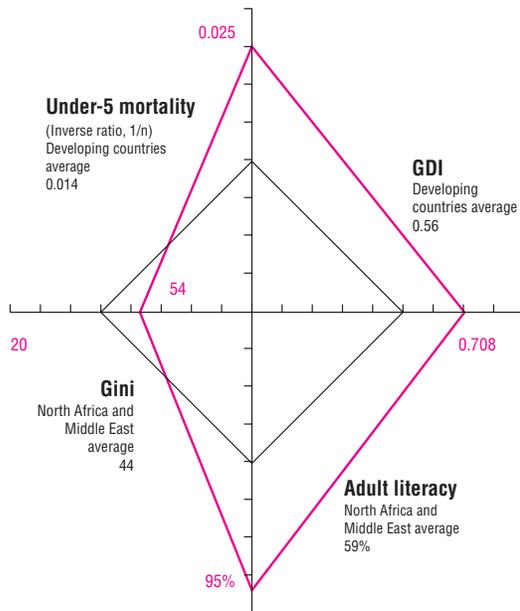


• ADIB NEHME



The Equity Diamond: National values in terracotta compared to regional ones in blue.

## TWO YEARS AFTER COPENHAGEN

The WSSD plan of action did not capture as much attention as the Beijing Summit and ICPD. For these, national follow-up committees with high level official participation were created and there was increased media interest. The price, however, was distortion and fragmentation of the output of these conferences.

For WSSD, no follow-up committee was established and the media showed less interest. NGO interventions were limited to some advocacy activities and increased efforts to improve the quality and efficiency of their plans of action to promote social development in a hostile environment.

The main reason for this situation is that the three main issues of the Copenhagen Summit could not be manipulated and approached in a sectoral and fragmented way. They hit the core of the development crisis, so the best way to deal with them was to neglect or simply forget them.

But realities are stubborn, as we say in Lebanon. The real question is the following: has the situation improved in Lebanon after March 1995, or is it worse? The general impression regarding the Copenhagen issues is not encouraging. So once again, both international and national recommendations and plans of action knock loudly at our doors.

## END OF THE WAR AND CURRENT TRENDS

War and development are incompatible. The end of the war and re-establishment of civil peace was a precondition for development. The conclusion of the Taif Accord of 1989 brought an end to violence and destruction and led to the re-establishment of security. The state was able to regain its functions, which had been confiscated during the war. Thus it should be able to reassume its responsibility as a major actor in the social development process.

Starting 1992, the government launched a process of economic recovery and achieved monetary stabilisation, controlled inflation and increased production. Lebanon reentered regional and international markets. However, internal and regional factors have directly affected this process. The war in Lebanon interrupted the normal course of development and was the major direct cause of deterioration in political, economic, and social conditions. But the country already suffered from structural economic and social dis-

*The Lebanese national report to the World Summit for Social Development (WSSD) summarised the situation on the three major Summit issues – poverty, unemployment and social disintegration – as follows: 28% of households live below the poverty line; overt unemployment is estimated at around 13%, but other distortions of the labour market are even more important; and, recovering from a long period of war (1975–1990), the country still suffers from serious problems affecting social and national integration. Despite an acceptable preparatory process for the Copenhagen summit, there has been no real official follow-up to the national and international recommendations and the plan of action. As we assume happened in many other countries, in Lebanon, interest ended on March 12, 1995, the day the Summit closed.*

tortion in the prewar era (before 1975). In addition, regional and international circumstances are particularly challenging and constitute a serious obstacle to development efforts. This was felt strongly after the Israeli aggression of 1996. The whole complicated regional peace process is hindering the stability of the economy and society.

### ECONOMIC GROWTH, POVERTY, AND EQUITY

Lebanon has liberal economic traditions with a market-driven economy that is open and unregulated. This is considered an asset for development from the government's point of view, because it matches the current international trends of neoliberalism and Structural Adjustment Programmes. Regarding the latter, Lebanon does not have to adjust much – it just has to go deeper in the same trend. Actual accomplishments were below official expectations as expressed in the national reconstruction and development plan known as Horizon 2000. The latter estimated an annual GDP growth rate of around 8 to 9% for the next decade and elimination of the budget deficit before 2000. The plan was too optimistic and did not take into consideration the negative effects of the unstable regional situation. Nor did it include potential effects of official political and economic policy on the sustainability and stability of economic growth or its social impact. Lebanon still has to overcome macro-economic imbalances, mainly the chronic budget deficit (around 50% in 1996). It has to control the growing public debt (78% of GDP) and deal with the trade deficit and other economic and social problems.

TABLE 1.

Selected economic indicators					
	1992	1993	1994	1995	1996
GDP (billion \$)	5.17	7.67	9.29	11.30	13.24
GDP growth rate (%)	4.5	7.0	8.0	6.5	4.0
Foreign reserves (billion \$)	1,449	2,220	3,840	4,478	5,885
Inflation rate (%)	120	29	8	11	10
Public debt as percentage of GDP (%)	46.14	37.84	52.16	63.07	78.15
Budget deficit (%)	48.72	38.52	56.94	48.21	51.10
Export-Import ratio (%)	15.9	14.0	13.3	14.6	13.5

The war aggravated social problems inherited from the prewar era. This is manifested in an increased incidence of poverty and socio-economic differentiation. According to UNDP's 1997 Human Development Index (HDI), Lebanon ranked 65; **according to national calculations applying the same methodology to recent data, it ranked 91.**

TABLE 2.

Lebanon HDI according to international and national sources		
Indicator	HDI - 97	National data
Life expectancy	69.0	68.5
Adult literacy rate	92.0	86.4
Combined gross enrollment ratio	75.0	73.2
GDP per capita	4863 (USD)	3678 (USD)
Rank	65	91

Poverty in its extreme form food poverty – is not as prevalent as relative poverty. Accurate assessment is not possible until the ongoing work of defining and measuring poverty at the national level is completed. The main issues are related to social disparities in income distribution, regional discrepancies, and access to productive assets and credit. This makes the issue of equity more relevant to the analysis of poverty in the country.

In terms of satisfaction of basic needs, equity and social and regional discrepancies, the current situation is marked by important gaps at many levels. In the Lebanese context, national average indicators could be misleading. Once disaggregated, apparently acceptable or high human development indicators reveal shocking facts about the lack of equity in access to social and economic assets and services.

**Deepening the analysis, one discovers that the economic growth of the past few years was generated mainly in the real estate and construction, finance, banking, and trade sectors.** The benefits have accrued mainly to the capital region and to a narrow section of the population. This has tended to weaken the development impact, which does not evenly cover all regions and groups, and has distanced some regions from the requirements of sustainable human development.

Private sector investments are very selective. The distribution of bank credits according to different regions and economic sectors is a flagrant example of this chronic distortion, which is accentuated by current policies. The capital, Beirut, still concentrates the major part of economic activity and receives 81.3% of the total credit given by commercial banks. Sectoral distribution shows the similar concentrations, with agriculture's share of credit at 1.6%. (See Table 3)

These figures highlight one type of inequity in Lebanon. Before moving on, it is worth noting another type of inequity related to access to credit by low and medium income groups. The major share of credit is allocated to big investors: only 0.8% of the total number of creditors (the big ones) got 37.2% of total credit (1993), and 57% (the small creditors) got only 1.8%

### REGIONAL DISPARITIES

Indicators for different sectors and groups consistently show regional socio-economic differentiation, with a wide gap between remote rural areas and the urban center. Poverty thrives in these

TABLE 3.

Distribution of bank credits in 1995			
By region		By economic sector	
Beirut	81.26%	Trade	45.4%
Monte Leb.	13.81%	Construction	21.6%
North Leb.	3.12%	Industry	13.1%
South Leb	0.85%	Agriculture	1.6%
Bekaa	0.85%	Other	18.3%
Non Resident	0.11%	Total	100%
Total	100%		

areas: economic activity is confined to low productivity agriculture; unemployment rates are high; immunisation of children, school enrollment, and female participation rates are low; and, illiteracy rates are high.

These are chronic discrepancies in the country and current policies do not contribute to filling the gaps. Interventions by the State are mostly restricted to palliatives or some kind of temporary cash transfer.

Assessment of the situation in rural regions shows a high level of poverty incidence in terms of basic services. Recent studies based on such indicators revealed that 25% of rural areas were considered as very poor, 50% as poor, and 25% as acceptable.

The claim for «Balanced Development» is loudly heard in Lebanon. It is one of the most important social components of the Taif Agreement that stopped the war and brought the current government to power. Significant progress has been achieved concerning the infant mortality rate. For children below five years, it dropped to 32 per thousand in 1996 (and for infants below one year to 28 per thousand); and immunisations against polio and with triple vaccine are general.

But still important discrepancies are observed among regions, social affiliations and parental educational levels. **Under-5 mortality rates in poor rural areas are 3.5 times higher than in the capital, and we can make the same observation concerning infant mortality based on the educational status of the mother, which generally reflects their social status.**

TABLE 4.

Child mortality by region			
	Neonatal	U 1 year	U 5 years
Beirut	12.0	15.9	15.9
Mount Leb.	14.0	17.9	22.4
North Leb.	30.4	42.7	51.5
South Leb.	29.4	35.9	35.9
Bekaa	15.7	31.4	35.2
Nabatieh	7.5	7.5	7.5
Lebanon	20.0	28.0	32.0

TABLE 5.

Infant mortality by educational level of the mother	
Educational level of the mother	Infant mortality rate
Illiterate	54.5%
Can read & write	51.1%
Primary	29.6%
Intermediate	30.5%
Secondary & above	14.8%
National average	27.8%

### HEALTH CARE: COST AND ACCESS

Another main indicator of human development is health status and access to health services. This sector too reveal serious structural distortions in equity, affecting mainly the poor, other low income population groups and inhabitants of remote rural areas. Total health expenditures in Lebanon are relatively high and vary between 8 and 11% of GDP. But this high spending is not reflected in better health conditions for the population.

The health care system is characterised by an inverted structure with resources concentrated in sophisticated technology. The high costs reflect the expense of private, market-driven hospitals. **The major part of health expenditure goes for hospitalisation, to the detriment of broad preventive and primary health care services that could benefit larger population groups, including the poor.** One interesting observation is that the number of physicians in Lebanon is in the range 8 to 9 thousand (mostly concentrated in the capital region), but there are only 3,500 nurses, more than half of whom do not have the recommended qualifications. Furthermore, according to recent estimates, almost 50% of the population is not covered by any of the main insurance schemes, and real and adequate safety nets are absent. Consequently, households contribute about 62% of the total health cost, against 31% representing the government's share (the donors share is 7%).

### EDUCATIONAL IMBALANCES

Education is another main indicator for social development, as it provides a basis for more active economic and social roles both individual and collective. Lebanon has not yet achieved universal, compulsory basic education; the enrollment rate of children aged 10–14 years was 93% in 1996. Access to, and quality of, technical education and vocational training are particularly limited (around 8% of total intermediate and secondary enrollment), and not in tune with the needs of the country. Access to basic education is restricted by high cost and by limited capacity in the public sector. **Only 30% of children go to public, as opposed to private, schools.**

Education is thus dominated by the private sector, which leads to many kinds of problems. One is high educational cost, once again covered by households, which together with health expen-

diture makes up an important part of household budgets. Another problem is related to the quality of education: public schools (and some subsidised private schools) provide lower quality education than the elite schools. The country now has poor education for the poor and rich education for the rich.

A third type of problem is related to social and national integration. Since the education sector is uncontrolled, private individuals, foreign institutions, and sectarian and religious groups have established their own educational institutions – from kindergarten through university – with independent programmes and examinations. This is a major source of social and national disintegration which has been aggravated since the Copenhagen Summit by more accentuated trends towards privatisation and the generalisation of the sectarian approach to education and health.

TABLE 6.

Education and health imbalances		
	Lebanon	Main problems
Education		
– Combined enrollment ratio	73.2	– Low capacity of public sector – Low quality – High cost
– Adult literacy rate	86.4	
– Public school enrollment	30%	
– Technical school enrollment	8.3%	
Health		
– Population per doctor	330-390	– High cost – Limited health insurance coverage – Weak precaution component
– Population per nurse	1,060	
– Households share of total health costs	62%	
– Health insurance coverage (%)	50%	

### GENDER EQUITY

There has been some progress towards gender balance in development. There appears to be no discrimination between men and women with respect to health care. However, distortions still exist with respect to illiteracy: 17.8% for females compared to 9.2% for males. Illiteracy rates are higher among women over 45 years. Women account for slightly over one-fifth of the labour force. There is discrimination with respect to remuneration and other working conditions. There is also a gender-based distribution of work, with women's labour concentrated in specific occupations – teachers, nurses, saleswomen, secretaries – and in lower ranking positions. **The distortion is glaring when it comes to women's participation in political, economic and social decision-making at the national and local levels.**

Failure to take advantage of women's potential contribution to development is a most important source of lost opportunity. It is also an indication of continuing social, economic, and legal discrimination against women. Priority objectives are to eliminate all discrimination, to accede to related international instruments, to achieve minimum levels of political representation, and to change radically the figure of women in the media.

TABLE 7.

Gender Equity		
Education	Labor	Decision making
Female share of total enrollment: 49.6	Female Share of total labor force : 20.34	Women ministers: 0% Women deputies: 2.3% Women general directors: 2.2%
Female share of technical enrollment : 46.8% Female share of tertiary natural and applied science enrollment: 40.4%	Women's share of earned income: 16.0% Female labour force concentrated in sub-sectors and occupations (Education, nursing, sales, secretaries, information...)	Women's participation in decision making in private sector, trade unions, and professional syndicates is very weak

CUADRO 8.

Illiteracy, by sex		
Region	Male	Female
Beirut	6.15%	12.22%
Mount Leb.	6.38%	13.50%
North Leb.	15.59%	24.25%
South Leb.	9.77%	18.27%
Bekaa	9.84%	22.57%
Nabatieh	10.76%	25.14%
Lebanon	9.26%	17.82%

### CONCLUSIONS

The war resulted in enormous problems, the effects of which extended into the economic, social and cultural domains, affecting both infrastructure and institutional capabilities. It also aggravated structural imbalances that existed before 1975 (and which contributed to its outbreak in the first place). The many and complex issues put different claims on strategic options for the country's recovery.

Current government strategy emphasises financial and economic frameworks and infrastructure development. This option



generally considers that economic growth will ultimately lead to resolution of social problems. This simplistic conclusion has been discredited by international experience in recent decades.

Another option puts forward the social dimension of development under sustainable development policies and more moderate economic growth. Maintaining strong economic fundamentals, designed to meet broader socio-economic goals, the aim is people-centered development providing universal access to resources and services and creating opportunities to fully utilize human potentials. This option accords priority to systems and capabilities, and highly values participatory development. This approach is more suited to Lebanon's current recovery from prolonged war, since it would avoid recreating some of the factors that contributed to war in the first place.

**The social content of development is a basic issue. Reconstruction plans are being implemented in the absence of adequate social policies, and even in the absence of real safety nets. The government still refuses to recognize the fact that poverty exists in the country, even to the extent of rejecting the term itself. So no poverty reduction policy has been established, and concern with poverty is limited to some welfare action and services provided in traditional forms that discourage participation and empowerment.**

None of the goals of social development can be reached without the full participation of the population. The latter is crucial for regaining social and national integration, equity, and social justice. At this level, democracy, political participation, and decentralisation are key issues. Lebanon has not had municipal elections since 1963, because municipalities provide the sole form of local representation. Municipal elections have been postponed twice lately, and a recent law proposed by Government and adopted by Parliament postponed the elections from June 1997 to 1999. This situation prevents the population from practicing their rights, which hinders them from defending their interests for a more equitable development process. Decentralisation and municipal elections are key to strengthening political representation at the local level and unleashing the potentials of individuals and groups. Increased communication between citizens and the authorities at the local level will also contribute to stimulating interest and participation in public life.

Essential prerequisites to achieve the objective of political sustainability are good governance in general and an efficient administration in particular. It is imperative to achieve the separation of politics and public administration, so that the latter, once streamlined and reformed, can implement in an efficient manner its responsibilities to the people. There is wide scope for more effective forms of dialogue, cooperation and coordination among the components of civil society, and between government and civil society.

This leads us to the most important conclusion of this report: the necessity to build a national partnership for sustainable human development in Lebanon. This includes endorsement of and

strong support for the establishment of new and effective mechanisms for reaching a social contract for sustainable human development. Such a social contract would involve a partnership to realise the full potential of people, particularly of less advantaged groups and individuals, and put this potential to good use. The adoption of this approach to define the course of development implies a simultaneous and integrated effort on three parallel and interrelated axes.

1. Cohesion and unity of the state and society, and of their institutions. This should be done: by agreement on the roles of government, the private sector and the civil society in the development process; through reform of mechanisms of national and local representation; through promotion of civil society mechanisms for dialogue and development; and by implementing decentralised and strengthened democratic mechanisms based on participation at the grass-roots level.
2. A broad-based approach to social development, in which the state is entrusted with «engineering development», mainly by defining a long-term vision and strategy for social development.
3. Social development policies aimed at improving social conditions and alleviating poverty, through: providing access to key basic services, specifically basic education – which must be compulsory and universal, basic health care and shelter; securing access to resources, giving priority to remunerative and stable employment; fully benefitting from the potential of all groups, in particular women and youth, with specific effort to include women in political and economic decision-making.

**Two years after the Copenhagen Summit, we find ourselves faced with the urgent need to rescue it from neglect and ignorance.**

- Association Najdeh
- Rassemblement démocratique des femmes libanaises (Democratic Assembly of Lebanese women).
- Association Libanaise pour le développement social (Lebanese Association for Social Development).

This paper benefits a great deal from the following publications:

- a. *A profile of Sustainable Human Development in Lebanon*– UNDP– 1997.
- b. *The national report to WSSD*– Ministry of Social Affairs – January 1995.
- c. *Problematic of social integration in Lebanon after the war*– Fahima Sharaf ed– Din and Adib Nehme– ESCWA– October 1996.

However the authors of this paper are the only responsible for the analysis and the conclusions mentioned within.