report issued by a government agency or an NGO, or a monograph based on more definitive research. If and when agencies of government take note of externally identified issues, they also become involved in expanding available information. Guiding the inquiries are questions about such concerns as: (a) the nature of the problem or opportunity; (b) explanations of antecedents, causes, correlates and consequences; (c) the number of people and population sectors affected; (d) related issues and related policies and programmes; and (e) experience in other countries with similar problems or prospects, the approaches used and their outcomes. It is important also to have actuarial information for establishing cost estimates, at least on a preliminary basis.

This kind of information is usually produced by researchers in academic centres and by independent research institutes. So far, relations between the research community, especially social science researchers, and governments have been "uneasy". One reason, of course, is that the products of research on social problems reveal deficiencies that regimes in power consider critical of their performance. The extent and effects of this "unease" vary from one country to another. On the whole, open systems of governance value factual information, support its expansion through research grants and contracts, and use what is applicable in defining the issues at hand. Conversely, less open governance impedes the availability of sufficient and high-quality information that would enhance rationality in judgements.

Once available, the information is deemed to be sufficient, and frequently before that stage is reached, the role of science is considerably reduced. Establishing priorities is heavily influenced by values, ideologies, political and other interests, as well as limitations in financial and other resources.

In this phase, gate-keepers in the administrative and legislative branches of government render decisions on whether and where an issue slots into the country's priorities as they see them. Each issue competes for "policy space" with a myriad of others. While the above-described information is useful in explaining the significance of an issue and associated cost estimates, selectivity is necessitated by the limits of available resources in every country. Decisions on priorities are heavily influenced by values and are therefore resolved through political rather than scientific processes. Thus, the values held by various sectors of the public in the "balance of interests" model and of the governing elite in the "elite preferences" model assume considerable significance. Social consciousness, orientation towards collective interests and concern for the disadvantaged on the part of decision makers greatly enhance the prospects for meaningful social policies. By the same token, indifference or commitment to contrary values leads to the opposite outcome. Thus, it is important to remain mindful of the crucial role of leadership in this phase.

Informed advocacy that is endowed with capable personnel and adequate resources constitutes an effective enabling factor in open policy processes. Systems of command governance are much less likely to allow room for advocacy or to be significantly affected by it.

3. *Phase 3: Placing issues on the public agenda*

In every country, the public agenda of issues under consideration is always crowded. To be slotted into the agenda, a new issue must survive the process of prioritization whereby it is compared to other issues in terms of importance, costs and the whole range of constituencies. This assessment is carried out by administrative and/or legislative agencies of government. The gate-keeping operations exercised by government officials may take one of four stances regarding the addition of any item to the public agenda: let it happen, encourage it to happen, make it happen, or don't let it happen.⁸²

In addition to public debate, legislative proceedings also contribute in significant ways to clarifying the merits of a policy issue and the role of government in addressing it. Usually an issue under consideration is assigned to an agency of the administrative bureaucracy—a ministry and/or a bureau—exclusively or as a lead

⁸² See Randal B. Ripley, *Policy Analysis in Political Science* (Chicago, Nelson-Hall Publishers, 1985), pp. 106-107; and Charles O. Jones, *An Introduction to the Study of Public Policy* (Monterey, California, Brooks/Cole, 1984), quoted in *ibid.*, pp. 106-107.

sponsor. It is also assigned to committees in the legislative bodies that specialize in related content. Both components of government seek further information from outside specialists through research and consultation. Parliamentary committees also seek clarification of facts, values and ideologies through legislative hearings. Such hearings constitute an important aspect of the legislative process, since the proceedings are widely disseminated as a means of public information.

Under democratic governance, the process is open to participation by public and private interest advocates and other groups. Concerned constituencies make their voices heard by various means. By weighing these different and at times conflicting interests and workable compromises, decision makers attempt to gain legitimacy and public support for the issue.

Within this context, the enabling conditions include: (a) homogeneity of values, which reduces the potential for conflict; (b) a high level of public education and political awareness that makes for greater rationality in accepting the need for compromise to serve the collective interest in maintaining internal peace and civility in inter-group relations; (c) an open participatory process which, though at times untidy and slow, is far more likely to improve the effectiveness of the policies; and (d) legitimacy of the governing regime itself, which is highly important in generating trust in the outcome and enhancing the potential for self-compliance.

Under command governance, agencies of government largely assume the functions of providing rationale and facilitating choices favoured by the governing elite. While the process may move more expeditiously under such regimes, the products are more likely to suffer from important limitations in that they are: (a) more likely to favour special interests, increase inequalities and be less attentive to the social needs of the population; (b) more likely to miss or ignore possible secondary negative side effects; and (c) less likely to generate public understanding and confidence, thus requiring forced compliance from a large proportion of the population.

4. Phase 4: Defining goals and objectives and identifying alternative approaches

An important step in the policy process is defining goals and objectives to guide the identification of alternative approaches and to set standards for evaluating the performance of the created programme(s):

“A goal is a statement, in general and abstract terms, of desired qualities in human and social conditions. It is important to grasp the goals and objectives of a program so as to answer the question: ‘What is the purpose of this program or policy?’ In fact, all elements of the program or policy must be judged on the basis of their contribution to program goals and objectives ... Therefore, the program or policy goals and objectives are the programmatic ‘measure of all things.’ Program goals and

objectives are highly variable ... The goal of the Social Security program ... is to ensure that citizens will have income after they no longer can work. ... The goal of most child abuse programs is to protect or prevent the abuse of children who are too young to protect themselves. It is important to understand that when we describe the goal or objective of a policy or program, we are describing a desired end, *not* a provided service. It is easy to confuse the two when speaking of social policies and programs because programs often are described according to the methods they use to achieve their goals and objectives. Thus, when asked to define the purpose of their program, staff members and executives often say, for example, that they provide counseling or money or nursing care to people who need it. That, however, is not a legitimate goal; by definition, services are not ends in themselves”.⁸³

In addition to the definition of goals and objectives, identification of alternative approaches to intervention is a step in the process. This task is accomplished through creativity and innovation, referred to by some as “social engineering”. Discussions of technical innovations tend to be concentrated on “hard technologies”, which are conspicuously visible in all walks of life. Less considered, but equally important, are “soft innovations” which include laws, patterns of organization, systems of production and distribution, and systems of management and administration, among many others. There is much to be gained from understanding and promoting this process, through which solutions to problems, means for maintaining effectiveness and efficiency in performance, and approaches to initiatives for social change are identified. Advocates as well as administrative and legislative branches of government have major roles to play in this regard, usually with the assistance of outside specialists.

An important enabling condition in this phase is the quality of human resources in agencies of government responsible for defining policy goals and objectives. The clearer and the more appropriately targeted the stated goals and objectives are in terms of the issue, the greater the prospect for successful outcomes.

In identifying alternative approaches, it is important to be acquainted with experience and adaptable innovations in other countries. Consider, for example, the Grameen banks movement for addressing the issue of small credit, which started in Bangladesh and is spreading to other developing countries. Of even greater import is the history of “social insurance”. The concept, credited to Condorcet (1743-1794):

“... was for a system of social insurance funds and savings associations whereby even the poor could be protected against sudden losses in income. One of the main causes of poverty was that many poor families have no assets and are liable ‘to fall into misery at the least accident.’ With social insurance, they would become independent, and full participants in the process of economic change. They could survive illness, accidents, reductions in wages and temporary unemployment without

⁸³ Chambers, *Social Policy and Social Programs*, pp. 79-80.

falling into extreme poverty. Establishment of insurance set up by governments or by associations of individuals, would to a great extent reduce these causes of ‘inequality, dependence and even misery’; they would be ‘using chance itself to oppose chance’”.⁸⁴

The application of the concept as a policy is credited to Bismarck (1815-1898), who in the following century introduced social insurance in Germany as a policy to address the issue of industrial injuries, a scheme now known as workers’ compensation. The effectiveness of this social innovation led to expansion of its application to retirement, sickness, health care and other social problems. It has become the primary mechanism in social protection worldwide.

Innovative solutions can be adopted and/or adapted if already in existence. If not, they will need to be created. Here again, the quality, training and experience of responsible cadres become of even greater importance.

As has already been mentioned, policy issues usually cut across the administrative domains of government ministries, agencies, bureaus and committees. While particular issues are usually assigned to particular agencies, cooperation among ministries and bureaus in this phase can be of considerable enabling value. It helps to integrate the emerging policy into the broader fabric of related public policies and to avoid, or at least lessen, the disintegrative effects associated with protection of domains.

5. Phase 5: Evaluating alternative approaches

The debates and negotiations, whether formal and public or otherwise, may lead to multiple options or be narrowed down to one approach. Multiplicity of options entails the need for comparative evaluations—experiments or demonstrations to assess their relative strengths and limitations. This phase requires judicious use of the tools of science and adherence to its norms of reliability and validity. The specifics of “evaluation research” are beyond the scope of this report; however, it is important to draw attention to some general considerations.

- (i) Conflicts of interest need to be carefully avoided. In many countries, funds for “research and evaluation” are controlled by the agencies that manage, or will manage, the respective programmes. In effect, the operating agencies become the evaluators of their own performance. Governments usually have accounting agencies that are responsible for auditing the operating agencies. However, the form of accounting they perform is that of fiscal auditing rather than programme evaluation. It

⁸⁴ Emma Rothschild, *Economic Sentiments: Adam Smith, Condorcet, and the Enlightenment* (Cambridge, Massachusetts, Harvard University Press, 2001), p. 172.

would be useful to consider establishing a national evaluation agency (foundation, bureau or centre) that assumes responsibility for this function. While controlling the resources, such an agency would not be organized and staffed to carry out the work “in house”. Rather, it would be a mechanism for allocating grants and contracts, with academically-based and free-standing research institutes conducting the evaluations. The disbursement of funds should be based on competitive proposals evaluated by peer-review committees composed of outsiders who have high standing in their fields. The process must be organized and operated to meet the highest standards of quality, transparency and ethics;

- (ii) Frequently, the substantive nature of demonstrations requires community-based organizations to undertake them. For example, hospitals might be the appropriate bases for demonstrations of health programmes for children, better still if they are children’s hospitals; local schools would be the base for literacy; etc. These kinds of community-based demonstrations pose a dilemma with regard to support. Poor communities have the least capabilities and resources available to prepare proposals meeting the criteria for support. However, it is imperative that demonstrations for new programmes test their viability in the least advanced communities. Agencies responsible for demonstrations need to include in their “requests for proposals” ways to assist the least developed communities in participating;
- (iii) Demonstrations need to be designed with two yields in mind. *First, results*, that is to say accomplishments in terms of the goals and objectives of the programmes being assessed, as well as relative effectiveness and efficiency compared to other modalities being assessed. These need to be accompanied by explanations of positive or negative influences. *Secondly*, the *methods* employed in getting the programme set up and operating, together with accounts of the difficulties and dilemmas faced, and how they were addressed. Information on methods is necessary in order to generalize successful options beyond the demonstrations;
- (iv) Most programmes have quantitative as well as qualitative dimensions, and the latter are the more difficult to assess. Planners and evaluators of demonstrations need to be cautious about imbalances in the emphasis placed on the two dimensions. The tendency is to overemphasize quantitative measures that are easier to obtain and to neglect programme quality. This is called “goal displacement” and it happens, for example, when school enrolments become the primary, if not the exclusive, measure of performance of schools, with little or no attention being given to learning. It should be noted that human services are particularly prone to goal displacement because of difficulties in assessing their qualitative outputs;

- (v) The evaluation design should be attentive to identifying not only consequences within the scope of the programmes' goals and objectives, but also unintended positive and/or negative consequences;
- (vi) The evaluation of results should include information from the intended targets of the programmes, professionals involved in the provision of services or benefits, administrators and, in some cases, the public at large. This information is often the best source for assessing quality. Impatience with the time, cost and effort required for a careful assessment has led to the development of short cuts which contribute to superficiality in a function that needs to be taken very seriously. "Rapid assessment" and "focus groups" are examples of these trends.

6. Phase 6: Selecting alternatives

This stage is usually marked by keen contests of values, ideologies and special interests, which led Lasswell to define policy in terms of "who gets what, when and how".⁸⁵

"This is the most political of the ... steps. Decisions are seldom made only on the basis of prior technical calculations and estimates. Many other aspects need to be considered, not the least of these being the multiple, changing, and sometimes conflicting goals held by those interested in the problem and its resolution. To the extent that the analytic efforts exercised during estimation neglect non-rational or ideological information, decision makers may find themselves forced to rely heavily on their own experience and intuition to integrate these essential ingredients of workable decisions".⁸⁶

Disagreements can arise over the substance of the goals and objectives as defined, or over approaches to intervention. Generally, where values are widely shared as in Norway and the Republic of Korea, disagreements over goals and objectives are less frequent than over approaches to issues. In an open society, this stage is also most likely to witness intense negotiations and compromises to find common ground and reach workable agreements to allow the process to move forward.

This phase involves intensive interaction between information and politics. The results of high-quality demonstrations and evaluative research can enable the policy process by providing a clear picture of the performance of different approaches in the

⁸⁵ Harold D. Lasswell, *Politics: Who Gets What, When, How* (Cleveland and New York, Meridian Books, The World Publishing Company, 1958).

⁸⁶ Brewer and deLeon, *The Foundations of Policy Analysis*, pp. 18-19.

light of several criteria including: adequacy, equity, efficiency and effectiveness.⁸⁷ The information yielded should also be useful in providing guideposts as to how programmes can be mounted and managed. Given the complexity of social issues, trade-offs in results are likely to affect the constituencies in different ways. The political efforts made in earlier phases, when successful, should be of much help in forming a consensus, or at least a working agreement, on what the policy should look like.

This is also the phase in which appropriations are made. The adequacy of the financial and human resources allocated is a decisive enabling or inhibiting condition. Actually the allocation of resources is the most visible indicator of a government's commitment to a given policy issue. Thus, the health of the national economy, which exerts a considerable influence on these appropriations, constitutes an important enabling or inhibiting condition. Needless to say, however, the views of policy and decision makers, and the options they choose, are crucial in the allocation of available resources.

7. Phase 7: Implementing selected alternatives

It has been said that "the devil is in the detail", but when it comes to the policy cycle "many devils are in the implementation". In this phase, primary responsibility shifts from the legislative to the administrative agencies of government. The latter authorities translate the laws, usually abstract statements, into organizational and operational structures for decisions at the various tiers of the bureaucracies involved. They also specify procedures for interaction with the public, criteria for decision making, and the nature and rules of needed evidence. In many countries, these are called "regulations". The judicial authorities become involved in programme implementation on two grounds: (a) when the programme and the laws initiating it are challenged as being unconstitutional; and (b) when affected citizens claim injustice because the regulations, or their applications, are not consistent with the letter or intent of the law.

Effective and efficient implementation depends on many factors. Of special importance are the clarity of objectives; the fit between objectives and programmes as conceived and operationalized; coherence of the regulations; the quality of human resources at various levels; and the adequacy of financial allocations. All these elements have to be considered in the evaluation of programmes, which is to be discussed next.

⁸⁷ Jemal ud-din Kassum, "East Asia: From Recovery to Sustained Growth: An Update", presentation of the East Asia and Pacific Quarterly Brief, Hong Kong, 22 March 2000, the World Bank, p. 15, Internet.

Ensuring that the public are informed about policies and related procedures enables people to pursue their entitlements and fulfil their obligations. This can be done through media campaigns and by other means. It should be noted that this phase serves the interests of many in developing countries in certain ways:

“[M]any ... have found the implementation phase of the policy process to be particularly suited to their needs. In attempts to acquire government goods and services, individuals and groups find it especially rewarding to focus their demand making efforts on officials and agencies empowered to distribute benefits, or on politicians who may have influence on individual allocations. The factions, patron-client linkages, ethnic ties, and personal coalitions that are often the basis of political activity are well suited to making individualized demands on the bureaucratic apparatus for the allocation of goods and services. This kind of participation, which may have great impact on whether and how national policy goals are achieved, frequently occurs at the local level, far beyond the purview of national administrators charged with program or policy responsibility. ...

Additionally, constraints on communication between superiors and subordinates, often described in studies of ... bureaucracies, may mean that national level plans are not adapted to the realities of physical, economic, or political conditions; adjustment of policies or programs to local conditions may be the responsibility of field agents of national or regional bureaucracies who, confronting difficulties in their daily routines, may employ considerable discretion in distributing public resources. ...

[T]he implementation process may be the major arena in which individuals and groups are able to pursue conflicting interests and compete for access to scarce resources. It may even be the principal nexus of the interaction between the government and the citizenry, between public officials and their constituents. Moreover, the outcome of this competition and interaction can determine both the content and the impact of programs established by government elites and thus influence the course of a country's development”.⁸⁸

The quality and adequacy of human resources is probably the most important condition for success in programme implementation. International organizations can be of much assistance in sponsoring training programmes within nations and in countries advanced in social development. Emphasis in these programmes should not be limited to the substantive and technical aspects of the roles involved, but should also be placed on the ethics of public service.

⁸⁸ Merilee S. Grindle, ed., *Politics and Policy Implementation in the Third World* (Princeton, New Jersey, Princeton University Press, 1980), pp. 18-19.

Finally, cooperation among related agencies of government in a systematic and accountable manner is important for programme performance. It not only contributes to the success of the policy in question, but also facilitates its integration with related policies administered by different agencies. Conversely, the lack of such cooperation when needed can have an inhibiting impact on the whole set of related policies.

8. *Phase 8: Evaluating programmes*

A myriad of issues arise in connection with the design of evaluation, the criteria for measuring impacts, data collection, analysis and interpretation, and preparation of reports that can guide action. Issues discussed earlier in connection with “testing alternative approaches” also apply to this phase. It will suffice here to highlight some additional considerations.

- (i) Evaluations strengthen rationality in the policy-programme cycle. Programme evaluations can serve several purposes: (a) to measure impacts of programmes in the light of programme goals; (b) to identify both positive and negative outcomes; (c) to provide explanations for the outcomes; and (d) to provide information that strengthens systems of accountability. The tendency is to focus on the first purpose, even though all four are important. It is also necessary to maintain balance between indicators of quantity and those of quality when assessing outcomes;
- (ii) Evaluations of ongoing programmes usually take place after the programmes have been started. However, it is far better to commence planning for evaluations before programmes are started so as to allow time for gathering benchmark data to be used in assessing programme impacts, and to afford evaluators an opportunity to learn about challenges and adjustments during the initiation phase. This information can be of much help in explaining programme outcomes;
- (iii) It is important for evaluators to become thoroughly familiar with all aspects of the programme. It is also necessary to protect the process from political and administrative influences. As has already been mentioned, these processes should be governed by the scientific norms of data reliability and validity, and by the criteria of competence and integrity in their interpretation;
- (iv) The pathways for feedback from evaluation should be clarified at the outset, with information reaching authorities at levels where decisions can be made about the programme’s course and future and the need for corrective action.

9. General influences

Several enabling and inhibiting conditions cut across all phases of the policy-programme cycle:

1. Education is probably the most important underlying influence on all aspects of development and it is essential at all levels of governance and administration. The greater the prevalence and the higher the levels of education in all sectors of the population, the brighter the prospects. It injects rationality into all phases of policy and implementation, facilitates compromises and accommodations, and promotes appreciation of the balance between special and public interests. It also endows policy makers and programme administrators with the knowledge, skills and vision needed for the complex problems of development.

2. A system of public accountability, when designed and applied effectively, can go a long way towards bringing discipline to all phases of the process and focusing it on public service. The framework for accountability, briefly outlined below, should not be viewed as a cafeteria from which politically expedient items are selected and the less popular are disregarded. The elements are *interdependent and mutually reinforcing*. Putting them in place will require political will at high levels of governance and vigilance until they are institutionalized.

The framework comprises six elements: (a) the *objectives* of the programme need to be clearly articulated and understood; (b) observable *criteria* of performance need to be identified, and caution should be exercised in regard to the tendency to place more emphasis on quantitative criteria, because of ease in measurement, than on qualitative criteria; (c) a system of *information* is needed to gather, analyse and present data based on measures of performance criteria; the competence and integrity of the information are crucial to the effectiveness of accountability as a whole; certain features need to be built into accountability to combat nepotism, corruption and other unethical behaviour; (d) the *targets*—persons to be held accountable—include holders of authority and responsibility at all levels; (e) evaluations must have *consequences* through a fair and effective system of incentives and sanctions; and (f) for a system of accountability to achieve its objectives, certain *conditions* need to be in place; important conditions are that employees be well trained for the work they are to do, be placed in appropriate facilities and be equipped with the tools and resources needed for the work.

3. The complexities of problems and the pressures of special interests in many countries of the region often result in inaction or in token actions in the name of maintaining “stability”. Stability is important to development, but not when used to justify the status quo and stagnation. Rather, it must be viewed in the sense of predictability and dynamic equilibrium. Planes flying in the world’s airspace are characterized by predictability and dynamic equilibrium. In national policies, the objective should be the management of “moving equilibriums” that enable the

introduction of significant developments while maintaining societal cohesion and focusing on the public interest. The predictability of change is greatly fostered by transparency, accountability, and rational processes for policy making and programme implementation. In these respects, countries of the region can benefit significantly from studying successful experiences in advanced societies and adapting them to national needs.

4. Population size and growth have been frequently referred to as causes of lack of progress. And although fertility rates in the region have been generally declining, current population size and growth rates should be a matter of concern, particularly when economic growth remains modest. Many factors contribute to short-term and long-term demographic change; the concern here is with the connection to development policies. Historical evidence shows that modernization is a driving force for both decline in population growth rates and enhancement of the pace of development. For example, the Republic of Korea's population growth rates have been decelerating dramatically in recent decades ever since development went into high gear. Women's education and opportunities for women to join the labour force are particularly important. Understanding these dynamics should change policy makers' stance from viewing population pressure as a reason for despair or a rationale for inaction.

5. Finally, there must be a recognition of the influence of the sociocultural environment as a whole. Several decades ago, five dimensions were proposed for describing the dynamics of this environment; they still have much relevance to the processes of policy formulation and implementation.⁸⁹ Consider the differences between two cultures in which people's orientations represent distant if not opposing positions:

In country A: (a) an individual's status and access to wealth and power is determined by which family or clan he/she belongs to; (b) variable rather than universal standards for expectations and for judging behaviour are applied; again family and clan position prevails; (c) an individual's roles are mixed, for example family roles blending into work roles, etc.; people are selected for jobs on the basis of loyalty, not competence, which promotes nepotism, favouritism and corruption; (d) emotionally expressive aspects of relations take precedence, with immediate gratification from personal relations; and (e) self-interest and special interests predominate and the preponderance of roles in society is geared towards that orientation.

In country B: (a) status and access to wealth and power are based on personal attributes of individuals, their performance, the skills and capabilities they bring to their roles, and their effectiveness in fulfilling these roles, that is to say, on their

⁸⁹ Talcott Parsons, *The Social System* (Glencoe, Illinois, The Free Press, 1951).

achievements; (b) universal expectations set the standards for behaviour, so that double and multiple standards are discouraged; (c) roles are differentiated so that family norms do not spill over into work and vice versa; (d) emphasis is on objectivity, rationality, self-discipline and delayed gratification; and (e) there is a balance between the pursuit of personal or special interests and the pursuit of collective interests.

It should not be difficult to see the Arab countries as belonging to Type A; Canada and Norway as belonging to Type B; and the Republic of Korea and Malaysia as being at different stages of transition. Nor should it be difficult to discern the enabling potential for development of Type B and the inhibiting potential of Type A. These comparisons reveal the importance of the sociocultural environment to development, and the pressing need for quality education and for extensive and fundamental institutional change.

C. COUNTRIES, MODELS AND REALITIES

It has already been mentioned that models are, by definition, “pure” forms and that the reality of policy and programme processes in the various countries represents mixes of these models. However, different countries approximate particular models more than others. The following is a summary of the situations in the countries of interest in this analysis.

1. *Arab countries*

The structural environment of polity and economy in the Arab region reveals that the dominant pattern of policy processes is that of “elite preferences”. Public participation and legislative representation are limited to varying degrees, ranging from non-existence to restricted political parties and freedoms. As pointed out in the UNDP study of *judicial independence in the Arab world*, cited earlier, executive powers are too strong for meaningful checks and balances in governance. And the alignment of interests of holders of political and economic power tends to become much more pronounced, reducing emphasis on social policies addressed to such problems as poverty, inequality, illiteracy and marginalization.

The predominance of “elite preferences” does not entirely rule out the presence of features of other models. For example, many countries have established “planning ministries” and adopted successive “five-year plans” to inject elements of rationality. Furthermore, among the elite themselves and high-level officials, there are some who are concerned with balance of interests and with improving conditions for the poor and disenfranchised. As a result, space has been found on the public agenda for some important social issues. It is important to note that this result is due more to acts of leadership on the part of progressive and humane individuals than to institutionalized policy structures and processes.

2. Comparative countries

The long-standing traditions of participatory democracy in Canada and Norway provide fertile ground for the “balance of interests” to prevail as a policy model. Suitable structures and processes for policy formulation and implementation are firmly institutionalized. Aided by egalitarian cultures with a strong commitment to collective interests and social justice, especially in Norway, they are among the highest rated countries in regard to social development. Through the availability of information and capable human resources, they are able to incorporate many elements of rational approaches. These two countries are the closest, among those of interest in this analysis, to approximating the “comprehensive” model.

The Republic of Korea has used a balanced mix of the three models. With command governance dominated by the military prevailing through much of the last half century, “elite preferences” guided policy processes. The regimes introduced strong elements of the rational/scientific model by insulating planners from political and other extraneous pressures. Aided by the availability of high-quality information and capable human resources, remarkable advances were achieved in economic development as well as in science and technology. These circumstances also led the nation to parliamentary democracy. Across regimes, much attention was given to the “balance of interests”, reinforced by: (a) the society’s sense of solidarity and egalitarian values and (b) strong civic groups engaged in debate and advocacy, and sharing in decisions on important social issues. Organizations such as the Federation of Korean Industries, the Federation of Korean Trade Unions, the Korean Traders Association, the Korean National Council of Churches, the Korean Veterans’ Association and the National Federation of Student Associations, have been active participants in shaping the agenda and courses of policies. The effects are evident in that the outstanding pace of economic growth in the Republic Korea was not accompanied by the extensive inequalities usually characteristic of such expansion. This may be credited to carefully planned and executed distributive and redistributive policies rooted in the balancing of interests.

It is important to note that failure to firmly institutionalize modern systems of management led to what was referred to as “crony capitalism”, which contributed significantly to the economic “meltdown” in the late 1990s. The “expansionary fiscal policies in 1998 and 1999 were critical in stemming the economic downturn and lessening the consequences of the crisis on the poor and the unemployed”.⁹⁰ However, data presented earlier show that gender inequality remains a challenge in the Republic of Korea.

As to Malaysia, its history was marked until recently by colonialism, problems in establishing sovereignty over areas contested by others and the secession of

⁹⁰ *The Columbia Encyclopedia* (Columbia University Press, 2004), Internet, p. 2.

Singapore. Internally, ethnic tensions, especially between Malay and Chinese sub-populations, occasionally turned to violence. Within this context, leaders at different levels were able to establish a constitutional monarchy with parliamentary democracy. There seems to be a balance in the mix of policy models between the “elite preferences” with a strong executive and the “balance of interests” necessary to maintain internal peace among ethnic components. During the 1980s and 1990s Malaysia joined the economic restructuring movement in South-East Asia with considerable success. The industrial base has been expanded, especially in electronics, and “foreign investment in manufacturing has increased significantly”.⁹¹ Although standards of living are rapidly improving, global comparisons show that Malaysia is in transition and still facing challenges in important areas of social policy, including inequality, illiteracy, education and health care.

⁹¹ Ibid., p. 2.

V. RECOMMENDATIONS

The Arab countries included in this analysis vary considerably in terms of political, economic and social structures. However, the data and other information presented in this report reveal important commonalities that form the basis for the following recommendations; some are related to the role of ESCWA.

A. FOR THE COUNTRIES

Some of the recommendations for the countries of the region address policy issues related to the “big picture”, while others address issues that are more focused on particular sectors or problems. The differentiation is for heuristic rather than definitive purposes.

1. As was mentioned in the first chapter, the aim of societal development should be the transformation of society, by society, for society. It is a massive, complex and necessary project. The process needs to be inclusive and well-coordinated; and developmental policies need to be integrated in ways that make the whole more than the sum of the parts. The question addressed here concerns arrangements and mechanisms by which these objectives can be advanced.

(a) Reforms need to be promoted in all dimensions of society: political, economic, social, cultural, intellectual and ethical; and at all levels: institutional, organizational and individual;

(b) Planning for reform needs to be inclusive of the various factions in society: government, political parties where applicable, civil society, business, labour, professions, ethnic groups and others. Since the object is to forge a national consensus, perceived legitimacy of representation is essential. Specifications of rationale and influences on inclusiveness and representation are discussed under “comprehensive policy-programme cycle”;

(c) These initiatives call for effective coordination at various levels, most importantly planning and implementation. It would be useful to study experience in other countries such as Tunisia’s “Higher Council of Planning, which is comprised of members from the Government and representatives of the political parties, national organizations and local councils”;⁹² the Republic of Korea’s “Deliberation Councils”, the constitution of which varies depending on the issues to be considered; and Singapore’s National Wages Council, which is tripartite in composition, including representatives of government, employers and labour.⁹³ Norway also offers examples

⁹² United Nations Economic and Social Council, “Policy Makers’ Meeting on Social Policies in the ESCWA region”, Cairo, 10-12 December 2002 (E/ESCWA/SD/2002/7), pp. 17, 18.

⁹³ Jose Edgardo Campos and Hilton L. Root, *The Key to the Asian Miracle: Making Shared Growth Credible* (Washington, D.C., The Brookings Institution, 1996), pp. 78-80.

of coordination mechanisms regarding social policies and programmes, which include different levels of government (local to national), business and labour. With needed modifications, these experiences can produce models adaptable to conditions in countries of the region. Further enquiries should be made to obtain information about the composition, authority, role and effectiveness of these councils;

(d) Coordinating bodies should also be organized as needed within government administrative bureaucracies to ensure the integration of processes, procedures and implementation within and across agencies.

2. Countries of the region need to prepare for political reform. Studies of democracy in the Middle East by a group of analysts, attached to the United Nations University's Peace and Governance Programme, have identified conditions that are "important in preventing transitional violence and in neutralizing threats to nascent democratization processes".⁹⁴ Of these two are important at the national level:

"First, broad sectors of the population need to be familiar with, and ideally fully embrace, civic virtues and a democratic political culture, manifested through the presence of a healthy, functioning, and influential civil society. Second, political leaders must be fully committed to reform processes, to the extent that they are prepared to relinquish some of their own powers to strengthen democratic governance".⁹⁵

There is always a concern that democratization can open a system to "the rise of democratically elected, but anti-democratically inclined, political parties and movements".⁹⁶ Protection in this regard can take the form of: (a) constitutional structures enforced by an independent judiciary; (b) political and governance orders that are representative, accountable, just and responsive; and (c) informed publics that value and support the legitimacy of these constitutions and orders. Democratization is a process that requires time to mature, "not an event that can be planned and executed at will".⁹⁷ However, effective beginnings, clear public plans and serious commitments are necessary to give the process a promising and credible start. Of assistance also is "the presence of international economic conditions that will allow ... countries to bear the cost of democratic governance and the provision of social and other services that are necessary to maintain popular support during the inevitable ups and downs of transition and reform periods".⁹⁸

⁹⁴ Albrecht Schnabel, "A Rough Journey: Democratization in the Middle East", in Amin Saikal and Albrecht Schnabel, eds., *Democratization in the Middle East: Experiences, Struggles and Challenges* (Paris, United Nations University Press, 2003), p. 20.

⁹⁵ Ibid.

⁹⁶ Ibid.

⁹⁷ Ibid.

⁹⁸ Ibid.

To foster public awareness and mobilization for political reform, it would be useful to consider adapting a system developed in Germany after the Second World War which included foundations (e.g. the Konrad Adenauer Foundation and the Friedrich-Ebert Foundation) devoted to public education and leadership training with respect to democratic requirements, structures and cultures.

3. More emphasis needs to be placed on rational and less on ideological reasoning at the various stages of the policy-programme cycle. This will require a clear understanding of the role of scientific information and that of conflict resolution through political negotiation and compromise.

4. Constitutional changes and other measures of political reform—at the level of both policy and practice—should emphasize inclusiveness and integration, closing the gender inequality gap and protecting civil rights for minorities. Authorities responsible for attending to these tasks should be established or strengthened where they already exist.

5. Aside from the oil and fuel trade, the economies of Arab countries and their niches in the global economy are feeble. Many countries, having experimented with largely nationalized and centrally planned economies, followed this with monetary-oriented “structural adjustments”, concentrating on reining in the twin deficits (internal and external); however, the economies remained stagnant. Aggressive policies and actions are needed to address the root causes of this lag. The following are important examples of the direction that carefully planned policies and programmes need to take:

(a) Lags and weaknesses in institutional capacities are increasingly recognized as primary causes of stalled economic development; sustained progress requires policies that promote transparency, fairness and equity in markets; an independent and effective judiciary; rationality and predictability in governance; and an administration free of favouritism and corruption;

(b) Enhancement of the quality of human resources by improving the supply of knowledge and skills in labour markets;

(c) Diversifying economies so as to supplement the production of oil and natural gas; diversification should be oriented towards labour-intensive enterprises in order to help resolve the problem of high unemployment, and towards export industries in order to expand and deepen niches in the global economy. For a number of countries in the region, tourism can become one of the largest sources of revenues. While it is becoming the largest business in the world (US\$ 4.4 trillion in 1998 and an estimated US\$ 10 trillion in 2010), and in spite of the many assets of the countries of the region, none of them ranks highly in attracting tourists, and repeat tourism is very low;⁹⁹

⁹⁹ Rana Dogar, *Newsweek*, 8 August 1998, pp. 45-47.

(d) Modernizing infrastructures is essential for attracting both internal and external investments; this includes means of communication and transportation; sources of energy; housing; education; health care; and other facilities needed for sustaining productive communities. Related policies should envision wider geographic distribution of economic enterprises rather than concentration around major cities. Infrastructural policies have considerable implications for population distribution and mobility;

(e) Effective competition in the global economy requires large-scale capital and advanced technology. Policies should stimulate internal capital formation, a subject on which De Soto offers insightful and useful information in *The Mystery of Capital*.¹⁰⁰ However, at least in the near term, neither the required capital nor the necessary technological advances and managerial skills can be realistically generated internally. The primary source of capital inflows and technology transfer on the scale needed is multinational corporations. Countries of the region need to join all other countries that aspire to better economic conditions in courting these giant enterprises which command large capital, advanced technology, management systems and embeddedness in the global markets. It is important to keep in mind that advanced industrial societies, including those of Europe and North America, are also competing for investors. Advances in policies concerning the four areas mentioned above would contribute greatly to the standing of countries in this competition. It is no secret that these corporations are business enterprises, not welfare organizations; the interests they serve are primarily those of their owners, stockholders, managers and workers. Their concerns are for quality, efficiency, costs of production and markets. These concerns should neither be ignored nor exaggerated; they should be part of a regulatory framework that balances them with the interests of the country and its workers and consumers.

6. Policies should aim at dramatically reducing corruption. Not only does it affect the quality of lives of individuals and families, but it also seriously impairs the course of development. Laws and strict enforcement are needed. In addition, relative levels of compensation for government employees and those in the private sector should be reviewed and adjusted.

7. In addition to anti-corruption measures, large-scale programmes need to be instituted for training the civil service in both the administrative and legislative branches of government. The purpose is to improve their knowledge of the processes of policy formulation and its implementation. Information about effective and efficient systems of management and administration, and the development of a commitment to ethics in public service are also important.

¹⁰⁰ Hernando De Soto, *The Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else* (New York, Basic Books, 2000).

Furthermore, the indications are that, in some countries, service providers in public programmes are often abusive and neglectful in their interaction with the public, especially the poor and disadvantaged. Systems of accountability should seek information on this issue and remedy such situations where they exist.

8. A system of public accountability needs to be designed and applied fairly and effectively across all agencies of government, whether they are involved in administration or in the provision of services such as education and health care. As more fully explained in chapter IV, such a system needs to be explicit about six features: the *objectives* of the programme; observable *criteria* of performance; an *information* system to gather, analyse and present evaluative data based on performance criteria; *targets*, i.e. persons to be held accountable; *consequences*, through a fair and effective system of incentives and sanctions; and *conditions* that need to be in place, such as adequate training of employees for the work they will have to do and appropriate facilities, equipment and resources.

9. The profound significance of education for the various dimensions of development, at both the individual and societal levels, needs no elaboration. Knowledge, skills, ethics and aesthetics are key to enhancing the capacities of institutions and organizations and are the most common means whereby individuals and households climb out of poverty. Five policy issues are particularly consequential: access, retention, quality, attainment, and relation to the labour market:

(a) While universal enrolment in basic education has been improving in a large number of countries of the Arab region, it remains a challenge in many. The problems of *access and retention* are indicated by the numbers who drop out and by illiteracy ratios among those in the 15 to 24 age group (table 4). Consideration should be given to policies that provide financial assistance to children in poverty and build outreach capabilities to overcome cultural resistance and promote school attendance, especially among women and the poor (see 14 below). The issue of “private tutoring” should be addressed and regulated;

(b) In contrast to quantitative objectives such as enrolment, *quality* is far more complex to define and to measure. The indications are that much has yet to be accomplished in this regard, and this in turn calls for the mobilization of greater resources for programmes to modernize curricula, enhance teacher training, attain reasonable class sizes, and improve physical facilities and equipment. These needs apply to all levels of education. To enhance the quality of education, consideration should also be given to requiring teachers periodically to attend “continuing professional education” courses provided by accredited institutions. This should help keep them informed about advances in their respective areas;

(c) *Educational attainment* of students is the overriding objective of educational policies, against which the performance of the system and its components can be measured. A necessary component of these policies is adaptation and application of the system of accountability described earlier to education, and linkage

of the salaries and promotion of teachers and administrators to the learning achievements of their students;

(d) High rates of unemployment, especially among educated young people, indicate a disconnection in the relationship between *education and labour markets* in the Arab region. In the oil-rich countries, citizens are educated for desk jobs and look down on other work, and this is one of the main reasons why guest workers constitute a large proportion of the labour market. In other countries, unemployment is simply the result of limited labour-market capacity and lack of training in entrepreneurial skills. It is recommended that the German system of “work-study” be considered. It requires the placement of students at certain levels as paid employees in various types of business enterprises for specific periods of time as part of their study programmes. This employment is subsidized by government, and businesses are receptive because of the economic incentives involved.

10. Purposeful government policies can successfully advance *science and technology* (S&T) in countries of the region. The Republic of Korea offers a successful model for the institutionalization of science and technology in phases well synchronized with stages of industrial development.¹⁰¹

	Industrial policies	S&T policies
Phase I	<ol style="list-style-type: none"> 1. Develop import-substitute industries 2. Expand export-oriented light industries 3. Support producer goods industries 	<ol style="list-style-type: none"> 1. Strengthen S&T education 2. Build S&T infrastructure 3. Promote foreign technology imports
Phase II	<ol style="list-style-type: none"> 1. Expand heavy and chemical industries 2. Shift emphasis from capital imports to technology imports 3. Strengthen export-oriented industry competitiveness 	<ol style="list-style-type: none"> 1. Expand strategic skill training 2. Improve institutional mechanisms for adapting imported technology 3. Promote research applied to industrial needs
Phase III	<ol style="list-style-type: none"> 1. Promote international confidence in Korean industrial products 2. Develop exports of technology-intensive products 3. Expand knowledge-intensive industries 	<ol style="list-style-type: none"> 1. Expand facilities for advanced scientific and engineering manpower 2. Develop exports of technology and engineering know-how 3. Promote long-term advanced research and strengthen development of system research

¹⁰¹ Osman Shinaishin, “The Role of Science and Technology in Development: The Case for Less Industrialized Countries”, Washington, D. C., 1991, mimeograph.

11. Policies to combat *illiteracy* among children and adults need to be accelerated into a crash programme that is staffed, with appropriate training, from the educated unemployed and redundant personnel in government employment. Mosques, churches and school buildings, when not in use, can be utilized as facilities. Target goals need to be established, accomplishments monitored and results made subject to public accountability.

12. Appropriate policies and adequate resources are needed to improve quality, efficiency and capacity at all phases of health care—prevention, treatment and rehabilitation.

(a) Prevention is in large part an individual and family responsibility which requires both awareness and access to appropriate means. Because of high illiteracy ratios, emphasis should be placed on audio and visual means (radio and television) in campaigns to raise awareness;

(b) Government and business have considerable preventive responsibilities in the regulation and enforcement of matters related to environmental protection, industrial safety, availability of vaccines, measures to combat the spread of epidemics, and access to safe water and sanitation;

(c) The mix of treatment personnel and facilities needs to be brought up to international standards. Several policy models are already applied in different countries, including: (a) national health services; (b) universal publicly operated health insurance schemes; (c) work-connected health insurance schemes operated by the private sector; (d) individual and family private insurance schemes; and (e) individual fee-based services. Policies and practices in Oman, which received the highest WHO rating (8) among the countries in this report, and Norway (11) offer examples for further study as well as possible adaptation and adoption;

(d) Restorative care and rehabilitation need to be made more accessible in many countries, with upgrading in quality and capacity. Medical rehabilitation should be complemented by intervention for social adjustment, vocational retraining and job placement for those of working age;

(e) Certification policies, especially for physicians, should include requirements for “continued professional education” in order to keep up with rapid advances in medicine;

(f) While fertility rates in the region have been dropping significantly, current population sizes and growth rates in many countries should remain a cause of concern, particularly if economic growth rates remained modest. Population policies need to emphasize public awareness and knowledge, continually upgrade family planning and birth control programmes, and enhance the availability and quality of related health facilities and services.

13. Policies addressing poverty through safety nets in many countries need to be re-examined and upgraded. There are important gaps in existing types of programmes and in the adequacy of funding:

(a) Programmes for “income maintenance” should include contributory insurance schemes such as those for: retirement, disability and survivors’ pensions; workers compensation for work-related injuries and occupational diseases; unemployment compensation as well as non-contributory public assistance;

(b) Programmes for health insurance and/or services should be strengthened as mentioned above;

(c) Subsidies need to be targeted to populations in need;

(d) Micro-credit programmes together with necessary training should be made available for the development of promising micro-enterprises.

14. Programmes of social protection and other human services are becoming highly specialized (figure 3). While specialization is inevitable and has many positive outcomes, it has unfortunately also resulted in considerable fragmentation in the structure and delivery of services. People with multiple problems face considerable difficulties in managing their way through the maze of bureaucracies to receive the services they need and the benefits to which they are entitled. Policies aimed at organizing human services should distinguish between “specialized” and “categorical” programmes; both types are important and their relationship needs to be well articulated.¹⁰² Specialized programmes are problem-oriented, regardless of the population that encounters the problem. Thus, health care is oriented to pathology and injuries, no matter who experiences them. By contrast, categorical programmes are organized around the needs of certain categories of the population with multiple problems (i.e. people with disabilities, vulnerable children, multi-problem older persons and the poor). They need services from multiple specialized programmes.

Coordination of these services calls for the other programme component—categorically oriented services. The responsibilities of these agencies would include: case finding, case management and monitoring across many specialized services; and reporting to relevant authorities about deficiencies in both the quality and the quantity of any specialized services at the local level. This would strengthen checks and balances in the organization and delivery of services, and ensure rationality and greater consistency between policies and their implementation. For categorical services to perform these responsibilities effectively, they must have: (a) legal mandates rendering the practices of other agencies consistent with these

¹⁰² Saad Z. Nagi, *Child Maltreatment in the United States*.

responsibilities; and (b) the resources to contract for services needed for the cases they manage.

15. As has already been mentioned, this juncture in human history is often called the “information age”. This is not only because of the transformation of means of communication and the global flow of information, but also because of the increasingly vital role of information in building institutional capacities, in the various steps of policy formulation and implementation, and in public awareness and daily decisions. It is vital to protect freedom of information and to promote its availability and quality.

B. FOR ESCWA

Within the United Nations framework, ESCWA has a broad mandate to promote various aspects of societal development in the region. While the authority for legislating and implementing policies rests with national governments, ESCWA can exert a considerable positive influence by helping the processes along in a number of ways.

1. Disseminating this information among decision makers in the various countries is a fundamental step, since their acceptance and oversight are necessary for moving forward. Commitments at this level legitimize the goals and processes for change. Emphasis needs to be placed on understanding the complexities involved, potential difficulties, the importance of perseverance and the need for holistic and integrated plans.

2. More specific information about development and policy needs to be communicated to members of the administrative and legislative staff involved in various phases of the policy-programme cycles in the respective countries. This can probably be better accomplished through short-term seminars organized by ESCWA, which would be attended by participants from different countries and prove a mutually enriching experience.

3. Public awareness of current conditions, debate about issues and consideration of approaches can provide much added value to policy processes. ESCWA can assist significantly by mounting a regional press and media campaign.

4. The civil service in many, if not most, of the countries is outdated and inefficient. A major reform of this crucial force in the implementation of policies can contribute greatly to the various aspects of development. The task may seem daunting, if not impossible. However, it can be accomplished through training programmes for leaders and instructors who in turn can impart what they learned to others locally. The programmes should include training missions to observe actual performance in advanced societies such as Norway. Emphasis in these programmes should not be limited to processes and techniques; stress on ethics in public service is equally

imperative. While this is a complex and expensive undertaking, it is necessary and the costs would be well justified. Donor countries and foundations should take an interest in funding such programmes when they are proposed and organized by ESCWA and when training abroad includes the respective countries. Collaboration with the United Nations Office for Project Services (UNOPS) on planning these programmes would enable ESCWA to benefit from that agency's long-standing experience.

5. Experiments or demonstrations are important in identifying, testing and adapting alternative approaches to policy issues. ESCWA can negotiate for the cooperation of one or more countries that are willing to participate in these demonstrations. It can also play a leading role in the mobilization of resources to finance them and of expertise to guide their planning and operations. Two yields are expected of these demonstrations—an assessment of the results of alternative approaches being tested and an account of the methods used in implementing these options to provide guideposts for generalization within and across countries. An important product can be model laws to be communicated to countries in the region for possible adaptation and adoption.

6. There is an emerging recognition among development analysts of the cardinal importance of institutions. So far, however, reports generated by international organizations are not clear on these major features of society. The analyses tend to be focused on countries, sectors and indicators. ESCWA could make a unique contribution that would serve an important purpose if it could fill in this gap by initiating studies focused on institutions—values, norms and organizations—that manage different functions and change in society. To meet existing needs, the studies would be comparative and based on a shared framework designed to yield guideposts for policies and actions to enhance the capacities of institutions. Such an initiative could attract support from funding agencies, especially foundations.

7. Consideration should be given to initiating “regional social reports” based on regional surveys conducted by ESCWA in cooperation with member countries. Responsibilities for planning, data collection and analysis would remain with ESCWA. These surveys would provide a valuable barometer for development in the region.

Annex I

MAP OF THE REGION



Annex II

NOTES ON TABLES

Table 1. Population and area

Total population is based on the de facto definition which counts all residents regardless of legal status or citizenship—except for non-permanently-settled refugees, who are generally considered part of the population of their country of origin.

Land area is a country's total area, excluding areas under inland water bodies, national claims to continental shelf and exclusive economic zones.

Table 2. NGOs per million people

This is the number of NGOs with offices or members in a particular country per million of the population. NGOs are identified by the Union of International Associations based on seven organizational aspects: aims, membership, structure, officers, finance, relations with other organizations and activities. The following types of organization are included in this data set: federations of international organizations; universal membership organizations; intercontinental membership organizations; regionally defined membership organizations; organizations emanating from places, persons or other bodies; and organizations having a special form, including foundations and funds. For more details see: http://earthtrends.wri.org/text/data_tables/data-table-44.doc.

Table 3. Indicators of economic development

GDP per capita is measured as GDP divided by mid-year population.

Trade is the sum of exports and imports of goods and services measured as a share of gross domestic product.

Gross FDI is the sum of the absolute values of inflows and outflows of FDI recorded in the balance of payments financial account. It includes equity capital, reinvestment of earnings, other long-term capital and short-term capital. The indicator is calculated as a ratio to GDP in United States dollars.

Unemployment refers to the share of the labour force that is without work but available for and seeking employment. Definitions of labour force and unemployment differ from country to country.

Table 4. Education: indicators and public expenditures

The adult illiteracy ratio is the percentage of people aged 15 and over who cannot, with understanding, read and write a short simple statement on their everyday life.

The gross enrolment ratio is the ratio of total enrolment, regardless of age, to the population in the age group that officially corresponds to the level of education shown.

Public expenditure on education consists of public spending on public education plus subsidies to private education at the primary, secondary and tertiary levels.

Table 5. Health indicators and expenditures

The infant mortality rate is the number of infants per 1,000 live births in a given year who die before reaching the age of one year.

Life expectancy at birth indicates the number of years a newborn infant would live if prevailing patterns of mortality at the time of its birth were to stay the same throughout its life.

Public health expenditure consists of recurrent and capital spending from government (central and local) budgets, external borrowings and grants (including donations from international agencies and NGOs), and social (or compulsory) health insurance funds.

Total health expenditure is the sum of public and private health expenditures as a ratio of total population. It covers the provision of health services (preventive and curative), family planning activities, nutrition activities, and emergency aid designated for health, but does not include the provision of water and sanitation. Data are in current United States dollars.

Table 6. Dependency ratios and categories

The age dependency ratio is the ratio of dependents (persons under 15 and over 64) to the working-age population (persons aged 15 to 64).

Table 7. Indicators of gender equality/inequality

The adult illiteracy ratio is the percentage of people aged 15 and over who cannot, with understanding, read and write a short simple statement on their everyday life.

The percentage of females in non-agricultural wage employment refers to the labour-force participation of women in industry and services.

Percentage of parliamentary seats held by women: The data change with each national election; for the most recent statistics, see the Inter-Parliamentary Union website, available at: <http://www.ipu.org/wmn-e/classif.htm>. Some governments and political parties have established formal or informal quotas for women in various legislative positions. For more information on gender quotas, see the International Institute for Democracy and Electoral Assistance (IDEA) online at: <http://www.idea.int/gender/quotas.htm>.