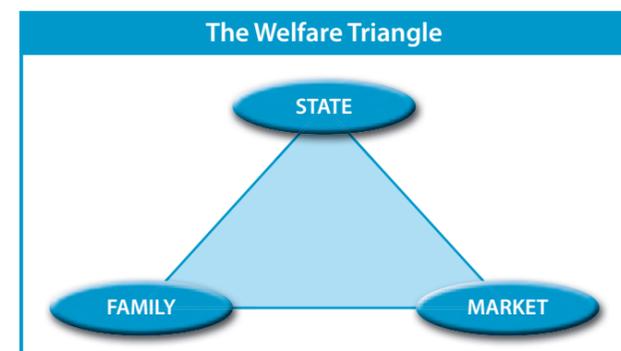




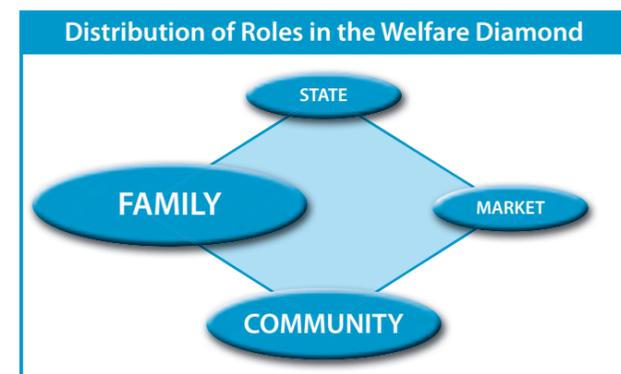
## V. How are the responsibilities distributed?

Traditionally, reference was made to a “welfare triangle”, comprising the State, the market and the family. However, over the last two decades, civil society and the community have assumed greater responsibility in the social sphere and the triangle has gradually morphed into a “welfare diamond”.



Source: Esping-Andersen, G. 2008. The Three Political Economies of the Welfare State, in *Welfare States: Construction, Deconstruction, Reconstruction*, Volume II, pp. 3-29. Edited by Leibfried, S. and Mau, S. Cheltenham: Edward Elgar Publishing.

The distribution of roles and responsibilities among these actors is different in every society. It is interesting to observe that the diamond assumes a different shape in different regions of the world. In certain regions, including the Arab countries, the role of the family and the community is far greater than in others.



Based on Jenson, J. and Saint-Martin, D. 2003. New Routes to Social Cohesion? Citizenship and the Social Investment State, in *Canadian Journal of Sociology*, Vol. 28.

Civil society also plays an important role in the region, although in many cases the potential of its contribution to Government policy has not been maximized.

When considering the State as an actor in social policy, it is central Government that initially springs to mind, particularly

at the policy level, yet the most pressing social challenges tend to surface at the local level. There is thus a clear need for capacity-building activities and the strengthening of responsibilities so that cities and communities are better positioned to respond to the needs and safeguard the social rights of their citizens.

### Civil society organizations (CSOs) have a variety of roles and functions:

- *Service providers.* Such CSOs provide charitable services and deal with the consequences of conflict and wars. This is the role most frequently played by CSOs in the Arab region.
- *Agents for development.* Such CSOs assist local communities in the strategic planning and implementation of social development programmes and provide training, vocational training and education.
- *Agents for policy change.* Such CSOs address the increasing need for policy change in the Arab region. They are also involved in monitoring public policies and in advocacy campaigns.

Adapted from Abdel Samad, Z., *The Role of Civil Society in Social Protection*.\*

## VI. Conclusion

No country is too poor to share. Calculations by the International Labour Organization (ILO) have shown that the establishment of a basic social security system would cost no more than 1-2 per cent of GDP. The ILO refers to a basic benefit package, which would focus on benefits that incorporate such social investment as basic education and health care for the poor and pensions for the elderly and persons with disabilities.

As countries develop, their social security systems can increase in complexity and comprehensiveness, but the focus must remain on universal access and the inclusion of all social groups.

The **basic set of social security benefits** (also known as the social security floor) set out by the ILO encompasses four essential social security guarantees:

- Universal guarantee of access to basic health benefits;
- Guaranteed income security for all children through family/child benefits aimed at facilitating access to basic social services: education, health and housing;
- Guaranteed access to basic, means-tested social assistance for the poor and unemployed in active age groups;
- Guaranteed income security for people in old age, invalidity and survivors through basic pensions.

Adapted from: ILO, 2008, *Role of Decent Work in Mobilizing Domestic Financial Resources Development*.

## I. Introduction

In times of economic crisis, social policy is often regarded as a luxury, the sizeable share of Government funding devoted to it appearing to leave little for other forms of public investment. Increasing the public debt is not sustainable and few Governments are prepared to countenance raising taxes. One of the primary concerns of many Governments is to increase competitiveness and promote private investment; it is sometimes argued that social welfare must be traded off against economic growth.

These are certainly valid concerns. Some countries distribute as much as 35 per cent of gross domestic product (GDP) through their social systems, yet demographic developments threaten the already high levels of public expenditure. Global competition puts increased pressure on labour costs and rising unemployment leaves little room for movement.

Nevertheless, for most people, these are abstract considerations. The high rates of economic growth seen in recent years have failed to produce equal rates of social progress. While poverty rates in the Arab region remain relatively low, they are rising and vulnerability is high in most countries. Such economic shocks as the 2008 food and energy crisis or the current financial crisis have the power to push people into desperate situations rapidly, as malnutrition weakens their physical condition and access to affordable health care is limited.

## II. Why Social Policy?

Poverty and destitution are certainly compelling arguments for strengthening social policy. However, social policy is not a humanitarian matter, rather a question of the kind of society in which we wish to live and our aspirations for future generations.

In any society, social policy fulfils three main functions: social, political and economic.<sup>1</sup>

The *social* function lies in reducing the impact of lifecycle risks through social insurance and alleviating poverty through social assistance. It helps people to stabilize their lives and support their families. As Sholkamy has said (see box), social policy is for everyone.

The *political* function lies in its stabilizing effect. Social justice and greater equality are vital factors for building trust and social cohesion, and contribute to political stability.

Finally, the *economic* function of social policy lies primarily in widening the productive capacity of a society through the inclusion of marginalized areas and social groups in the growth process, and through investment in improved health and education. Moreover, by cushioning the effect of economic crises, social policy also contributes to smoothing business cycles and supporting consumption during periods of economic downturn. Social stability, social cohesion and trust also exert a substantial influence on economic and investment decisions.

*“Social policy should not be just about the poor. Social policy is for everyone. But the privatization of the economy has been preceded by a privatization of public life. [There are] those who can buy private education and health care, private roads and areas, private transportation, private security, policing and channels of conflict resolution, private television channels, and private leisure spaces and activities. Public spaces and services have come to be the domain of the poor and those with diminishing incomes.”*

*Hania Sholkamy, Social Research Center, American University of Cairo\**

(1) See Loewe, M. 2005. Massnahmen zur Verbesserung der sozialen Sicherung im informellen Sektor. Das Beispiel der Arabischen Welt, in *Zukunftsfragen der Entwicklungspolitik*, pp. 221-237. Edited by Messner, D. and Scholz, I. Baden-Baden: Nomos.

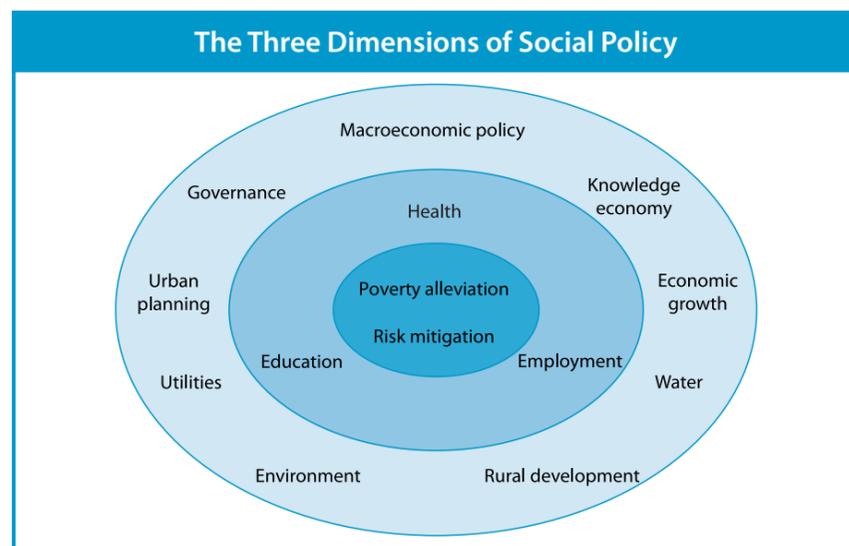
\* All quotations and asterisked boxes in this bulletin refer to speeches, papers and presentations made and discussed during the ESCWA Arab Forum on Social Policy (Beirut, 28-29 October 2009). See: <http://www.escwa.un.org/information/meetingdetails.asp?referenceNum=1035E>.

### III. What is social policy?

Social policy has three dimensions: social protection, investment in people and support to social development.

- Social protection
- Investing in people
- Supporting social development

Source: ESCWA, *Integrated Social Policy: Visions and Strategies in the ESCWA Region, Report III (E/ESCWA/SDD/2009/4)*.



#### (a) Social Protection

Historically, social protection has formed the core of social policy. In the social policy diagram, it is represented by the inner circle. It comprises social insurance, social assistance and the central element of family care and solidarity. Based on contributions, social insurance is a tool for mitigating lifecycle risks and covers such risks as illness, unemployment, old age and injury. Social assistance, a tool for poverty alleviation, is generally financed from the public budget and may take the form of financial assistance to people in need or subsidies.

Most countries in the ESCWA region have established social protection systems that aim to mitigate risks and alleviate poverty. Contribution-based insurance schemes cover the risks of illness, injury, old age and, in Bahrain and Egypt, unemployment. The main weakness of these schemes lies in the fact that they are generally tied to formal sector employment and as a result rarely reach beyond the urban middle classes. Certain countries have started to address this weakness and are developing methods to extend coverage to the wider population. Jordan, for example, is working to extend coverage and insure against additional types of risk.

Poverty alleviation is addressed through a variety of instruments that target the poor and most vulnerable groups in society. Such social assistance programmes include direct cash transfers, general price subsidies, food distribution, discounts on public utility tariffs and, on occasion, public works programmes. In the ESCWA region, general subsidies have historically played an important role and consumed

significant public resources. Policy debates revolve around the effectiveness of such subsidies and whether targeted transfers would constitute a better option.

Conditional cash transfers (CCTs) have emerged as an alternative approach that provides financial assistance to families on certain conditions. In the ESCWA region, Yemen has been testing the CCT approach since 2007 within the framework of its Basic Education Development Project. Egypt is currently piloting its first CCT project with 200 families in a slum area of Ain el-Sira, and it is planned that the programme will be extended to 40 additional villages in Upper Egypt in 2010.

**Conditional Cash Transfers**

**Definition:** Conditional cash transfers are programmes that transfer cash, generally to poor households, on the condition that those households make pre-specified investments in the human capital of their children.

**Conditions**

- *Health and nutrition conditions* generally require periodic check-ups, growth monitoring and vaccinations for children less than five years of age; perinatal care for mothers and attendance by mothers at periodic health information talks.
- *Education conditions* usually include school enrolment, attendance on 80-85 per cent of school days, and occasionally some measure of performance.

Most conditional cash transfers programmes transfer the money to the mother of the household or, in certain circumstances, to the student.

*Adapted from: World Bank, 2009, Conditional Cash Transfers: Reducing Present and Future Poverty.*

#### (b) Investing in people

A broader definition of social policy extends to health, education and labour market policies. These are positioned in the second circle, which represents investment in people, a concept which is essential for the economic function of social policy.

Inclusion in the labour market is one of the cornerstones of social policy in this regard. Decent employment constitutes one of the environments in which people can express their capacities and aspirations most frequently and effectively. It not only provides financial security, but also promotes social cohesion and the accumulation of knowledge and skills.

However, employment policies continue to be problematic in the Arab region. Labour market participation rates remain relatively low, especially for women, and this can significantly decrease the productive capacity of a country.

**Examples of Implementing the Decent Work Agenda in the Region**

1. Decent Work Country Programmes (DWCPs)
  - Ongoing: Jordan, Syrian Arab Republic and Yemen
  - In progress: Bahrain, Jordan and Oman (second DWCP)
2. Decent work strategies in Lebanon and Palestine
3. Mainstreaming decent work in national planning frameworks (Iraq, Syrian Arab Republic and Yemen)
4. Mainstreaming decent work in United Nations planning frameworks (Iraq, Lebanon, Syrian Arab Republic and Yemen)
5. Mainstreaming decent work in United Nations Millennium Development Goals (MDG) joint programmes (Conflict Prevention and Peacebuilding in North Lebanon, Gender and Women's Empowerment in Palestine and MDG Scaling-up in the Syrian Arab Republic)
6. Mainstreaming employment and decent work in regional and national MDG Reports

*Nada al-Nashif  
ILO Regional Office for Arab States, Beirut\**

#### (c) Supporting social development

Finally, the broadest understanding of social policy is represented by the outer circle of the diagram, which draws

attention to the fact that many other policy areas influence the direction and content of social policy.

The integration of social concerns into all aspects of public policy aims to remove barriers and create a level playing field for all geographical regions and social groups to participate equally in the development process. It calls upon policymakers to design policies in such a way as to ensure equal access across social groups, not only to education and health care, but also to water, land, transportation, communication, information and knowledge.

Public utilities, for example, are an important issue in urban areas and have a strong impact on health and poverty. Macroeconomic policies influence inflation and investment. Land reform can foster or rein in urbanization; it can drive people into poverty or lift them out of it. All these policy areas have a strong social aspect, and it is vital that they be taken into account in the design and implementation of a comprehensive and integrated social policy.

### IV. Who is Responsible for Social Policy?

In many ways, social policy is an essential part of social contract, ensuring equal participation in the development process and creating social cohesion.

However, as societies develop, the social contract is changing. The earlier paternalistic concept of the responsibilities of the State has given way to a new type of social contract. Previously, social welfare took the form of handouts from the Government to the poor and needy, but the role of Governments is now to act as the leaders and facilitators of concerted social welfare efforts made by a variety of stakeholders.

A new partnership approach of this type requires not only an active Government, but also an active society and an active individual.

In the new social contract, Governments are in the driving seat, but they are not the only party responsible for the social welfare of the population. Development strategies must include components that enhance the capacity of the private sector, communities and the not-for-profit sector, as well as the family and the individual, so that all parties involved may contribute fully to the end result. The non-governmental sector is particularly diverse in the Arab world, encompassing a wide variety of foundations and organizations that make a significant contribution to social welfare.