

Youth unemployment in the Arab world is a major cause for rebellion

While images from protests in the Arab region go around the world, it is timely to look at the reasons that brought these mostly young people on to the streets. An extremely high youth unemployment rate of 23.4 per cent in 2010, is one major but not the only cause for these popular uprisings, says Dorothea Schmidt, senior employment expert in the ILO office in Cairo.

04/05/2011

FTR/arab_world

On 21 March, the ILO's Governing Body held a special session dedicated to ensuring a more equitable future in the Arab world, with the respect of fundamental rights at work, employment and social protection as a basis for sustainable growth.

The panel presentations before the Working Party on the Social Dimension of Globalization of the ILO Governing Body were followed by a lively discussion on employment and social policies, strategies and measures to ensure a more sustainable social and economic development in the region.

The discussion identified youth unemployment in the Arab world as part of a wider problem featuring weak labour markets with too few and too poor employment opportunities. Participants also said that the situation was compounded by a poor overall investment climate and lack of growth, together with a quite limited and tightly controlled private sector. "With respect to the employment situation, the extremely high youth unemployment rates in the region averaging more than 23 per cent, are most worrying", explains Dorothea Schmidt, adding that "for young women, the average unemployment rate of 31.5 percent is even worse – besides the fact that their labour market participation is already much lower than anywhere else in the world".

According to the ILO expert, even if young people have jobs, working conditions are often very poor: low wages, little social protection, lack of secure contracts and career prospects, and weak or lacking trade unions to give them a voice. "So it is no wonder that many young people are angry", she says.

Even the better educated are affected

The feeling of frustration among youth is exacerbated by the fact that the parents have invested a lot of money in the education of their children hoping to ensure a better future for them.

According to Ms. Schmidt, it happens too often that reality does not meet these expectations. "The higher and lower education and income levels are equally affected by unemployment. What's more, social security coverage, including unemployment and pension schemes, usually only exist for civil servants. If you are unemployed, you will slip into poverty very quickly".

According to the ILO expert, the labour market problems in the region are very similar, although the countries differ in many respects. For example, in Tunisia, youth have received a much better education than in Egypt. Similarly, Tunisia has made more progress in combating discrimination against women in the labour market than other countries in the region.

There are also differences in the size of the informal sector. In Egypt, most of the new jobs are created in this part of the economy, while it plays a smaller role in Tunisia. Despite these differences, unemployment in Tunisia is much lower than in Egypt.

"Job creation is a top priority for the new governments in the two countries. That will not happen overnight. But in the medium term a lot could be achieved already if training of young people would focus more on the needs of employers and enterprises", says Ms. Schmidt. "In turn, employers should improve working conditions for young people".

According to Ms. Schmidt, labour market policies should ensure that supply and demand meet. "Young entrepreneurs must be encouraged to set up their own businesses. Small and medium-sized enterprises create most of the jobs in today's world", she explains.

Key role for social partners

As the discussion in the ILO Governing Body showed, trade unions and employer organizations will play a crucial role in the reform processes underway because they can make sure that the voice of employers and workers will be heard.

The Algerian employer representative, Mr. Habib Yousfi, joined Dr. Ahmed El-Borai, Minister of Manpower and Migration of Egypt; in the debate insisting on the value of social dialogue between governments, employers and workers to “realize social peace and create a climate fostering economic development.”

Dr. Ahmed El-Borai qualified the Egyptian revolution as a model for “peaceful and rational changes in the region and the whole world”. He asked the ILO's worldwide constituency to listen to the ILO and “reinforce its role in order to launch a genuine development process, a development-led globalization which serves the real economy, including the most needy in society”.

ILO Director-General Juan Somavia said that the ILO was ready to support such a development process, in the Arab world and beyond. “The overall aim is to promote employment and rights through robust social dialogue structures and institutions”, he said.

“This is a moment of great opportunity with enormous amounts of creativity and energy having been unleashed. We must develop strategies to empower governments, employers and workers in the region to reduce youth unemployment, reinforce democratic governance through freedom of association and collective bargaining, and enhance social justice and social protection”, he added.

During an official visit to Egypt on 12-13 March, Director-General Somavia expressed strong ILO support for the establishment of freedom of association and other labour market and economic reforms in Egypt and the Arab world.

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