

ECONOMIC AND SOCIAL COMMISSION FOR WESTERN ASIA (ESCWA)

**SOCIAL JUSTICE IN ARAB COUNTRIES
CHALLENGES AND RECOMMENDED COURSES OF ACTION**

Mona Khechen

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Executive summary

This paper is an overview of some of the current political, social, economic and institutional challenges facing Arab countries and the steps they should take in moving towards socially motivated patterns of economic growth and human development. It calls for an integrated approach to development, with development objectives and strategies to improve social protection, promote youth and women's employment, build civic engagement, combat corruption and reform existing systems of governance.

The paper elaborates on the need for designing and implementing alternative social protection systems to the ones currently adopted in the Arab region. At the same time, it stresses that social protection is not enough to alleviate poverty and remove social inequalities unless complemented by new planning strategies that foster the objectives of equity and participation, and promote equal access to development as a human right. To this end, the paper underlines the linkage between social justice, fiscal stability, governance reforms and a more equitable redistribution of national wealth.

Introduction

The popular uprisings and political upheavals that swept the Arab region came as a reaction to a host of factors, including high unemployment, huge income and regional inequalities, inadequate social services, strained infrastructure, institutional corruption and repressive political regimes. Public discontent and the sense of social exclusion have been particularly fuelled by the biased allocation of resources, lack of transparency, unfair competition for jobs and the concentration of crucial national assets in the hands of elites, with the majority of citizens denied their right to benefit from the dividends of economic growth.

A resurgent Arab region is faced today with pressing demands for a change that would embrace the interrelated objectives of social justice, democracy, freedom and human dignity. This shift is far from simple. Arab countries should reassess their social contracts, economic growth strategies, governance systems and legislative and regulatory frameworks in more inclusive ways, particularly in ways that safeguard the principles of equality, equity, rights and participation upon which the concept of social justice rests.

The present study underlines the linkage between social justice, political stability, human and social security, balanced and integrated development and local participation. It is divided into four parts:

(a) Part 1 presents an overview of the current social, economic, political and institutional context of Arab countries – mainly as related to access to social benefits, goods and opportunities; governance systems and institutional relations; and participatory mechanisms and social responsibility;

(b) Part 2 discusses the challenges associated with moving towards socially motivated growth and human welfare, and elaborates on the need for an integrated development approach as intrinsic to the social justice agenda and the objective of improving people's access to benefits, goods and opportunities;

(c) Part 3 focuses on social protection as a human right and key issues that Arab Governments should consider in designing and implementing social protection reforms;

(d) In recognition that social protection is not enough, Part 4 focuses on parallel courses of action that Arab Governments should consider. Topics covered are: tax reforms, spatial planning and participation, governance reforms and combating corruption.

I. AN OVERVIEW OF CURRENT CONTEXT AND CHALLENGES

A. SOCIAL REALITIES

The social contract that most Arab countries adopted in their post-independence period was essentially rent-based or “one where the population exchanged political freedom in return for the provision of certain services, such as state employment, access to public healthcare and education, and exemption from or low taxation”.¹ This however has come to a gradual end as of the 1980s when, motivated by the structural adjustment policies of the International Monetary Fund and the World Bank, Arab countries, like many others in the world, moved towards a new development paradigm that gave primacy to economic liberalization and market-oriented policies. This new path implied a major change in the welfare role of the state and in public expenditures. In many countries, state-owned enterprises were sold, subsidies were cut, taxes increased, basic social services privatized, and employment guarantees were removed. By and large, no alternatives were provided.²

¹ UNDP, 2011.

² ESCWA, 2013.

The 2009 *Arab Human Development Report* and the 2011 *Arab Development Challenges Report* of the United Nations Development Programme (UNDP) present alarming data on the human development conditions in the Arab region. While trends vary across countries, indicators show that access to the labour market and to health and education services has been severely lacking in most countries. In addition, access to adequate housing, infrastructure and other services has been a challenge in many countries, mainly those with high urbanization rates.³ In view of growing inflation and rising prices, including those of food items, access to food and basic services has become critical for millions of people whose income falls below national poverty lines.⁴ The problem is particularly severe in Yemen and the Sudan, where large proportions of the population suffer from hunger or malnutrition.

Unemployment however remains the biggest challenge facing the region (tables 1, 2 and 3). With the exception of countries of the Gulf Cooperation Council (GCC), Arab countries made little progress in generating decent jobs and employment opportunities. It is estimated that middle- and low-income Arab countries should produce “92 million jobs by 2030 to reach full employment and raise women’s labour force participation rate to 35 per cent”.⁵ Statistical data also shows that the region, as a whole, has the highest unemployment rates, especially among women and youth, and the lowest unemployment benefits in the world.⁶ Poor education and the mismatch between educational outcomes and market demands are not the main reason behind the job challenge (tables 4 and 5). The Arab region’s high unemployment rates, including among educated and skilled workers, is essentially the result of a demand-side problem instigated by “unfavourable macroeconomic conditions that inhibit investment in fixed capital and productivity growth, accompanied by inadequate growth of labour income”.⁷

TABLE 1. TOTAL UNEMPLOYMENT AND YOUTH UNEMPLOYMENT IN THE ARAB REGION

Country	Total unemployment rate	Youth unemployment rate	Year
Algeria	10.0	21.5	2010
Bahrain	3.7	..	2010
Egypt	11.9	30.7	2011
Iraq	15.3	43.5	2006
Jordan	12.5	28.1	2010
Kuwait	7.7	..	2008
Lebanon	9.0	22.1	2007
Morocco	9.1	17.6	2010
Qatar	0.3	1.2	2009
OPT	23.7	40.2	2008
Saudi Arabia	5.4	29.9	2009
Sudan	20.7	..	2009
Syria	8.4	18.3	2010
Tunisia	18.9	30.0	2011
United Arab Emirates	4.0	12.1	2008
Yemen	14.6	..	2009
Arab Region	10.2	27.0	2011
World	6.0	12.6	2011

Note: Two dots (..) mean that data are not available. Data for the Sudan include South Sudan.

Source: Mirkin, 2013, p. 23. Sources of data: International Labour Organization and Eurostat.

³ ESCWA, 2011.

⁴ ESCWA, 2013.

⁵ UNDP, 2011.

⁶ Ibid.

⁷ Ibid.

TABLE 2. LABOUR FORCE PARTICIPATION RATES IN THE ARAB REGION
VERSUS OTHER DEVELOPING REGIONS BY GENDER, AGE GROUP 15+, 2009
(Percentage)

	Arab region	Developing regions	East Asia and the Pacific (developing countries)	Europe and Central Asia (developing countries)	Latin America and the Caribbean	South Asia	Sub-Saharan Africa
Female	26	52	64	50	52	35	63
Male	77	80	80	69	80	82	81
Total	52	66	72	59	66	59	72

Source: UNDP, 2011, p. 39.

TABLE 3. LABOUR FORCE PARTICIPATION RATES IN THE ARAB REGION
AND SUBREGIONS BY GENDER, AGE GROUP 15+, 2009
(Percentage)

	Arab region	Mashreq	Maghreb	Least Developed Countries	GCC
Female	26	21	31	32	26
Male	77	75	79	75	83
Total	52	48	54	54	60

Source: UNDP, 2011, p. 39.

TABLE 4. PERCENTAGES OF SECONDARY SCHOOL STUDENTS NOT MEETING
BASIC LEARNING LEVEL (AVERAGE LITERACY AND NUMERACY)
BY GENDER, SELECTED ARAB COUNTRIES, 2011/12

	Morocco	Oman	Syria	Qatar	Saudi Arabia	Palestine	Bahrain	Jordan	Tunisia	Emirates	Lebanon
Girls	64	51	59	45	50	43	36	36	42	27	28
Boys	64	71	55	59	56	53	58	60	45	40	25

Source: Steer and others, 2014, p. 10.

TABLE 5. PERCENTAGES OF SECONDARY SCHOOL STUDENTS NOT MEETING
BASIC LEARNING LEVEL (AVERAGE LITERACY AND NUMERACY)
BY LOCATION, SELECTED ARAB COUNTRIES, 2009/11

	Morocco	Oman	Syria	Qatar	Saudi Arabia	Palestine	Bahrain	Jordan	Tunisia	Emirates	Lebanon
Rural	72	65	58	65	65	48	42	52	52	46	30
Urban	62	53	59	49	50	59	49	44	40	38	25

Source: Steer and others, 2014, p. 10.

Rapid demographic growth is another pressing issue (table 6). The Arab population is growing at a faster rate than the rest of the world. This is augmenting the employment challenge, putting strain on public funds and jeopardizing the sustainability of existing social insurance systems, especially in highly indebted countries where public expenditure on social programmes is minimal. Although some Arab countries (Algeria, Bahrain, Kuwait, Saudi Arabia and Tunisia, for example) have unemployment social assistance, existing social protection systems have neither been able to respond to people's needs nor adapt to emerging circumstances.⁸

⁸ For more on this topic, see ESCWA, 2004; and Abdel Samad and Zeidan, 2007.

TABLE 6. POPULATION SIZE AND GROWTH IN THE ARAB COUNTRIES, 1980-2025

Country	Total population (in thousands)				Average annual growth rate of total population (Percentage)					
	1975	1990	2005	2020	1990-1995	1995-2000	2000-2005	2005-2010	2010-2015	2015-2020
Algeria	16 018	25 291	32 854	40 624	2.23	1.49	1.51	1.50	1.45	1.29
Bahrain	272	493	727	910	2.40	2.80	1.56	1.70	1.49	1.31
Comoros	318	527	798	1 130	2.85	2.82	2.65	2.57	2.31	2.07
Djibouti	224	558	793	1 015	1.74	3.21	2.08	1.61	1.57	1.76
Egypt	39 295	55 673	74 033	94 834	1.90	1.89	1.91	1.83	1.66	1.46
Iraq	11 972	18 515	28 807	40 522	3.11	2.95	2.78	2.43	2.29	2.11
Jordan	1 937	3 254	5 703	7 556	5.52	2.96	2.74	2.11	1.86	1.65
Kuwait	1 375	2 143	2 687	3 698	-4.68	5.48	3.73	2.52	2.08	1.79
Lebanon	2 678	2 741	3 577	4 140	2.95	1.35	1.03	1.07	0.99	0.86
Libya	2 446	4 334	5 853	7 538	2.07	1.97	1.96	1.91	1.72	1.43
Mauritania	1 423	2 030	3 069	4 473	2.49	2.79	2.98	2.75	2.49	2.30
Morocco	17 305	24 696	31 478	38 327	1.79	1.58	1.48	1.44	1.33	1.17
Oman	917	1 843	2 567	3 481	3.33	2.29	1.00	2.18	2.06	1.86
Qatar	171	467	813	1 036	2.35	2.85	5.86	1.90	1.66	1.28
Saudi Arabia	7 251	16 379	24 573	34 024	2.63	2.80	2.69	2.37	2.17	1.97
Somalia	4 134	6 674	8 228	12 336	-1.12	2.10	3.20	3.06	2.69	2.35
Sudan	17 056	26 066	36 233	47 536	2.37	2.28	1.93	2.10	1.80	1.53
Syria	7 538	12 843	19 043	26 029	2.78	2.61	2.49	2.36	2.10	1.79
Tunisia	5 668	8 219	10 102	11 604	1.76	1.27	1.10	1.04	0.92	0.82
United Arab Emirates	530	1 868	4 496	6 144	5.30	5.76	6.51	2.26	2.08	1.90
Palestine	1 255	2 154	3 702	5 694	3.84	3.76	3.23	3.13	2.86	2.62
Yemen	6 968	12 086	20 975	32 733	4.61	3.29	3.13	3.11	3.01	2.78
Total Arab region	146 751	228 854	321 111	425 384	2.37	2.74	2.62	2.13	1.94	1.73
Total world					1.51	1.34	1.21	1.14	1.07	0.97

Source: ESCWA, 2007.

The segmentation of the labour market has meant that those who are not employed in the formal sector are not covered by national pension schemes since their employers do not pay contributions towards them.⁹ The low participation of women in the labour force has also led to their low coverage in national pension schemes. Immigrant workers, refugees and displaced people are another group susceptible to risk and exclusion. At the same time, the privatization of social services and the insufficient financial resources that most non-GCC Arab countries have allocated for the social sector (for example in public education and health services) have placed an overwhelming burden on poor and middle income groups. As a result, the great majority of the region's population remains vulnerable.

Heavily reliant on charity and subsidies, mainly food and fuel, existing social protection systems have been ineffective, expensive and economically distortive. Subsidies in the Arab region represent on average 5.7 per cent of gross domestic product.¹⁰ Despite their contribution to poverty alleviation, they encourage dependency and have, by and large, missed their targets. Fuel subsidies have indeed failed to make a positive impact on the lives of those who deserve them, with the more privileged reaping their benefits.¹¹

⁹ According to ESCWA, 2013, the informal sector in the Arab region constitutes around 10 per cent of all employment. While these rates can reach 20 per cent in labour-exporting countries, in some countries such as Egypt and Tunisia, informal employment occupies a significant share of national economies, 33.5 per cent and 35.4 per cent respectively. The informal sector contributes to employment creation; but those who are informally employed suffer from minimal or no social protection coverage.

¹⁰ Silva and others, 2012, p. 21.

¹¹ ESCWA, 2013; and IMF 2013.

B. DEVELOPMENT PLANNING AND INSTITUTIONAL REALITIES

The lack of universal and well-targeted social protection programmes in the Arab region, and of equitable regional development and economic growth, can be attributed less to financial considerations and more to laissez-faire policies and economic growth models that sidelined social development and failed to create a sufficient number of secure jobs. Analysts believe that the rapid oil-led economic growth of the Gulf region did not only accentuate the income gap between GCC countries and other Arab States, but also contributed to the decline of the productive sectors, mainly manufacturing and agriculture, in the region as a whole. The shift towards “rent-based accumulation in activities such as tourism, speculative real estate or high-end retail outlets”, in combination with heavy reliance on imported products, only succeeded in accentuating subnational imbalances and broadening the rural-urban divide.¹²

Despite rhetoric from Arab Governments on the need for balanced and comprehensive national growth, the allocation of resources and development priorities remain geographically unbalanced. Fundamental geographic contradictions in the availability and quality of public services and job opportunities exist between and within different cities and subregions. Large segments of the Arab population, mainly in rural areas and small cities, are denied their right to development. The sectoral top-down approaches to development planning is further distorting outcomes and giving the sense that many people are left out.¹³

Almost everywhere in the region, public policies and national development plans are elaborated, through technocratic processes, at the central government level, without proper participation of local actors. In Egypt, for example, the budgets allocated for development are pre-determined by the Ministry of Planning prior to the drafting of economic goals and strategies. This applies to the country’s five-year plans which are “fully completed inside the Ministry of Planning without official ‘outside contacts’”.¹⁴ Although these plans are a major development tool on the national scale, they are drafted on the basis of a sectoral approach, without an effective dialogue between governmental institutions or between public and private actors. Major stakeholders are thus excluded from the decision-making process on the pretext of efficiency in plans production. As a result, the benefits of development go only to privileged private companies while others are excluded.¹⁵

The lack of effective coordination between the numerous public and private agencies in charge of development and the lack of transparency on decisions made have affected development outcomes. Centralized decision-making has left local governments in a weak position and incapable of responding to local needs and demands, being dependent on central Governments for funding. Moreover, the weak political participation of civil society representatives, the absence of effectual accountability systems by which political leaders could be judged for their actions, and the political unfreedoms imposed on the establishment of civil society institutions and syndicates in many countries, have prevented Arab citizens from having a say in national developmental projects even when they directly affect their own lives.

For instance, in most Arab countries “tax systems were not developed with popular representation in political and legislative decision-making bodies that manage public expenditure”.¹⁶ Increasingly since the 1980s, large private companies – such as Solidere in Beirut and offshore companies in the Middle East¹⁷ – benefited from income tax exemptions and deductions at the expense of the majority of the population.

¹² UNDP, 2011.

¹³ ESCWA, 2011.

¹⁴ Sakamoto, 2013.

¹⁵ Ibid.

¹⁶ UNDP, 2011, p. 5.

¹⁷ OECD, 2008.

Indeed, the tax benefits bestowed on large companies contributed to decreasing Arab Governments' income and consequently decreasing their expenditures on social services. In parallel, the implementation of structural adjustment measures and the privatization of social services have led to a dramatic decline in the social welfare role of Arab States. As a result, a great number of Arab citizens (mainly in low and middle income countries) live today in very vulnerable conditions and are denied access to basic services, including housing, health, education and job opportunities.

Arab countries' overall poor performance on the social front can be attributed to inadequate management of existing financial, human and natural resources. At the same time, governance failure can be seen as a factor in corruption and the absence of the rule of law. Indeed, corruption is one of the most serious problems of most Arab countries and a main factor behind various social ills, including unfair competition over resources and opportunities, market distortions and unbalanced national growth.

According to the 2004 *Arab Human Development Report*, many Arab citizens believe that corruption is spearheaded by "politicians, businessmen and high-ranking officials" and is also prevalent among the judiciary and in social relations.¹⁸ While corruption levels are difficult to measure, the World Bank, in its Worldwide Governance Indicators, has set six indicators to measure corruption: accountability; political stability; government effectiveness; regulatory quality; rule of law; and control of corruption. The Arab region ranks lower than others in most of these indicators; it comes last by a wide margin in accountability.¹⁹ The political turmoil and social unrest in the Arab region cannot be seen in isolation of all these parameters.

II. MOVING TOWARDS SOCIAL JUSTICE

A. ENHANCING ACCESS TO SOCIAL GOODS, SERVICES AND OPPORTUNITIES

The ideal of equal access to social goods and services – including access to livelihood, capacities, education, information, health services and job opportunities – is a fundamental principle of social justice. All people, regardless of their gender, race, age, class, language, religion, occupation, are equally entitled to benefit from the public goods and resources of society. The principle of equity in this context derives from the recognition that an equal or uniform distribution is not always possible or implementable. Equitable treatment implies that people would get a deserved treatment, i.e. what is right for them. In socially just societies, people's entitlement to social benefits is a legal and/or a moral "right" protected by adequate procedures, norms and rules, some of which are universally accepted, like human rights.

By demanding social justice and democratic reforms, the revolting masses in Arab countries are actually demanding the right to access and benefit from development opportunities. They do not only want jobs, but also job security and social security guarantees. They do not only want infrastructure and economic development projects in their areas, but also participation in decisions regarding the type and location of these projects. They do not only want to live decently, but also to have their right to a decent life recognized.

The welfare state role that some Arab Governments, particularly in oil-rich Gulf countries, are still playing is not enough on its own to attain social justice. Social justice requires more than providing poor and vulnerable groups with basic services. It requires the development and adoption of comprehensive national development visions that can promote social equity and equality by ensuring the fair redistribution of the public goods and resources of society. It also requires acknowledging and recognizing people's most basic needs and moral rights; including decent work, adequate shelter and well-being, basic health, public transportation and urban mobility, and the right to participate in decisions that affect their lives.

¹⁸ UNDP, 2004.

¹⁹ Whitaker, 2009.

B. THE NEED FOR AN INTEGRATED APPROACH TO DEVELOPMENT PLANNING

Arab countries are aware of the need for more socially just development. Many Arab Governments are quite eloquent in expressing their commitment to the principles of social justice in their economic visions and development strategies. For instance, The Economic Vision 2030 for Bahrain recognizes the linkage between economic success and a just thriving society where “every individual can make a worthwhile contribution to society given the means and presented with the opportunity”. Specifically, it identifies justice with fairness which it associates with: (a) free and fair competition and transparency in all actions of both public and private sectors, whether these actions involve “employment, land for public auction or the outcome of a tender”, (b) ensuring laws that combat corruption are justly enforced.²⁰

No doubt such objectives and principles and development strategies are very pertinent; yet they cannot be realized if economic and social policies continue to be addressed separately, or if national resources and economic investments continue to be regionally uneven. Although some Governments have initiated comprehensive national and regional development strategies on the concept of balanced geographic growth and sectoral allocation of resources (in Bahrain, Oman and Saudi Arabia for example), their plans are primarily motivated by economic growth. A look at the Bahrain national spatial development plan is a case in point.

In line with The Economic Vision 2030 for Bahrain, the country’s national spatial development plan elaborates on the need to strike a balance between economic development and land use planning, and on the need to spread economic growth across the whole country. In reality, this spatial plan is a country-size physical plan that aims to enhance the economic position of Bahrain at the global scale through modern infrastructure and technologies.²¹ It does not address the huge national imbalances and the exclusion of whole villages, mainly those in the north-western part of the country, from the benefits of social and economic development.

Social justice cannot be achieved in Arab countries if current social and economic development models, governance systems and participatory mechanisms are not reformed. More specifically, it cannot be achieved without integrating economic and social goals and without ensuring an equitable allocation of national resources between different sectors and geographic regions. It also cannot be achieved without a rights-based approach to development and without an empowering approach to participation.

Undeniably, economic development is a priority to all countries. According to the UNDP *Arab Development Challenges Report 2011*, the challenge of creating jobs in the region can “only be addressed through policies that carefully manage the demand-side and enhance labour insurance”, which requires Arab countries “to adopt more accommodating macroeconomic and sectoral policies” that “encourage more investment in the productive sectors” and ensure that the potential power of the working-age population results in real growth. In keeping with social justice goals, Arab Governments should prioritize investment in physical and social infrastructure as much as in the productive formal sectors of the economy. This entails giving incentives to small and medium enterprises and encouraging productive enterprises to invest in new productive activities that stimulate the economy and contribute to generating secure and stable job opportunities, mainly for women and the youth.

At the same time, Arab Governments should invest in human capacity-building, this being an imperative component of social justice. Social protection measures and issues related to the rights of workers are crucial, as is the need for investing in their skills. It is believed that the incorporation of economic development objectives with long-term community development can generate better outcomes than piecemeal approaches. In addition, Governments of the region should undertake tax reforms that can

²⁰ Bahrain, 2008.

²¹ ESCWA, 2011.

simultaneously promote fiscal stability and a more equitable redistribution of national wealth, paralleled by new economic and spatial planning strategies.

For example, a comprehensive and inclusive approach to the socioeconomic conditions of lagging areas may involve investing time and resources into building infrastructure to connect these places with leading areas; implementing local economic development projects; developing the communicative capacities of community leaders; integrating youth entrepreneurship training in the local school system; and developing creative marketing strategies to increase demand for local products.

There is no one solution that can be applied in all countries, as the needs, capacities and priorities differ. It is also clear that the issues to be tackled are numerous. The remaining parts of the present paper focus on some of the challenges and the policy directions that Arab Governments may wish to consider in rethinking their investment choices, social protection and taxation systems, and institutional and governance frameworks in more inclusive ways.

III. SOCIAL PROTECTION

A. DESIGNING ALTERNATIVE SOCIAL PROTECTION SYSTEMS

Changing the direction of social policies and social protection systems and adopting new models can, in addition to ensuring fiscal stability, ensure more effectiveness in fighting social exclusion and creating social protection safety nets for citizens. What new tools could be adopted? What are the issues that Arab Governments should consider in designing more effective social protection strategies?

B. SOCIAL PROTECTION AS A HUMAN RIGHT

Social protection is a crucial component of effective policy and a pivotal tool of redistributing social wealth and benefits, reducing poverty and building the resilience of society to crises, disasters and adverse economic conditions. As a universal human right recognized by international declarations, social protection helps realize human rights by improving access to basic services and needs, and preparing vulnerable people for future uncertainties.

Current social security systems in Arab countries should be reconsidered through a rights and social justice lens. Access to public services and other social goods must be guided by legislation that establishes rights at the core of social security strategies and leaves no room for the development of discretionary policies or favouritism. As experts have advised, “social security should not be perceived as a service provided by a rentier state to its clients, but as an unconditional right to its citizens”. It “ought to be legally mandated, work-based, mostly contributory and state-run”.²² For example, to prompt private employers to improve the work conditions of workers and their families, Governments should undertake legal measures to ensure that the rights of all workers are protected and recognized. This mainly entails: (a) setting up laws that uphold clear and consensual contractual agreements between employers and employees; (b) encouraging workers, whether in the formal or informal sector, to get organized, for example in the form of syndicates and trade unions that can take a lead role in demanding workers’ rights, including their right to social protection, job benefits (such as maternity and paternity leave), professional and technical training, and salary increases in line with rising costs of living.

More specifically, the employment challenge requires Arab Governments to create decent job opportunities, and at the same time enforce and protect labourers’ rights. Hence, in addition to reviewing macroeconomic policies, measures to improve the supply-side of the labour market must be taken in parallel. This includes: (a) revising minimum wages and labour laws to ensure workers rights, including their right to form unions and to strike and demonstrate peacefully; (b) promoting formal employment; (c) regulating and

²² Abdel Samad and Zeidan, 2007.

countering the expansion of informal employment; (d) creating demand-oriented training programmes; (e) extending social protection to all workers, including the self-employed in the agriculture sector and the informal sector.²³ This also includes the design and enforcement of effective regulations for the private and the non-profit sectors, and ensuring the abidance of non-state actors by these measures – including obliging private employers to pay contributions or provide benefits.²⁴

In addition, Arab countries should consider other measures to ensure the protection of society's most vulnerable “against the economic and social distress that otherwise would be caused by the stoppage or substantial reduction of earnings resulting from sickness, maternity, employment injury, unemployment, invalidity, old age and death; the provision of medical care; and the provision of subsidies for families with children”.²⁵

Depending on the specific conditions and needs of each country, social assistance programmes may be extended to individuals, businesses, institutions or a certain economic sector (the industrial, agricultural or housing sector for example) and can be either universal or targeted. Universalism implies that social benefits are treated as a basic right for all. As for targeting, it implies that only selected groups, typically the “truly deserving”, are eligible to social benefits.²⁶ In addition, the degrees of targeting may also vary.

C. RETHINKING TARGETING TOOLS

There is a wide range of social protection instruments that Arab Governments can implement to enhance human security. Broadly speaking, these include cash transfers, in-kind transfers, tax incentives and rebates, social pensions and benefits programmes, and labour market policies. Under these broad categories, different policy directions are possible. Social protection targeting mechanisms are crucial. There are alternative instruments to subsidies that can produce better social protection and developmental results at less cost. Cash transfers are increasingly presented as a better social protection option than the traditional fuel and food subsidies currently applied in Arab countries.

Much of the current debate about cash transfers revolves around whether or not they should be conditional. While both approaches are valid options, it is important to note that conditional social protection tools are not considered appropriate from a social justice and human rights perspective. In fact, social justice advocates strongly disagree with the conditionality of social cash transfers. Advocates of a rights-based approach argue that conditionality is discriminatory and violates human rights principles by excluding many already excluded and marginalized groups from gaining access to the benefits provided by conditional cash transfer (CCT) programmes.²⁷

As social justice and human rights proponents further argue, normative programmes such as CCTs restrict people's choices and freedom by imposing conditions on how they can spend the money received through social protection programmes. Such programmes assume that the poor will spend the money irrationally (such as on alcohol and unnecessary purchases). Hence, through their conditions they “expect the poor to behave in ways that will improve their human capacity and earnings”.²⁸ The reality however is that the conditionality of CCTs may perpetuate rather than fight social exclusion and inequalities. CCTs can exclude those who need them most if they do not meet their conditionality. For example, people in rural communities may not be able to benefit from them if the condition is enrolling their children in school or conducting regular health check-ups. The measure by which CCTs are judged as successful is also worth

²³ UNDP, 2011.

²⁴ Abdel Samad and Zeidan, 2007.

²⁵ ILO, 1984.

²⁶ Mkandawire, 2005.

²⁷ Baird and others, 2010.

²⁸ Ballard, 2013.

considering. For example, girls' school enrolment rates will certainly increase if enrolling female children is the condition imposed. The number of girls enrolled in schools does not however tell us anything about the quality of education, the school conditions, or the performance of beneficiary children. In many countries, CCTs did not yield significant increases in the quality of education, nor did they help their recipients to get better jobs once they entered the workforce. Instead, they led to overcrowded and understaffed facilities.

According to some social justice and human rights proponents, "universal, non-conditional and increasingly generous distributional systems are required to achieve social justice and human rights".²⁹ From this conceptual perspective, unconditional cash transfers are deemed a fairer social protection tool as they can reach more people and are a more effective means of redistributing social benefits to all. From a human rights and social justice perspective, universal policies to improve living standards for all people are necessary. This includes the right to basic human needs such as food, housing, medical care, education, consumer goods, recreational opportunities, neighbourhood amenities and transport. Access to these basic rights should be unconditional for all. The reality however is that access to social services is not universal in Arab countries, and most developing countries for that matter, due to various reasons, including financial resources; policy design and implementation; and political economy factors.³⁰

With the above in mind, questions related to financing social protection programmes, the roles of the public and private sectors and civil society in policy design and implementation, and political economic factors are as pertinent to think about as social protection tools themselves. Clearly, there are no fixed solutions, as what might work in one country might not be appropriate in another. Still, it is crucial for all Arab countries to consider these issues when rethinking their social protection systems.

D. IMPLEMENTING SOCIAL PROTECTION REFORMS

Whether cash transfers or another tool, in shifting towards new models of social protection, Arab countries should look at how alternative instruments were applied in different contexts. It is also important to keep in mind that the successes and failures of international experiences in social protection are often less dependent on the adopted social protection tool and more dependent on a number of factors, mainly: availability of funding, concerted efforts and presence of complementary approaches to poverty reduction and social protection.

Specifically, the availability of financial resources is a main criterion to ensure the effective implementation and sustainability of social protection programmes. Both "the levels and 'mix' of funding sources" affect social protection outcomes.³¹ In most Arab countries, financing social protection involves the public, private and non-profit sectors. Typically, the public sector (including central or local governments and state-owned enterprises) funds social protection initiatives through contributions and general taxation; the private corporate sector normally relies on private out-of-pocket payments; and the non-profit sector mainly relies on international aid and charitable contributions (such as in the case of religious organizations).

A more fair and equitable redistribution of the financial burden and benefits, including through tax and fiscal reforms, and policy reforms that enforce labour rights should urgently be achieved. At the same time, the role of Governments versus the role of private and civil society organizations in funding, and in achieving social protection and socioeconomic development, should be pondered.

From a social justice and human rights perspective, the state is held responsible for the fair distribution of social benefits; for ensuring that everyone has adequate standard of living; and for allocating the maximum of available resources towards these ends.³² Clearly, however, "there is no easy return to the

²⁹ Ibid.

³⁰ European Parliament, 2013.

³¹ Ibid.

³² Baird and others, 2010.

welfare state's [role] after the detour of neo-liberalism".³³ The provision of effective social protection will eventually be dependent on the concerted efforts of both state and non-state actors. The extent to which public administrations, private enterprises and non-governmental actors (including religious organizations and social movements) mobilize around the design and implementation of social protection systems will determine the effectiveness of these systems.

More importantly, Arab countries should approach the question of human security in a holistic way. Social protection measures will remain ineffective without parallel socially and geographically equitable investments in infrastructure and service provision, or investment in people and the real economy. Social protection policies will also be ineffective in promoting social justice if Governments fail to exert private enterprises to work in a socially responsible manner. Likewise, social protection policies will be futile if they fail to create common visions and values that prompt each individual in society to work and act for the well-being of all.

IV. BEYOND SOCIAL PROTECTION

A. REFORMING TAXATION SYSTEMS

Like many developing countries, non-GCC Arab countries suffering from poor economic development are required "to reduce the share of out-of-pocket financing and raise the share of government revenue financing".³⁴ While tax reforms are crucial to ensure fiscal stability, a socially motivated approach would require a careful balance between social and economic goals to ensure an equitable allocation of tax burdens and social service benefits.

From a distributive justice perspective, taxation systems are the most basic instrument to "regulate social and economic behaviour and to shape the distribution of economic resources".³⁵ Typically, Governments levy a mix of taxes (such as personal and corporate income taxes, property taxes and wealth transfer taxes) and can excise or impose higher (or lower) taxes on certain income brackets and goods. Arab countries should explore and assess different possibilities vis-à-vis their ability to boost economic growth as much as their social fairness and contribution to income-based rather than debt-based household consumption.

As per the Ninth European Regional Meeting recommendations, measures to explore include "increasing the progressivity of taxation, extending refundable tax credits to low-income households and taking initiatives to improve the collection of revenue and broaden the tax base".³⁶ Measures could also include asset taxation, as income tax could end up being passed on to the consumer. These measures have been implemented in many countries with positive results, and experts say that progressive taxation and the well-being of nations are positively linked, as expressed by citizens' satisfaction with public services such as public transportation and education.³⁷ For example, in Egypt, the flat rate was successful between 2005 and 2011 from a revenues point of view. South Africa, which had a chequered past in terms of social justice, opted to adapt a flat rate tax.

The issue of tax reform is complex and should be tackled from its different facets, which falls outside the scope of this paper. In view of the huge income and geographic inequalities within Arab countries, Governments should consider ways of taxation that ensure more equality of opportunity.

³³ Ballard, 2013.

³⁴ European Parliament, 2013.

³⁵ Duff, 2008.

³⁶ ILO, 2013.

³⁷ Oishi and others, 2011.

B. SPATIAL JUSTICE, LOCAL GOVERNANCE AND PARTICIPATORY PLANNING

Tax reforms are not enough when it comes to equal opportunities. The geographic inequalities within Arab countries should be approached as part of a broader social justice agenda that aims to reduce geographic disparities and inequalities between different parts of one country. An equitable distribution of projects among the different territories is only one aspect of spatial justice. An effective spatial justice cannot be implemented without redistributing and/or dispersing certain government functions and powers from the central to the local level, as a precondition for a balanced and equitable geographic development.³⁸

More specifically, effective spatial justice requires inclusive and regionally balanced economic planning and development models; particularly models that recognize the need for: (a) equitable geographic allocation of national resources that builds on the potentials and opportunities of each region while responding to its inherent weakness and external threats; and (b) effective participation of private actors, civil society groups and local actors in investment decisions targeting their localities.

Hence, to ensure some sort of territorial distributive justice, Arab countries should devolve power to effectively deal with local problems (which in some countries is considered to be the metropolitan or the city-region level) while maintaining an active central government. Regional divergence in wealth, size, experience and capacity of different municipalities cannot be ignored when deciding on what level of government should be doing what, or on how the different levels of government could work together. Stronger municipalities that are ready to take new functions should be given more power. Municipalities unprepared to take more responsibilities should be supported so they can assume more responsibilities in the future.

Commitment to local autonomy should not however work against the establishment of higher tiers of local government at the metropolitan level (such as municipal unions). Territorial disparities require governance structures that encompass whole-city regions. In view of rapid urbanization, there is a need to promote area-wide approaches of planning and governance that encompass metropolitan areas.

Moving in this direction would require Arab Governments to reconsider their spatial planning approaches in ways that ensure the equitable distribution of projects among the different regions, and also address sustainability and local participation in the decision-making process. The issue of participation should be stressed as a key pillar of social justice.

This means involving people in decisions that govern their lives. The rationale for public participation in spatial planning is often associated with better outcomes. The inclusion of poor and traditionally excluded groups in decisions about public resources has been promoted for two reasons: (a) to ensure that the often limited public resources address local priorities and build on existing local knowledge; and (b) to build local commitment whereby people are more likely to buy-in and adhere to proposed development plans if they take an active role.

Promoting participatory development is a challenging task that requires multiple levels of cooperation among local actors and between local actors and central government, private sector, civil society and external actors, such as international funding organizations. International experience shows that the application of participatory tools and methods, such as participatory enumerations (applied successfully in several African and Asian countries) and participatory budgeting (applied successfully first in Brazil and then in a number of cities in Europe, Asia, Africa and Latin and North America) in spatial planning, can indeed lead to favourable results in project efficiency, in strengthening democratic processes and in building mutual trust between government authorities and citizens. Success in one context does not however guarantee it in another. The institutional context in which participatory development takes place will largely affect outcomes.

³⁸ Harvey, 1973.

C. INSTITUTIONAL AND GOVERNANCE REFORMS

Promoting social justice on the principles of participation and equity is a challenge, one that will be difficult to meet unless the relevant top-down systems of governance in Arab countries are questioned and reformed in ways that empower local governments, promote participation and ensure effective institutional dialogue and coordination.

To promote spatial justice and local participation, Arab Governments should reconsider the sharing of responsibilities between central and local governments (and with private actors and civil society) in the local development process. Specifically, they should requestion the executive-legislative dichotomy between local and central Governments. While national planning and policymaking is the purview of the central government and services delivery and maintenance the purview of local governments, local actors must be able to influence public policy in their localities. Likewise, central Governments must maintain the role of enablers in the local development process to ensure balanced and equitable national development, especially in favour of disadvantaged regions.

On another level, Arab Governments should institutionalize participation in public policy and through taking serious action through the following measures:

- Establishing set-ups that could effectively engage all citizens in development and policy decisions. This includes training civil servants and administrators to establish communication channels with area residents, and promoting meaningful and all-inclusive participation;
- Forging collaborative links with private corporations, civil society organizations and community-based organizations that support social justice values;
- Putting in place participatory mechanisms to ensure that the voices of all people, particularly the vulnerable and marginalized are heard;
- Adopting inclusive and transparent approaches to development, particularly systems that combine top-down planning processes with bottom-up approaches;
- Enacting new regulations and institutional mechanisms that allow people to engage in policy debates and participate in deciding on basic delivery of services and priority projects for public funding, at both national and local levels;
- Designing conflict resolution mechanisms to manage disagreements that are likely to arise from the involvement of multiple actors.

In recognition that social justice cannot be attained if institutional dialogue is absent, knowledge is dispersed, and development efforts are fragmented, Arab countries would be well-advised to consider the following:

- Establishing institutional coordination bodies and dialogue mechanisms that involve all key actors in the planning and decision-making processes;
- Investing in the capacity-building of all public institutions and developing the technical and organizational capacity of their staff to strengthen their coordination.

D. COMBATING CORRUPTION

Last but not least, nothing can happen if combating corruption is not treated as a top priority. If not seriously addressed, corruption will hamper and jeopardize all efforts towards achieving social justice. Inspired by international experiences in fighting corruption,³⁹ Arab countries should consider the following key issues: (a) setting up transparency measures to ensure that development initiatives reach the whole

³⁹ OSCE, 2006.

population (for example through the creation of national anti-corruption agencies); (b) enacting legislative anti-corruption and law enforcement measures; (c) reforming public administration, especially in the field of public finance and economy; (d) fostering media, civil society and public participation; and (e) human capacity-building, mainly through education.

It is important to emphasize that the responsibility of combating corruption does not only rest on Governments and the judiciary sector. Media, educational institutions and civil society organizations also have a crucial role in and building public commitment to social justice by working with both the profit and the non-profit sectors.

V. CONCLUDING REMARKS

Arab countries cannot face increasing social inequalities with indifference. Their economic development strategies and growth models should be regionally balanced and linked to social policies that address the most basic needs and rights of people. In addition to human rights and fairness in the redistribution of resources and opportunities, commitment to social justice requires an empowering approach to participation; that is, one that engages local actors in decisions that affect their lives.

Social justice is not merely about the distribution and redistribution of government services and material goods. It is also not the purview of social policies and social protections systems alone. It is a collective social responsibility that should be instilled in all government policies and actions at all levels, as well as in the actions of the private sector and civil society, the media and educational institutions.

To safeguard social justice values, Arab Governments should take a lead role in regulating national development processes and in guiding the interventions of the private sector and non-profit organizations. They should also develop and implement genuine participatory planning and governance mechanisms that ensure that the voices of all citizens are heard. It is only through such mechanisms that new political reforms can exert real and sustainable social change that would render the societies of the region more inclusive and democratic.

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