

2010 Dubai Initiative Conference: Adaptation and Innovation in the Middle East

“Youth Development in Middle East & North Africa” panel

Monday, May 3, 2010, 2:30 pm – 4:00 pm

The Dubai Initiative, Belfer Center for Science and International Affairs, Harvard Kennedy School of Government, Cambridge, MA

Societies of the Middle East and North Africa are very young but not youth-oriented. Youth are the fastest growing segment of the population, putting pressure on the education system, the labor market and on marriage and family formation. Inflexible social and economic institutions in these countries make finding a job after graduation and forming a family for these youth even more difficult. At the 2010 Dubai Initiative Conference, a panel on youth development in the Middle East presented four accounts of youth transitions in the region – Egypt, Iran, the Palestinian territories, and Yemen – focusing on the interaction of rapidly changing demographics with the static social institutions that mediate youth transitions to work and family formation.

Tarik Yousef, nonresident senior fellow at the Wolfensohn Center for Development and dean of the Dubai School of Government welcomed attendees and introduced the panel and each of the speakers. Yousef noted that, of all the various research agendas in which he is involved, youth development has captured the interest of many people and is capable of having great impact on the ground. He noted that the Middle East Youth Initiative, a partnership between the Wolfensohn Center for Development at Brookings and the Dubai School of Government, was one of the first institutions to take leadership on this topic using a regional and cross-sectoral approach. Yousef noted that the Initiative’s research has begun looking at areas for specific policy interventions and providing detailed recommendations. The Initiative’s new report on social entrepreneurship and engagement with the Presidential Summit on Entrepreneurship, co-hosted by the White House, U.S. Department of State, and U.S. Department of Commerce in Washington, DC on April 26 and 27, is one example of the Initiative’s increasing relevance to policy makers.

The first panelist, Christine Binzel is a doctoral candidate at the German Institute for Economic Research. Binzel’s presentation was on “Unfulfilled Aspirations among Egypt’s Educated Youth.” The presentation centered on why educated youth have been frustrated and how opportunities for this particular cohort have changed over time. It is generally assumed that greater access to education creates more opportunities for young people and can contribute to economic growth. In Egypt, where historically there have been job guarantees for educated youth, 80 percent of young people have a secondary degree or above. Today these job guarantees no longer exist and the public sector has retrenched, leaving young people with little opportunity to gain formal employment.

Binzel presented a cross-section of employment histories of father-son pairs, illustrating educational and job mobility across generations. The results showed that while educational attainment has grown significantly, occupational outcomes were very different. Professional occupations – or ‘white collar’ jobs – did not increase, and decreases in farming and agricultural work was merely offset by an increase in manual jobs. Finally, due to the relatively small

number of employment opportunities in the formal labor market, parental background and family connections are playing a greater role in securing employment in today's labor market, further excluding young people from low-income families and with few connections.

The second panelist, Daniel Egel, a postdoctoral scholar at the Institute on Global Conflict and Cooperation at the University of California, San Diego, presented on a 'Generation in Transition' in Yemen. Egel began his presentation by reflecting on his personal experience living in Yemen and dispelling one of the myths surrounding Yemeni people and their economy as presented in the Western media. He emphasized that while a majority of young people and adults chew *qat* on a regular basis, it did not seem to be as debilitating or central to their lives as some media coverage has shown it to be. Egel then highlighted five major trends in economic and social development in Yemen:

1. a contraction of the middle class, due in part to the fact that immigration and employment in Saudi Arabia is no longer a viable option for economic security for many Yemenis due to competition from more skilled Asian workers;
2. a weakening of the main economic industries including tourism, which has been affected by terrorism, and oil-dependent industries, which are decreasing due to dwindling oil resources;
3. a serious depletion of natural resources; for example, it is projected that Sana'a, the capital city, will run out of water in ten years;
4. increased demographic pressures and overutilization of public services such as social security systems and schools; for example, average urban classroom size is estimated at 90 students and rural classroom size at more than a 100 students per class;
5. and the erosion of traditional political and social structures, including tribal structures, and a rising average age of marriage, which has both advantages and disadvantages.

Egel also pointed that the economic situation for women in Yemen is one of the worst in the world. Yet Egel also suggested that there are some efforts by policy makers and civil society groups that show promise, while the money and aid flowing into Yemen from Gulf Cooperation Council (GCC) countries can be made more effective.

Djavad Salehi-Isfahani, a nonresident senior fellow at the Wolfensohn Center for Development and fellow at the Dubai Initiative, followed with a presentation on youth in Iran. Iran has the largest 'youth bulge' in the Middle East. Salehi-Isfahani summarized the economic and social situation in Iran as "demographic boom meets policy paralysis." Salehi-Isfahani began by presenting the positive social transformations that certain policies have achieved, including the decrease in the average number of births from 7 births per woman to the current rate of 2 births per woman in one generation, and a significant rise in educational attainment particularly among girls and young women. In fact, since the 1980s, urban women in Iran have enjoyed greater levels of education than men. Rural women have also experienced rising educational levels in relation to rural men, which Salehi-Isfahani described as "one of the most impressive social transformations in the world." Further the average age difference in new marriages is about 3 years compared to 8 years in a generation ago. These changes have resulted in a more balanced family dynamic between men and women, and have led to small families with an increased focus on children's education.

These fundamentally positive trends have not necessarily translated into greater economic prosperity. While the Iranian government has managed population growth by encouraging increased educational attainment, they have been unable to manage the transition of youth from education to employment and marriage. Iran's unusual demographic situation where the number of 15-29 year olds is nearly equal to those between ages 30-64 creates a lot of problems. Though young Iranians today have a lot of education, they have little access to employment opportunities, with the situation being worse for those with more education. Higher education, said Salehi-Isfahani, is "education for social status but not for skills." Currently there are six new entrants into the labor market for every one retiree. This requires a flexible job market and/or an expanding market to accommodate these new entrants. Nonetheless, the Iranian labor market is not only rigid, but the economy is also in a recession and shrinking further. In 2008, the year preceding the presidential election, unemployment for young men increased by 24 percent and for young women by 46 percent. Unemployment also leads to social challenges including difficulties in marriage, particularly for young men. Finally, housing remains expensive and independent living for young people and young couples continues to be a challenge, with data showing the portion of young people living with their parents in their late 20s, even when they are married, is increasing.

The panel concluded with a presentation by Edward Sayre, assistant professor at the University of Southern Mississippi, on the situation in the West Bank and Gaza. Sayre described that Palestinian youth face similar challenges as are found in other Middle Eastern countries, however their situation is further complicated by the pressures of conflict and occupation. He also noted the dramatic growth in the Palestinian population in comparison to its neighboring countries. Between 1997 and 2007, the population in Gaza increased by nearly 40 percent and in the West Bank by 21 percent. The result is that three-fourths of Gazans are under the age of 29 and nearly half are under the age of 15. In the West Bank, more than seven in ten residents are under the age of 29. Palestinian youth, like many of their counterparts elsewhere in the Middle East, have made great gains in educational attainment. Primary schooling is nearly universal and enrollment in secondary and tertiary education is growing significantly. Enrollment rates for girls and young women are more than those for boys at all educational levels. Furthermore, student-to-teacher ratios are fairly good. Enrollment in tertiary education tripled between 1995 and 2002. In some cases, educational institutions have also evolved creatively to deal with the challenges of conflict: for example, Al-Quds University, through which a large number of Palestinians are receiving their higher education, is a distance learning-based university. Nonetheless, questions around the quality of education remain, including the emphasis on rote learning and memorization at the expense of critical thinking.

The transition from school to work for young Palestinians can be very challenging. Youth unemployment rates for young men are generally 1.5 to 1.7 times higher than adult men in the West Bank and 1.25 to 2 times higher than adult men in Gaza. Young women encounter even greater difficulties in the labor market, with young women two to three times as likely to experience unemployment as adult women in the West Bank and two to four times as likely as older women in Gaza. Young people with higher levels of education also face greater prospects of unemployment: in the West Bank, men with the highest rates of unemployment are those between the ages of 20-24 and with university degrees.

Once young Palestinians enter the labor market, they find that the situation is increasingly difficult. While a generation ago, an estimated 130,000 Palestinians worked in Israel, today fewer than 50,000 Palestinians work in Israel, and this includes working in the settlements. Yet the Palestinian labor force has doubled since in numbers. Further, employment opportunities in the Gulf countries have dwindled due to changes in hiring practices enacted in the 1980s. The result is a type of rentier state where the public sector – heavily dependent on external aid – is the largest employer in the Palestinian territories. Changes to the economic and political conditions in the West Bank and Gaza are essential in order to improve the situation of Palestinian youth. The Palestinian economy is in need of greater diversity, and openness and linkages not only to international markets to boost private sector growth and jobs but also to the Israeli economy, which presently remains largely closed to Palestinians.

Prepared by Amina Fahmy.