



Fafo
Institute for
Applied Social Science
Borggata 2B
P.O.Box 2947 Tøyen
N-0608 Oslo, Norway

Telephone +47 22 08 86 00
Fax +47 22 08 87 00
<http://www.fafo.no>

Living Conditions in Jordan at the Eve of the Century

Main results from the 1996 Jordan Living Conditions Survey
implemented by Jordan Department of Statistics and Fafo

By

Jon Pedersen and Jon Hanssen-Bauer

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Living conditions in Jordan at the eve of the century

Excellencies, dear colleagues and friends,

How are living conditions in Jordan? That is the question we set forth to answer with the Jordan Living Conditions Survey. The answer is presented in the book *Jordanian Society*. Have we answered the question? We believe so. To put our conclusion short: Jordan is a country that has done surprisingly well in terms of living conditions for its population, considering its troubled history of economic and demographic shocks and the scarcity of its natural resources.

Let us first remind you about what the Jordan Living Conditions Survey is. In technical terms, it is a multi-topic national survey with a sample of around 6000 households. Seen from a social perspective, it has been a process that has involved the Government of the Hashemite Kingdom of Jordan, of Canada and of Norway, of the Department of Statistics, of Jordanian academics, of UNICEF, of a number of institutions and NGOs, and of Fafo. We have co-operated in making it an effort of participation, and we believe that the report testifies that we succeeded.

The observation that Jordan has done surprisingly well does not mean that we think that all is well with regards to living conditions. Far from it. A few examples: Jordan has experienced increasing unemployment. Many Jordanians cannot make ends meet. A quarter says that their income has diminished from one year to the next. There is still malnutrition among children. Some women give birth without proper assistance.

Nevertheless, the Jordan Living Condition Survey shows improvement in many fields in recent years, or at least no deterioration, in living conditions. Thus, the proportion of women who have given birth with a professional health attendant has increased. Malnutrition has been reduced. A quarter of the households reports increase in earnings.

In this presentation, we will **first** summarise some of the main findings by concentrating on some of the many indicators of the survey. We

have chosen indicators that reflect some chief policy concerns within the fields of population, reproductive health, education, housing and infrastructure, household economy, labour market issues and civil society.

Then, we will turn to the question of how to interpret these findings. We will describe the overall picture: How are aspects of living conditions linked for various groups of the population? **Lastly**, we will take a brief look on the future: How is the situation likely to change?

Some main findings

As regards the **population**, Jordan experiences a rapid fertility decline. The immediate cause is that age at marriage has increased and that the use of contraception has become more widespread. Mortality is quite low compared to other societies with similar fertility rates. Indeed, mortality rates are similar to those of Western countries in the early sixties, and are lower than in some of the countries in the former Soviet block. Even with declining fertility, however, population growth has been very high and will remain high for some time. Contrary to popular belief, there is little indication that Palestinian refugees have higher fertility than other residents of Jordan.

Given the rapid population growth, it is perhaps surprising that we found that **housing conditions** generally are quite satisfactory. The overwhelming majority lives in permanent houses in form of apartments, *dars* and villas, and home ownership is quite widespread. Some of the housing stock is in poor condition, and crowding defined as more than 3 persons per room is a problem, in particular in the refugee camps and in some urban areas. The population has good access to **infrastructure** such as electricity, water, roads and other public services.

There has been a revolution in **schooling** in Jordan in recent years. Female education in particular has increased tremendously, and there is now little difference in enrolment between boys and girls up to secondary school. In this achievement Jordan is close to unique in the Arab world. For the most part Jordanians are satisfied with the performance of the schools.

As was the case for education, **health services** have seen a rapid expansion and around 80% of the adults characterise their health as good or

very good. Smoking is a large problem, particularly among men. Physical access to health care appears good. The public health care system is used in slightly more than half of the consultations. Thus, Jordan is developing a health care system with basic health care supplied to the many, but where advanced care will have to be paid for by the individual.

Wage income is the dominant form of **income**, but the most successful way of making a living is to combine several income sources. Transfers of various kinds affect most households. Increased education is a key to improved household income: It pays to have education in Jordan.

Labour force participation in Jordan is very low compared to industrialised countries, but it is not especially low compared to other Middle Eastern countries. This is partly because half the population is 15 years or younger, but also because few women are labour force members. Among the women in the labour force, there is more unemployment than for men; this is especially true for young educated women.

An unusual feature of the Jordanian economy is that it is both a labour exporter, to the Gulf, and importer, from Egypt and Syria. Women are mainly employed in education and health services. Among men, Palestinian refugees and displaced from 1967 are engaged in trade and private services while others are much more frequently working in public services.

Family and kinship are important in Jordan. People tend to live in neighbourhoods with close relatives, and the social network is an important part of people's coping strategies.

Women and men differ when it comes to **participation in public life** with men being the more active. Men are often negative to female involvement in politics and to female autonomy in general. Neither men nor women are often member of voluntary organisations, but men (at 12 per cent) more so than women (at 2 per cent). Participation in kinship and locality based organisations is at higher levels.

Children and youth enjoy better living standards than they do in comparable countries in the region. However, several characteristics, such as poor household income and low education of the mother are associated with

poorer health outcomes, in particular for the youngest children. Moreover, postnatal care shows very low rates of use. Vaccination coverage is better than in comparable countries. Malnutrition, especially stunting, is a problem, but the JLCS did not find much extreme malnutrition in Jordan. A particular problem of reproductive health, in which Jordan is nearly unique, is the high frequency of extremely short spacing between births. That probably is damaging to the health of both the children and their mothers.

The survey was designed to allow for comparison between six regions based on the Governorates, where the smallest Governorates were lumped together. Although the data shows some regional differences, these differences were clearly lesser than expected. Jordan appears to be a rather regionally speaking homogeneous country.

Subsidies and public investment, remittances, or past economic strength?

We could sum up at this point in the following way: The JLCS found comparatively good access to basic services, housing and infrastructure, existing alongside income shortfall and unemployment. Some of you may ask how these two observations go together. There are at least three ways to interpret the juxtaposition. The first two possibilities centre on what many have termed the rentier character of the Jordanian economy, i.e. that the economy depends on income from other sources than productive work.

The first possibility is that the population enjoys its standard of living due to the emphasis that the government has put on its own role in the Jordanian economy. The public sector is big. The World Bank ventures that it may account for two-thirds of the employees. Government investments in infrastructure and public utilities have been very important, both directly in the provision of services and indirectly through employment. Subsidies have traditionally been quite substantial, even if they have been reduced significantly. Thus, people may have been able to invest in housing, for example, due to comparatively small expenses on food. An indication that this may be the case is that as many as 11 per cent of houses in Jordan are vacant.

A second way of interpreting the findings is to point to the importance of remittances in the Jordanian economy. Throughout the seventies the remittances from workers abroad rose steadily, from 5 Million JD in 1971, or 2.5% of GNP, to 475 million – a staggering 30.4% of GNP in 1984. At present, the level is approximately 10 percentage points down from this high level. Thus remittances play a much larger role in the economy than subsidies do. The remittances allow many Jordanian households to enjoy living standards that they would not otherwise have had. The survey found that 14% of the households consider remittances from relatives as one of their three most important sources of income.

A third possibility, which is not entirely contradictory to the preceding two, is that the level of infrastructure reflects the past economic history of Jordan, while the shortfall in income is due to the more recent downturn. Jordan experienced very good years during the 1970s. The growth slowed down during the 1980ies, and was even slightly negative during 1985-89. Unemployment rose from a level of 9% in 1980 to the present 17%.

The 1991 Gulf War led to a massive return of workers to Jordan. That undoubtedly created heavy strains, both because of the scale of the return and the concomitant need for creation of new jobs, and because of the reduction in remittances it led to. Furthermore, it also led to an upsurge in housing and construction as the returned migrants brought with them much of their assets. Some observers therefore consider that the return is partly responsible for the improvements in the economy of Jordan during the early 1990s.

Overall picture or ordering of living conditions aspects

Ladies and gentlemen,

Our survey cannot really tell what interpretation is correct, so we have to leave this to you. But the survey does provide material for pondering these questions further in the sense that it tells how households and individuals have tackled the changes Jordan has gone through. In order to do so the Jordan Living Conditions Survey was designed – not only to measure isolated aspects like housing, unemployment and malnutrition, as we just have done – but also to consider how the various factors go together.

A basic premise for the study of living conditions is that they are multi-faceted. Many factors combine to create the situation of a household or an individual. Thus, there will be no single measure that can summarise all aspects of living conditions, and a given household or individual may score high on some measures, and low on others. We need analytical tools that can tell us if some group have many or few good and bad living conditions clustered together. We may also consider the living conditions as social forms, or situations in which people are living and in which they have to act according to their set of values and perception of the situation. When they so do, they also recreate the situation. Sometimes they change it to a similar one, and sometimes there may be an improvement or deterioration. Living conditions are dynamic, although surveys such as ours have a tendency to create static snap-shots.

In general, we can identify three different ways living conditions may be ordered or go together. **First**, they may be sorted in heaps. In such a case good or bad things go together. For instance, we may find that a given person has high education, is employed, has a high salary, lives in a good neighbourhood and sends the children to a good school. This is a typical instance of positive heaping. In contrast, the JLCS finds that 8% of the households in the rural areas and 13% in urban has neither a health care facility nearby, nor a car, nor a telephone. These are typical examples of negative heaping. The three aspects are not necessarily large problems by themselves, but by their conjunction, they limit the access to health services.

Second, living condition factors may be compensatory. In such a case a person who is badly off on one indicator may make up for it by scoring higher on another. For example a person with a physical handicap may be compensated by good access to health services. Another example is that of the Gulf returnees in Jordan. They have lower levels of employment than others, but still they enjoy a comparatively high standard of living due to the fact that they draw on resources they acquired abroad.

Third, the factors that constitute living conditions may be simply unordered. In such cases, one cannot predict from knowledge of one factor what the levels for others will be.

The well-off, the poor, the dependants and the independent workers

With these reflections in mind, we can go somewhat further in the characterisation of the Jordanian Society. In our analysis of the JLCS data, we found it useful to consider that households could be thought of as belonging to one of four groups that we labelled the *well-offs*, the *poor*, the *dependants*, or the *independent workers*.

First, the *well-offs* are living in households that command a significant amount of resources. These households have high cost possessions, like cars, together with high income and income from property. They have high education and they own land.

Second, and in stark contrast, are the *poor*, characterised by residence in refugee camps or agricultural areas. They have low income, the household head is unemployed, and the family is unable to meet a sudden outlay of 100 Jordanian dinars.

Third, we have the group that may be called the *dependants*. Households in this group are somewhat better off than the poor, but they subsist on remittances or transfer income. The typical household head in this group has little education, and is not member of the labour force.

Fourth, and finally, are the *independent workers*. They secure their livelihood, but not at a high level. They are employed, they have some education and they receive transfers to a much lesser extent.

This provides an illustration of the concepts of heaping, compensation and independence referred to above. The poor is a category for which poor conditions tend to aggregate. In contrast, the well off is a typical example of positive heaping, while the dependent households compensate for their poor education and low income generation capability by the transfers and remittances they receive. And finally, the independent workers show basically a heaping of middle characteristics.

Our discussion raises the question of how one becomes poor or how poverty and affluence are reproduced in Jordan. But it also gives some indication of the answers. Reduced or increased transfers and remittances will

move people from one group to the other. Similarly, changes in employment will, not surprisingly, move people from one situation to another, at least if they are not compensated for by remittances. Increased education increases the chances of getting a job, but not so much for women who are often unemployed when well educated.

The future: changes in population structure challenge services and the labour market

Ladies and gentlemen,

We would like to close this presentation by asking what will the future bring? Jordanian society is likely to change in the near future. A key factor in that change is the development of the population, both in terms of numbers and in terms of human resources.

First, a quite substantial mortality drop preceded the fertility decline, leading to a rapid population *increase*. But Jordan is currently going through a demographic transition, in which also fertility rates are dropping fast. This will lead to *changes in the structure of the population*. One important change is that while the Jordanian population is now quite young, it will rapidly become older, and thus the needs of the economy and the population in terms of for example the provision of health care and education will change dramatically.

Second, the working-aged population will increase both in absolute and relative terms. Jordan is likely to continue in the foreseeable future to be a *labour surplus economy*. Given that unemployment is already high, Jordan faces acute challenges in providing enough jobs for its labour force. This is particularly so because the proportion of labour force participants in the population is currently low. As the country continues to modernise, labour force participation is expected to rise, mostly due to higher rates among women. Female labour force participation correlates positively with education of women. Increased female labour force participation has been the trend so far, and is also the experience of most other Arab countries. The problem of providing jobs for the growing female labour force will become acute.

Third, one of the most striking developments will be the *growth of the population's stock of education*. In the age groups now entering adulthood close to 100% have primary education. Illiteracy rates will thus decline steadily, as younger literates replace the old generations. One effect of this is that education will change its significance. Today those without primary education are consistently worse off, and make out a sizeable group. In the near future they will probably be even worse off because of the demands that modern societies put on human resources. But they will also make out a much smaller group. Similarly, while educated women were a tiny minority 20 years ago, with strikingly lower fertility than that of other women, the educated women of today are not so different from their sisters with less education regarding fertility.

The shift in population size and structure together with the increase of qualifications will impact on the structure of the labour market. The labour market will have to be able to use more labour that is educated. At the same time the education system will have to change, in order to supply the specific needs of a knowledge-based economy.

This challenge is already recognised. Part of the current high economic returns to education in Jordan stems from the fact that the public sector has employed a large number of the educated at comparatively advantageous terms, especially as regards job security, working hours and pensions. To avoid falling into the trap of many countries and end up having a large unemployed and unemployable stock of educated people, Jordan will have to transform its economy. This, ladies and gentlemen, is in brief the challenge for the future that emerges from the figures and tables of the *Jordanian Society*.

The end of a project, but not of the process

Friends, with your permission I will close this intervention on a personal note:

The Jordan Living Condition Survey is a project that by now has been implemented from its conception in 1992 to its conclusion today. The Department of Statistics, Jordanian academics, and we at Fafo have produced a tabulation report, a report on the situation of refugees and the analysis

report presented here today. UNICEF has produced an analysis of the situation of women and children in Jordan with data from the survey. UNDP has used the findings. We have also published a few newspaper articles presenting results from the survey.

Is this the end of the JLCS? We hope not. There are still questions that can be answered with the help of the data. The Department of Statistics has promised to help researchers with carrying out further work, and they plan to make data available on their excellent web site. Many governments also find it worth while to make repeated living conditions surveys at regular intervals, in order to produce series to monitor developments. We hope that the Social Productivity Program will be able to follow up on this need.

To produce statistics and analysis that can illuminate the living conditions of the population is not just an academic exercise. It is also a vital part of the transparency of a government. Thus, this work is a continuing process, and we at Fafo feel committed and are proud to be a part of that process in Jordan.

On behalf of Fafo, I would like to extend my deepest appreciation to the Government of Jordan for trusting us to do this job, and to the Government of Norway and Canada for providing the necessary funds. I would also on this occasion commend UNICEF and its staff for their excellent support and guidance. Last, but not all least, I take this opportunity to thank our colleagues in the Department of Statistics as well as our colleagues who co-authored the Jordanian Society with us.

Thank you!

Table 1: Basic social indicators for Jordan as revealed by the Jordan Living Conditions Survey (1996)

Indicator	Value	Trend	Number afflicted (in thousands[*])
Total Fertility Rate (1994)	4.3	Down	---
Infant mortality rate	28 per 1000	Down/Stable	---
Dependency ratio	77.3	Down	---
Birth weight <2500g	11%	?	15 ⁺
Births with spacing < 24 months from previous	50%	Stable	70 ⁺
Births not assisted by trained personnel	5%	Down	7 ⁺
Children not breast fed or for less than 4 months	17%	Up?	23 ⁺
Postnatal care not given, % of most recent two births	72%	?	94 ⁺
Children 6-59 months stunted	14%	Down	80
Persons aged 15+ who report their health as poor	5%	?	112
Crowding (>= 3 persons per room)	20	?	147
Households not having access to safe water	2%	Down	15
Households with weekly or daily problems with stability of drinking water	20%	?	146
Households with no health facility or doctor nearby	33%	Down	239
Persons not enrolled in school at age 16	10%	Down	11
Persons illiterate age 15 and above	17%	Down	422
Women aged 15+ not in labour force	85%	Down	1032
Unemployed	17%	?	187
Employed without formal work contract	54%	?	492
Household heads outside LF	25%	?	177
Household head has basic or less than basic education	66%	Down	476
Female headed household	11%	?	77
Households without electricity	3%	Down	23
Households with income less than 1450 JD	27%	?	182
Households reporting reduction in income from 1994 to 1995	22%	?	162
% of Jordanian population aged 18+ never having voted	39%	?	843
% of Jordanian population aged 18+ not being members of a voluntary organisation	93%	?	2010
Households without family nearby	26%	?	190

* Assumes a base population of 4.314 million at end of February 1996. (DoS statistics estimate for end of 1995 with population growth linearly extrapolated).

+ Numbers refer to yearly number of children born, which is roughly 137 thousand assuming 1995 fertility rates.