

Concept Note: Policy in Focus—Social Protection in MENA Today

The Arab world has a long tradition of social provision for the poor, the sick, the disabled, elders and children, orphans and widows. When countries in the Middle East and North Africa achieved their independence, traditional social protection schemes were, to varying degrees, assimilated or mimicked by the State and, in some countries, comprehensive non-contributory pension systems were instituted. However, a significant share of the social expenditure in most of these countries was assigned to subsidise staple foods and fuels.

Today, social protection systems in the MENA region are undergoing significant reforms. There is widely acknowledged evidence that subsidies are badly targeted and, therefore, inefficient in the fight against poverty and vulnerability. Similarly, there is the perception—often backed by evidence—that non-contributory social protection systems are also badly targeted, excluding the poorest and most vulnerable people and benefiting those who are not in any immediate need of aid. Many countries are phasing out subsidies and redirecting social investment into direct targeted cash transfers. Some are adding conditional or unconditional targeted cash transfers to their social protection portfolio, as well as new or reformulated old-age pensions and disability grants.

This wave of non-contributory social protection reform now faces three great challenges. The first is the global economic crisis, which led to stunted economic growth in most countries of the region. Coupled with their demographic features, this translates into high unemployment rates, particularly among the youth. The second challenge is rising inflation rates—partially driven by the phasing out of subsidies. The combination of higher food prices and unemployment leads to increased poverty and greater demand for the support of non-contributory social protection.

The third challenge is the proliferation of conflicts and their consequences, particularly in Syria, Iraq, Yemen and South Sudan. Most of the millions of people displaced by these conflicts find refuge in neighbouring countries and their personal tragedies are amplified by hunger and disease. Providing for these refugees—not always with substantive support from the international community—adds to the already difficult task of supporting poor and vulnerable nationals.

This issue of Policy in Focus, developed by specialist guest editors Fabio Veras Soares and Rafael Guerreiro Osorio, will gather articles discussing the evidence related to these challenges, while documenting recent changes and the current state of non-contributory social protection in the MENA region as a whole and in specific countries, also exploring how these countries have been coping with and learning from the recent economic and humanitarian crises.