



Welfare in the Mediterranean Countries

GREAT ARAB POPULAR SOCIALIST LYBIAN JAMAHYRIA



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Introduction

Libya is analysed in the more general framework of the MENA area, and more precisely, it belongs to the geopolitical North - African region. However, it is worth noting the particularity of Libya if compared with the rest of North-African countries which, on the contrary, have shared several institutional characteristics and historical background. Two factors have profoundly affected the evolution of Libya: its oil wealth and the political changes implemented by Libyan historical leader, the Colonel Qadhafi, since his rise to power. Qadhafi created his own political system which is, theoretically, a grass-roots democracy providing an alternative between Western bourgeois democracy and Communism.¹ After a period of international isolation, Libya has recently inaugurated a new open minded political course. Both the European Union and more recently the USA² are observing these changes closely; thus, aware of its strategic relevance, Libya aims to become a central interlocutor in the dialogue between the West and the Arab countries, within the framework of Euro- Mediterranean Partnership.

This paper aims to provide an analysis of the current process of reform in the Public Administration in the Great Arab Popular Socialist Libyan Jamahiriya.³ It focuses especially on the most recent reforms adopted by Libyan authorities in the field of public administration affecting the relations between government and citizens. An analysis of the reforms confirms Libyan government's strong interest in implementing an ambitious programme of decentralization, abolishing most central government functions and making the devolution of responsibility to the local level a national priority. This process will be described in the first part of this survey, while the second part will be focused on the description of Libyan social welfare, with special reference to the case of health care system.

¹ The theory supporting the Libyan governmental system is the Third Universal Theory, codified in the so called Green Book.

² On 23 June 2004, the relations between USA and Libya were restored after a 24-year period of total closure. This move was part of a gradual improvement in relations after Libyan Qadhafi's decisions to accept responsibility for the Lockerbie affair, to pay compensation to the families of the 270 people killed and to dismantle weapons programs. Qadhafi has also pledged to support the U.S.-led war on terrorism.

See: La Repubblica, "*Usa e Libia ristabiliscono i rapporti diplomatici*", 28 June 2004.

³ It is the official name of Libya. In this paper, it will be referred to as "Libya".

General information

Libya is a medium-developed country, ranked 61st out of 162 countries in the UNDP's Human Development Index in 2003.⁴ Overall human development indicators are among the best in the African continent and above the mean for the Arab world. In 2003 average gross domestic product (GDP) per capita was \$6,400 (purchasing power parity) ⁵, and average life expectancy was approximately 72.4 years⁶. Infant mortality is less than 18 per 1,000 live births, less than a fifth the level in 1970. The entire population has access to adequate sanitation facilities and essential drugs. Basic educational and gender indicators are also good. Libya has an adult literacy rate of 82.6 per cent and a gross education enrolment rate of 92 per cent, levels that are among the best in the region. The literacy rate for adult women is 72 per cent and female enrolment at the secondary level is almost the same as that for males.⁷ In addition, women have a level of representation in most areas of work and society comparable to that in countries high on the Human Development Index.⁸

1. The decentralization and the administrative structure in Libya

1.1 Institutional background

According to the principles of the Green Book Charter⁹, Libyan Jamahiriya is, theoretically, a grass-roots democracy, with local People's Committees constituting the basic instrument of government¹⁰. The Libyan political system is, in fact, based on the direct representation of the people: all Libyan citizens

⁴ UNDP, Human Development Index 2003, *Indicators' table of content*, (<http://hdr.undp.org>).

⁵ Cia, *The World Fact book, Libya*, 2004

(<http://www.cia.gov/cia/publications/factbook/geos/ly.html#Econ>).

⁶ Average life expectancy at birth (years): 72.4, Male: 70.4 - Female: 75.0.

See: World Health Organization, *Libyan Arab Jamahiriya: Statistics*, 2003, (<http://www.who.int/country/lby/en/>)

⁷ Cia, *The World Fact book, Libya*, 2004

(<http://www.cia.gov/cia/publications/factbook/geos/ly.html#People>).

⁸ UNDP, Human Development Index 2003, *Indicators' table of content*,

⁹ Green Book is the theoretical support to develop this governmental system providing an alternative between Western bourgeois democracy and Communism.

¹⁰ The standard Arabic word for a republic, *Junhuriyya*, is based on the root *jumhur*, meaning the general public; the plural of *jumhur* is *jamahir*, roughly the masses; Qadhafi created a new noun from the plural, implying a republic that is mass-based.

participate in local government through the Basic Popular Congresses and each assembly elects a secretary that represents it in the General People's Congress, the country's highest legislative body. The General People's Congress appoints secretaries who play a role, similar to that of ministers, in the Popular Committee. The Secretariat for the General People's Congress (Parliament) is the top legislative body, and the Secretariat for the General People's Committee (Cabinet) is the top executive body.

1.2 The process of decentralization

By law, Libya has one of the most politically decentralized systems in the Arab region, as local governmental institutions extend over education, industry, and communities. In fact, Libya was founded on the principles of profound political decentralization and the concept of administrative reform in Libya has always been associated with the decentralization process.¹¹ Some changes initiated in the 1990s moved towards further decentralisation through the introduction of a system of municipalities (*Shabiat*) and communes (*Mahallat*) to be governed through local representation.

In 1998, 26 municipalities (*Shabiat*) were established, each headed by the Secretary of a People's Committee who was given wide municipal and administrative powers.¹² In 2000 the Libyan General People's Congress and the Government authorities strengthened the process of decentralization, abolishing most central government functions and making the devolution of responsibility to municipalities (*Shabiat*) a national priority.¹³

Libya is actually divided into 31 *Shabiat* ¹⁴, with each municipality divided into many small Basic People's Congresses. Through these channels, the people's views are, in theory, taken up to the top legislative body. Added to these, each *Shabia* has its own People's Committee which is the major executive body within the *Shabia*. Each *Shabia* also has its ministries (Secretariats).

This process of decentralization has highlighted a need for capacity building to support the decentralization process, especially at the municipality level. It had

¹¹ In practice, most decision-making power remains in the hands of a centralized leadership that decides the power of these institutions.

¹² In theory, Qadhafi planned to eliminate all central government functions and decentralize power to the 380 Popular Congresses.

¹³ Only five secretariats are still functioning at the national level: Foreign Liaison, Finance, Justice and Public Order, and Information, as well as a new Secretariat for African Unity. Instead, the functions of 12 abolished departments will actually be run by the 31 *Shabiat*, which will handle local affairs in a less centralized, more regionally based manner.

¹⁴ Libyan provinces were not called "*muhafazat*" or "*wilayat*" as in most Arab states (words meaning basically "governorate") but rather *Shabiat*, from the word for "the people".

an impact on public administrative sector through people's participation in all stages of the administrative operations, popular committees replacing previous government bodies and assuming a new role in executing popular congresses decisions, and direct selection of administrative leaders instead of elections or appointments by higher authorities.

Delegation of central authority to the local and regional authorities was a new trend in decentralized planning and allocation of funds. It also presented an opportunity to respond more accurately to some of the country's development needs, through increased needs-based targeting of resources.¹⁵

Complementing this, support is needed for a number of central authorities to develop capacity in certain areas and to upgrade public services. Such support at the central and municipal levels is valuable for assisting the development of the country and contributing to economic reform.

1.3 The challenges of administrative reform in Libya

Political debate concerning the status of administrative reform in Libya is deeply concerned with some specific issues:

- a. Decentralization**
- b. Legislation**
- c. Human resources**

a. The role of restructured *Shabiat* points out other unsolved issues such as the simplification delivery of necessary services to citizens in local area.¹⁶

Currently the State determines public services which can be delivered in each different *Shabia*, then undertakes to cover their costs through annual financial transfers. However, planning and financial decentralization in the *Shabiat* are not clearly defined and this could be considered an impediment as for the modernization process of public administration and governance in Libya.

The programme of decentralization offers a valuable opportunity to contribute to the reduction of development imbalances in the country and the achievement of long term sustainable human development.¹⁷

¹⁵ Abolishing the ministries could also be considered as a means of controlling the redundant bureaucracy.

¹⁶ Lebanese Centre for Political Studies, *Decentralization, Democratization and Local Governance in the Arab Region*, November 2003.

¹⁷ The Libyan government authorities have requested to assistance from the UNDP to support the decentralization process, especially in capacity building. The UNDP will seek to build its position as a partner for technical and methodological guidance on policy and institutional development; as a facilitator for programme implementation; and as a partner in the mobilization of additional resources.

b. Administrative experts are convinced that public service delivery is also hindered by legislative and organizational obstacles, which can be identified in the length and complexity of administrative procedures, in the duality of duties and responsibilities between government bodies and in some contradictions between law and its executive regulation.¹⁸ Such procedures are usually costly and time consuming, and in some instances unobtainable for some citizens.¹⁹

c. Referring to human resources issue, the historical inheritance of over employment in the sector of Libyan civil service emerges as a priority²⁰. In order to reduce the number of civil servants, several policies were adopted such as transferring employees to the production sector and encouraging early retirement. Unfortunately, these policies resulted in extra wage burdens upon public companies, which participated in their collapse. Early retirement resulted in a heavy monetary burden on the social security fund, and the loss of best experts in the civil service who took advantage of early retirement for better opportunities in the newly born private sector.

As for the training of civil servants, the National Institute of Administration (with its five branches) is in charge with the training of employees in the administrative sector, sharing some of its duties with the private sector whose competences are growing in the recent years²¹.

A reform of procedures for employment and a full and open competition would be useful to modernize the all sector.

“Civil Service and Employment Committee” is an advisory committee on matters of administrative reform and employment policies. Consultancy on how to design and execute these important projects is vital to administrative reform in general, especially as for the improvement of quality of public service delivery.²²

Finally, the process of modernization of Libyan Public Administration should attempt other priorities that are: procedures simplification, job description,

For more detailed information, see: UNDP, *Country programme for Libya* (2003-2005).

¹⁸ Law No (21) 1999 and its executive regulation No (49) 2000 concerning the practice of economic activities imposes several conditions for obtaining licenses such as presenting too many certificates, obtaining difficult permissions, and paying high fees.

¹⁹ B.S Ghariany, “*State of Public Administration in Libya*”, National Institute of Administration, Libya (available in English on www.unpan.org).

²⁰ In 2002, the public sector employed some 70 per cent of the workforce.

²¹ However, managers seldom attend courses, there is no in-service training and consultancies are faced with obstacles.

²²*Ibidem*

administrative mechanization, manpower redistribution, institutional development, organizational development, transparency and information.

2. Social Welfare

According to a government advertisement appearing in an international publication soon after the proclamation of Libyan Jamahiriya, Libyan welfare ranked among the most comprehensive in the world²³. The social security program had already provided protection superior to that available in many or most developing countries.

Subsidized food, free services in education and health, housing facilities, utility services (electricity, water and transportation) at low prices to the poor are among the benefits that eased the lives of all citizens.

The welfare programmes have reached even the oasis towns of the desert, where they reportedly were received with considerable satisfaction.

2.1 Libyan Social Security System²⁴

The state provides a national umbrella of social security by implementing a comprehensive social security system. Social security is guaranteed to all citizens and is extended to foreigners living in Libya. It also includes all schemes or procedures instituted to promote the welfare of Libyan and foreign workers in the event of old age, disability, sickness, employment, accident or occupational disease, disaster, death, pregnancy, and childbirth.

The following persons are entitled to receive benefits under the Libyan social security system in return for payment of their contributions: ²⁵

- Businesses where the partnership system is applied;
- Civil servants working in the various secretariats, public authorities and agencies, including the police and customs officials;
- Persons working under contracts of employment;
- Self-employed persons engaged in the liberal professions, arts and crafts, agriculture,
- industry and similar activities; and
- Surviving dependents of persons covered in nos. 1 and 4 in the event of their deaths.

²³ Library of Congress, *Libya: a country study*, (<http://lcweb2.loc.gov>).

²⁴ Libyan Social Security System scheme is available on website <http://www.ssa.gov/policy/docs/progdsc/ssptw/2002-2003/africa/libya.html>.

²⁵ No person can receive more than one pension from the Social Security Fund or any public fund. The contributor can only receive the pension which is most advantageous to him.

- When a foreign worker's contract is terminated for reasons other than total or partial disability and old-age, he is entitled to receive a lump-sum payment in respect of his period of work or service.

a) *Social Security Benefits*

- *Old Age Pension*

A contributor can claim an old-age pension upon reaching the retirement age of 65 years for a male and 60 years for a female.²⁶ The pension is calculated on the basis of the average of his actual salary or of his presumed income for the past three years of work. The average is multiplied by 2.5% for each year of work or service during the first 20 years and by 2% for each subsequent year. A pensioner shall be entitled to a monthly family allowance of four dinars a month for the wife and two dinars a month for each child. The "family" covers the husband, wife, sons, up to 18 years old and unmarried daughters.

- *Disability Pensions*

When a worker retires because an accident at work has totally disabled him/her and made him/her unable to work again, he/she is entitled to a full pension. If the accident causes partial disability, the worker is entitled to a lump sum payment or partial pension. When the contributor suffers total disability, he/she is entitled to 50% of the rate of the full pension. An additional 0.5 % for each year of contribution is paid in the first 20 years of service, and is increased to 2% for each succeeding year.

- *Basic Pension for Survivors*

The basic pension for survivors is the minimum pension guaranteed by the social security system to the persons who are not granted any other pension. Persons who may avail of this pension are those who reach the retirement age, those who are totally incapable of working, persons living in a state of indigence, widows, and orphans.

²⁶ If a person however, continues to work upon reaching the age of retirement, the pension will only be payable upon full retirement. If a person who has retired resumes work, the payment of his/her pension shall be suspended after the first month he/she began working. He/she shall receive his/her pension again upon full retirement.

b) Other Benefits

Daily Cash Assistance

Daily assistance in cash is provided to self-employed persons in the event of temporary disability due to sickness, an employment accident or childbirth. The following are lump sum grants which may be availed of by qualified persons:

- pregnancy aid, payable from the fourth month of pregnancy until the woman's confinement ;
- childbirth grants;
- burial grants;
- relief grants in case of disaster or emergency.

Managed by a tripartite board and director general, the **Social Security Fund** administers the program through district and local offices General supervision is acted by a national social security and local supervision by municipal committees.

2.2 Health care

"Health care is a right guaranteed by the State to all Libyan citizens through the creation of hospitals and health establishments in accordance with the law." 27

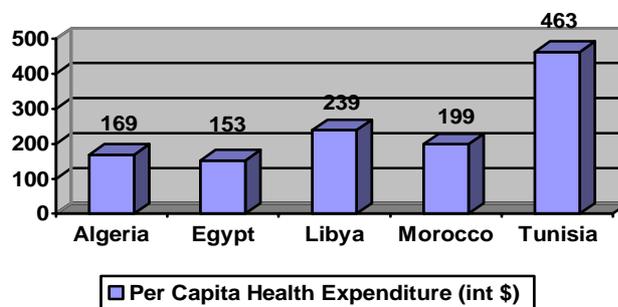
Libya's health care system has suffered greatly since the 1980s because of the United Nations' sanctions and Libya's isolation from other countries. It became difficult for Libyan health care workers to obtain medicine, surgical supplies and parts to repair medical equipment. Patients could not leave the country to get specialized treatments.

The sanctions on basic health care affected the availability of vaccines for children, resulted in the closure of mother-and-child health care centres and caused the lack of medicine and qualified personnel to treat cancer or heart disease.

However, despite the difficulties in fully restoring the health care system, oil revenues have allowed the Libyan government to build clinics, buy equipment; train doctors abroad, recruit medical professionals from overseas, and protect the water supply.

Graph 1: Per Capita Health Expenditure in North Africa Region, 2001
(Source: World Health Organization, Indicators 2001)

27 Constitution of Libyan Jamahiriya, article 15



Libyans health status has improved during the past three decades: the Libyan individual's average life span was only 46 years during the sixties, now, according to the data of World Health Organization, the average age is 72.4.²⁸ The mortality rate among infants has now gone down.²⁹ This decrease included both the inhabitants of cities and rural areas, and this shows a great horizontal expansion in the distribution of health services among different areas. Studies on Human Development indicate an increase and improvement in the quality of nutrition among Libyans. Thus currently Libyans health status is good compared to other Middle Eastern countries.

Table 1: National Health Indicators

Total expenditure on health as % of GDP	2.9
Per capita total expenditure on health at average exchange rate (US\$)	143
Per capita total expenditure on health in international dollars	239

Source: World Health Organization, Indicators 2001

The country's two major hospitals are located in the two most important Libyan cities, Tripoli and Benghazi. They are affiliated with medical schools and specialized institutes that train nurses and medical technicians. The widest range of medical services is found at these hospitals. Smaller towns and

²⁸ See note 6

²⁹ For example, it should be remarked that infant mortality is reported to be less than 20 per 1,000 births – about the same as neighbouring Tunisia. Besides, childhood immunization is nearly universal, and water and sanitation are improving. (See: World Health Organization, Indicators 2001)

villages have medical clinics or small hospitals. Mobile health units travel to rural areas to provide health care.

Human and Material Resources indicators

PHYSICIANS PER 10000 POPULATION	14	1999
DENTISTS PER 10000 POPULATION	1.3	1999
PHARMACISTS PER 10000 POPULATION	2.3	1999
NURSING AND MIDWIFERY PERSONNEL PER 10000 POPULATION	63	1999
HOSPITAL BEDS PER 10000 POPULATION	38.5	2001
PHC UNITS AND CENTRES	2.2	2000

Source: WHO - EMRO, *Country statistics*, March 2003

2.3 Health policy

The national health policy declared by the *General People's Committee for Health and Social Security* has provided a framework for the health strategy. In accordance with this, the health programmes are designed to deliver comprehensive medical care services to all citizens. The national health policy is currently geared towards achieving a comprehensive and uniform distribution of health services among the population.

The motto of Libyan health policy is "*health for all by all*". The goal of this policy is to create a society in which every member can play an active role, both socially and economically, and in which services are equally distributed among the whole population.³⁰

2.4 The Health System

Although there is not a clearly defined difference between the public and private sectors, in Libya there is a mixed system of public and private health care, rather than a purely state-run model.

The health system operates on several levels:

- 1) The first level consists of the basic health care units, which provide curative and preventive services for 5,000 to 10,000 citizens.
- 2) The second level comprises the basic health care centres, which serve from 10,000 to 26,000 citizens.
- 3) The third level consists of the polyclinics, which play an important role in cities. Staffed by specialized physicians and containing laboratories as well as radiological services and a pharmacy, these polyclinics serve approximately 50,000 to 60,000 citizens.

³⁰ Eastern Mediterranean Health Journal, *Health for all in the Libyan Arab Jamahiriya*, Vol. 6 n. 4, 1998.

- 4) At the fourth level, there are hospitals in rural areas and the central hospitals in urban areas.
- 5) The fifth level comprises the specialized hospitals.

2.5 Primary health care

The national health strategy aims at providing *health for all* and the achievement of high quality and uniform distribution of health services among the people. Basic health care has been given a high priority by creating the Department of Primary Health Care at the central level as well as at the provincial levels among the 31 municipalities.

The national health plan is formulated in steps. Before the changes of March, 2000, health plans were studied by the Health Secretariat as well as by the Popular Health Committees in the municipalities.

The main pillars which support primary health care are:

- health education,
- maternal and child health services and school health services,
- nutrition programmes and environmental protection programmes and programmes on control and prevention of communicable and endemic diseases.
- supporting the health infrastructure to meet the needs of the increasing population.

Health Decree No. 24 in 1994 was formulated to restructure primary health care within the redesigned national health strategy that endorsed again the global elements of primary health care but also included mental health, school health, occupational health and social and health care of the elderly. Moreover, the decree promised to integrate health development with overall socioeconomic development and to streamline the entry to health care through family practice. The Libyan Arab Red Crescent Society collaborates by providing health care and diagnostic centres.

Community health services and endemic disease control departments generally deliver primary health care in the Libyan Jamahiriya. The running and funding of health care services has been mainly from the public sector. Health expenditure on primary health care is estimated to be 40% of the total health budget allocated to the municipalities.

2.6 Current situation and achievements

- Thus, 10 out of the 12 global targets have been achieved in the Libyan Arab Jamahiriya. Among the partially achieved targets were immunization

coverage being 92% instead of 95%, prenatal care being 81% instead of 85%, immunization coverage of pregnant women by tetanus toxoid being 42% instead of 95% and the acceptable weight-for-age among under-5s being 85% instead of 90%.

- A sort of hierarchy of health care delivery systems exists in the country, however it is not well-defined with a fixed division of functions and strict referral routes between health care facilities as conceptualised in most parts of the developed world.

- Currently, the Health Secretariats at the municipal level are responsible for all health issues within their geographical areas.

Conclusions

Health care challenges and future prospects

Studies on Human Development indicate an improvement of Libyans health status during the past three decades. However, the present health system requires a major overhaul and adjustments in health policy, strategy, planning, programmes and activities to meet the ever-growing health care needs of the people. Health information, monitoring, surveillance and evaluation are still inadequate to meet the requirements of the ever-changing health scenario and dwindling financial resources. Meeting the demands of all those involved in the health care system is another difficult task. For example, consumers want rapidly available high-quality services, health professionals want to acquire the latest knowledge and skills and to have the freedom to provide the best possible care, health care policy-makers want appropriate health care for all citizens and those responsible for finance demand the most cost-effective delivery of health care.

Health development should be an integral part of socioeconomic development. In order to complement the role of the government in the provision of health care, the role of health sector in the implementation of health for all has been officially recognized .

Summarizing, some health care system priorities could be recognized:

- Restructuring of medical and paramedical human resources through redistribution of human resources and training of necessary cadres.
- Improving, updating and developing health facilities, including developing some health delivery points into health centres.

- Improving the management of hospitals and forming specialized bodies to support health services such as a technical centre for environmental protection.
- Focusing on public health programmes.