

Policy Paper

REDEFINING AND TACKLING (YOUTH) UNEMPLOYMENT IN THE ARAB MEDITERRANEAN CONTEXT

Asuman Göksel

Department of Political Science and Public Administration, METU

Özgehan Şenyuva

Department of International Relations, METU

Sümercan Bozkurt Güngen

Department of Political Science and Public Administration, METU



This project has received funding from the European Union's Seventh Framework Programme for research, technological development and demonstration under grant agreement no 613174

CONTENTS

Executive Summary	3
1. Introduction	3
2. Problem description	4
2.1. (Re)defining (youth) unemployment: Policy problem and policy tools	4
2.2. Policy context: Situation of the labour markets in the five Arab Mediterranean countries	5
2.3. Policy tools for tackling youth unemployment in the five Arab Mediterranean countries	6
3. Discussion: Different perceptions of youth unemployment in the five Arab Mediterranean Countries	7
4. Conclusion and recommendations	9
References	11

Executive Summary

Youth unemployment is a severe problem in the Arab Mediterranean countries (AMCs), which leads to a diversity of social, political and economic problems. The policy measures and programmes employed by the national and international authorities in the region rely heavily on Active Labour Market Policies (ALMPs), which have a supply-side focus. Their main components are enhancing the employability of young people, ensuring flexibility and adaptability, and job creation through entrepreneurship. These policies are marked by an emphasis on the unemployed as the crux of the problem and as the bearer of responsibility for its alleviation. As a result, youth unemployment begins to be perceived as a “problem of the youth”, shifting the focus from the system to the individual. This policy paper argues that the ALMPs implemented in the AMCs have been inefficient and ineffective in eliminating the unemployment problem, as proven by the needs, realities, experiences and demands of young people in these countries. The authors also provide a set of policy recommendations for policymakers, taking into account the realities of labour markets and the voices of young people, who do not prioritise being “employable”, but rather “employed”.

1. Introduction

Although youth unemployment has become a global problem in the last couple of decades, the situation has been particularly severe in the five Arab Mediterranean countries (AMCs) covered by the research agenda of the SAHWA Project: Algeria, Egypt, Lebanon, Morocco and Tunisia. With the redefinition of unemployment as “the inadequate ability of individuals to be employed” (Tidow, 2003: 93), the major contours of employment policies worldwide have been drawn by the neoliberal paradigm around the concepts of competitiveness and flexibility, reflecting a supply-side strategy identified by the shift from passive to active measures mainly to be realised through the implementation of Active Labour Market Policies (hereafter ALMPs). Accordingly, a common feature of the employment policies in the AMCs, especially following the Arab uprisings of 2011, has been the accommodation of such a policy paradigm and the implementation of policy measures in line with the policy prescriptions and with the financial support of a variety of international institutions and donors such as the World Bank, International Monetary Fund (IMF) and the European Union.

This policy paper aims to critically discuss the redefinition of unemployment as “the problem of youth” within the context of neoliberal transformation and question the potential of the proposed policy measures developed in line with such a definition to solve the problem of youth unemployment in the five AMCs. The paper argues that the “one-size-fits-all” type of policy measures – embodied in ALMPs by a focus on training and entrepreneurship – implemented in the AMCs have been inefficient and ineffective at eliminating the unemployment problem, as proven by the needs, realities, experiences and demands of young people in these countries.

Methodologically, this policy paper depends on the review of a vast literature on the situation of the labour markets in the AMCs and of reports prepared by international organisations on the implementation of the ALMPs in the AMCs, and is enriched by qualitative data, namely, ethnographic field research data from the five AMCs, and to a limited extent by the quantitative data from the Youth Survey produced within the context of the SAHWA Project. The added value of the SAHWA data is undeniable, to the extent that it fills an important gap in the literature regarding the perception of young people about the problem of unemployment and the policy tools to tackle it, as well as the repercussions of unemployment on young people’s daily lives and the limitations of the implemented policy measures for their future prospects.

The policy paper is structured as follows. Section 2 discusses the definition of the problem of unemployment in three parts: the major characteristics of the (re)definition of (youth) unemployment as a policy problem and the policy measures to cope with it; the nature and the context of the youth unemployment problem in the five AMCs; and the characteristics of the Active Labour Market

Policies in the five AMCs. Building upon such a background, Section 3 provides two sets of perceptions of the causes of unemployment and the effectiveness of the policy measures – those of the international agencies and of the young people in the region. Section 4 discusses the relevance of the implemented policy measures on young people’s needs and demands in the five AMCs, and provides a set of policy recommendations for policymakers.

2. Problem Description

2.1 (Re)defining (youth) unemployment: Policy problem and policy tools

Unemployment has been a major policy concern under different development paradigms. It was a major concern in the times of the Keynesian welfare state or the import-substitution industrialisation economic model, just as it is for the Schumpeterian workfare regimes or export-led outward oriented economic models now prevailing worldwide.¹ However, the ways in which unemployment is conceptualised and accordingly targeted have changed considerably under neoliberal hegemony and globalisation, accompanied by a drastic transformation of the labour markets globally.

The transformation reflects a “shift from income support for the unemployed to an active policy of returning them through training to the workforce as well as encouraging job creation in the private sector” (Roberts and Springer, 2001: 50). This is a “shift from passive to active policies” (de la Porte and Pochet, 2004: 75), i.e. from “employment protection to employment promotion” (Rhodes, 2005: 281). In this paradigm, the role of the state changes from being the provider of the unemployment payments to identifying “the at-risk unemployed” and preparing them “for re-entry into the workforce” (Roberts and Springer, 2001: 51) through Active Labour Market Policies. It is argued that the focus of policy instruments should be “less on cost-intensive employment measures, and/but more on qualification, education and training and stronger interdependence through a ‘qualitatively different expenditure profile’” (Tidow, 2003: 93).

The shift from passive to active measures is to be realised through the implementation of devices such as Active Labour Market Policies, which reflect a supply-side emphasis that supposes that “there is something wrong with the unemployed”. Here, unemployment signifies “the inadequate ability of the individual to be employed” (Tidow, 2003: 93), thus, labour market reform requires “workers to ‘adjust’ to the ‘new conditions’” imposed by global capital and competitiveness (van Apeldoorn, 2003: 114). Accordingly, employment policy should focus on the goal to ensure that “employees are ready for available jobs” (Roberts and Springer, 2001: 51).

In very general terms, an ALMP is a tool to facilitate the employment of the unemployed; to assist them in establishing their own work; and to ensure adaptability of the labour force to the labour market. The philosophy of the ALMPs is to increase the qualified labour force supply to the market in order to raise the competitiveness of the country in the global system. The idea is shaped by the concepts of “employability; adaptability; entrepreneurship”, reflecting the need for flexibility in the market. These three concepts form the backbone of different national, European and international employment policies worldwide, where ALMPs are being implemented as the primary remedy in responding to the severe youth unemployment problem in many countries with the philosophy of “one size fits all”.

The supply-side focus of the ALMPs considers individuals to be the bearers of human capital. *Employability* is the catchphrase for all labour market policies around the world as a consequence of this consideration. The term encompasses all measures to increase the skills of the individual, in a way that defines a new role for the state to invest in education and training, especially for young people. The same focus also aims to enhance the *adaptability* of the unemployed to the changing, flexible and unstable conditions of the market as a result of globalisation and technological developments. The concept of adaptability depends on the idea of shaping human capital according

to the changing needs of the employers and enterprises. Here, “addressing skills gaps and skills mismatch” (ETF, 2015: 17), assumed to be a major reason for unemployment, serves as an important function of the ALMPs. Complementing these, *entrepreneurship* aims to encourage individuals to start their own businesses, thus ensuring further job creation in the market.

More specifically, ALMPs are categorised under four types of measures (ETF 2012: 54): 1) skills training, retraining, internship, job-search assistance; 2) hiring incentives such as wage subsidies and social security exemptions; 3) self-employment and entrepreneurship support; and, 4) public works and community services.

Such a policy agenda, together with its proposed policy measures, has been quite influential in the five Arab Mediterranean countries under discussion, especially in the 2000s, and employment policies have to a large extent focused on the implementation of ALMPs generally, with the support of the international institutions and non-governmental organisations.

2.2 Policy context: Situation of the labour markets in the five Arab Mediterranean countries

The labour markets in the five Arab Mediterranean countries have important characteristics in common, which often affect the young people negatively. Before all else, as portrayed in Table 1, *youth unemployment* has been extremely high in all, with the lowest in Morocco and the highest in Egypt and Tunisia. Although youth unemployment is clearly a global problem, the situation has been considerably more severe in the countries examined in the 2010s. The global youth unemployment rate, estimated at 13% for the years 2012-2014 (ILO, 2015: 1), is notably lower than the scores in the five AMCs, and the trends do not show any sign of significant progress either.

Country	2006	2007	2008	2009	2010	2011	2012	2013	2014
Algeria	23.9	29.4	23.9	21.7	22.2	22.5	26.3	20.4	20.0
Morocco	31.4	26.1	25.8	27.0	26.3	33.9	37.9	41.7	42.0
Lebanon	21.8	22.8	20.4	20.9	20.9	20.8	20.8	20.2	20.7
Tunisia	16.6	17.2	18.4	18.1	17.7	17.8	18.5	18.4	20.2
Egypt, Arab Rep.	27.5	27.8	28.3	30.5	29.4	42.7	32.8	31.3	31.8
Arab World	26.8	25.7	25.0	24.5	25.0	28.1	29.1	29.4	29.7
Middle East & North Africa (all income levels)	26.4	25.1	24.6	24.7	25.9	28.7	29.7	30.0	30.4

Data from database: World Development Indicators.

The problem of youth unemployment also has a close relationship with other important characteristics of labour markets, such as low *labour force participation rates* (especially among young women) and high rates of *informal employment*. These render the problem even more complex and aggravate the situation of young people vis-à-vis the labour markets. The official unemployment statistics are often regarded as being inadequate for assessing the real extent of unemployment since the criteria developed by the International Labour Organisation (ILO) and used by many countries for “defining unemployed” does not include discouraged workers, who are available to start working but are not seeking a job because of losing the hope of finding one. If the categories of “discouraged individuals”, “those who are not seeking a job, but ready to work”, “seasonal workers”, and “underemployed” were also included in the calculation, the “real” unemployment rate would be much higher (BSB, 2008: 93). Actually, a study on youth unemployment in North Africa argues that there are more discouraged young people than unemployed in those societies (OECD, 2012: 5). The high levels of inactivity among *young people*

who are not in education, employment or training (NEETs) is an important policy concern for the countries in question.

The multifaceted character of youth unemployment implies that the problem is rooted in a range of interwoven structural dynamics. For instance, in both Egypt and Algeria public sector employment, which was dominant until recently, has declined in favour of private employment. Yet, the private sectors have not had the capacity to accommodate increasing number of new entrants and the new jobs created have increasingly been dominated by informal work practices (see: Musette, 2014: 10; Said, 2015: 8-9). This trend indicates that those who have the chance to be employed in new jobs work predominantly in poor conditions. Decreasing employment opportunities in the public sector combined with high informal employment and underemployment rates in the private sector contribute to the discouragement of educated young people from participating in the labour force. Actually, young people with diplomas have the highest rates of unemployment in those countries (ETF, 2013: 4).

2.3 Policy tools for tackling youth unemployment in the five Arab Mediterranean countries²

The five AMCs that are being investigated have been implementing diverse labour market interventions to tackle unemployment, especially following the Arab uprisings, with the increased guidance and financial support of the international organisations. Considering the dynamics of the uprisings, unemployment, particularly youth unemployment, goes beyond a mere economic problem, and is transformed into an existential political issue. These states unquestionably need to address the youth unemployment problem if they want to ensure stability and order. The high rates of youth unemployment are particularly worrying because of the demographic pressures due the growth of the young generation. The market interventions, especially those since the Arab uprisings, therefore primarily target young people.

When these interventions are examined, it is clear that they adopt a similar definition of the youth unemployment problem to that discussed above, and accordingly rely on a similar set of Active Labour Market Policy tools. The main elements of the implemented policies, regardless of minor national differences, have the same major focus as existing ALMPs elsewhere: *enhancing the employability of young people; ensuring flexibility and adaptability; and job creation through entrepreneurship*. These ALMPs are designed, implemented and promoted by a diversity of actors in different countries, through a mix of public authorities, civil society and non-governmental organisations and international organisations, such as the United Nations Development Programme (UNDP), the ILO, the World Bank and the European Union, and by bilateral cooperation schemes with United States agencies such as USAID.

In Algeria there is an elaborate institutional structure, particularly targeting youth employment. In 1996 the establishment of the National Agency for the Support of Youth Employment was the prime example. It focuses on unemployed youth and encourages entrepreneurship through the provision of business advice, training, credits, tax exemptions and business monitoring. This agency also provides investment contributions to a certain degree and promotes the services and products of microenterprises. However, considering the size of the youth unemployment, there are other agencies in Algeria, such as the National Employment Agency (ANEM), that give “services to ease social tensions by providing immediate temporary work contracts/internship experiences and public works programmes for the poor” (ETF, 2013: 13). All these agencies operate within the ALMPs, focusing on the individual and his/her capacity for employability.

In Egypt, however, the focus is on job counselling and job search assistance. There are also international cooperation schemes dealing with school to work transition and career guidance. These programmes are all within the ALMPs, which aim to guide the young people to become more

suitable to the needs of the market and combat *skills mismatch*, which is considered the major problem in the Egyptian context.

Lebanon slightly falls out of the group. Until recently ALMPs did not exist, according to the EU DG FIN 2010 report, and they remain limited in scope when compared with the other four countries. The main focus of the two main institutions is training and enhancing employability. The National Employment Office deals mainly with training and manages the National Training Centre. The entrepreneurship initiatives are present, but are mainly promoted and supported by international initiatives and programmes.

Morocco also lags behind in the implementation of ALMPs (Angel-Urdinola et al., 2013). The National Agency for Employment and Skills Promotion (ANAPEC) is the main institution in charge of the coordination and implementation of programmes related to employment in line with the Employment Action Plan, which “seeks to make the “qualified” work of young graduates more attractive by reducing wage costs and introducing greater flexibility for employers” (WB, 2012: 83). ALMPs in Morocco address three elements: demand (job creation), supply (availability of job seekers), and intermediation. The measures taken for job creation include the promotion of self-employment, mainly through the Moukawalati Programme, which provides microcredits to young entrepreneurs, the creation of microenterprises, and internships provided mainly by the Idmaj Programme (World Bank, 2012: 83).

The issue of employment is particularly important in the case of Tunisia, considering the fact “Employment, Liberty, Dignity” was the slogan of the Jasmine Revolution of January 2011. Tunisia has traditionally been more advanced in the implementation of the ALMPs, going back to the beginning of 1980s (Angel-Urdinola et al., 2013). The policy tools have aimed at promotion of internships and training, support for self-employment, and wage subsidies for first time employment to facilitate the school-to-work transition. However, these policies apparently fell short of addressing the challenges, leading to acute unemployment figures and related shortcomings culminating in the protests and the revolution. Following the 2011 revolution, an *Employment Emergency Plan* (or “Roadmap”) was put into place. The roadmap is based on advancing the ALMPs and establishing programmes and initiatives for job creation, the promotion of entrepreneurship and microenterprises, the protection of existing and threatened jobs, and employability and the activation of the unemployed through training.

3. Discussion: different perceptions of youth unemployment in the five Arab Mediterranean Countries

The paradigm that defines (youth) unemployment from a supply-side focus (as analysed in Section 2.1) inevitably explains the reasons for the occurrence of the phenomenon (as briefly summarised in Section 2.2), with the problems related to the characteristics of the labour force, as well as the institutional deficits that hinder the utilisation of the “full potential” of the labour force by the private sector and employers. For example, the representatives of the IMF state that the reasons for the excessive youth unemployment in the MENA region are “high labour force growth, skill mismatches, labour and product market rigidities, large public sectors, and high reservation wages” (Masood, et al., 2012: 8). From this perspective, though the youth population grows rapidly, entrepreneurs cannot find skilled workers due to the labour market mismatches driven by “the inability of the economy to create highly skilled work” and, maybe more importantly, by “the inappropriate content and delivery of education” in these countries (Masood et al., 2012: 8). On the one hand, the existing labour market rigidities in these countries discourage the private sector from creating jobs and expanding employment, while on the other hand “the comparatively greater job security, higher wages, and more generous on-wage benefits offered by the public sector” increase

wage expectations among new entrants (Masood et al., 2012: 8) that cannot be satisfied by the private sector.

A number of reports, especially those prepared by the European Training Foundation (ETF, 2012; ETF, 2013; ETF, 2015), but also some World Bank studies (WB, 2012: 85; WB, 2014: 62-68; Angel-Urdinola et al., 2013) consider the ALMPs in the region to be inefficient and ineffective. The design, implementation and governance of the ALMPs are seen as the factors behind such limited effectiveness. For example, in a recent study by the European Training Foundation, the major problems relating to the implementation of the ALMPs in the AMCs are cited as: “the weakness of labour market information systems for a proper analysis of labour markets”; “limited administrative capacity of public employment services”; “system and programme fragmentation” which leads to the delivery of “independent and uncoordinated programmes that target the same groups, leading to fragmentation, duplication and inefficiencies”; “poor programme targeting” which does not consider “the particular needs of these divergent groups” and “the employment and participation barriers that they face”; “lack of evaluation and monitoring systems”; and “weak cooperation with employers”; as well as “lack of coordination between different institutions and a lack of joint governance over all public actions” (ETF, 2015: 25-27).

In all these accounts there is a missing element that would help to understand the effectiveness of the ALMPs as a policy tool: the needs of the young people derived from their own experiences with unemployment. When any “relevance” of ALMPs is considered, it is through the needs of the private sector, rather than those of the young people (cf. Angel-Urdinola et al., 2013: 18). Thus, it is important to see how young people in the five AMCs perceive the problem of unemployment and the measures implemented in their countries, since they are the major beneficiaries of those measures. The qualitative data provided by the SAHWA research, namely the components of the ethnographic fieldwork study, such as the focus group data, provide valuable insights on the repercussions of unemployment in young people’s lives and the limitations of the implemented policy measures for their future prospects, as well as the problems with the implementation of policy measures and the institutions implementing them.

Many young people in the five AMCs think that there are “*no jobs available*” in their country’s labour market. For example, 50% of the unemployed young people think that the reason why they are unemployed is “lack of jobs” [SAHWA Youth Survey – Lebanon, Project Report]. Increasing foreign or domestic investment does not seem to be a solution to the youth unemployment problem to the extent that the economic system is based on the premise of competitiveness. Even if there are new investments in their regions, those investments are not seen to create new job opportunities for the young people in that region, since the enterprises are perceived to prefer hiring employees either from the other regions of the country or from abroad [TN_FG; DZ_FG_4]. Such a finding points to the need for decent job creation in these countries, beyond those created, to a limited extent, by the “economic liberalisation packages which attract low-cost, low value-added, foreign investments” (Murphy, 2014).

Encouraging *entrepreneurship* does not seem to provide a viable employment option for the young unemployed in these countries. Regarding the entrepreneurship initiatives, many young people think that they do not have proper legal frameworks and they are unable to provide enough financial support or skills necessary to establish and sustain their own jobs. Even when young people believe that they have accumulated the experience and knowledge needed for jobs, especially by working in the informal sector, they still suffer from the lack of capital to launch their own projects [National Case Study, Tunisia]. Moreover, in a market dominated by a “category of businessmen” and “monopoly by some companies”, young people find it difficult to initiate their own small investments [DZ_FG_5]. The focus of those entrepreneurship initiatives on the service sector is also questioned by the young people, who prefer and demand support in relation to production projects in different sectors such as agriculture [DZ_FG_6; DZ_FG_7]. Finally, and maybe more importantly,

even those young people who manage to start their own businesses feel vulnerable due to the unstable economic circumstances in their countries [National Case Study, Tunisia].

In terms of the initiatives, young people indicate that often they do not have access to ALMPs or the institutions implementing them. It is repeatedly indicated that to benefit from ALMPs through governmental organisations, they need other mechanisms such as bribery or “*maarif*”/“*wasta*” to be able to access jobs and programmes. Even when young people use those mechanisms, these programmes are not perceived to serve them since they have to contribute financially to official procedures. Such fees are often high and difficult to cover, which often causes them to leave the projects [DZ_FG_2]. In addition, young people complain about the malfunctioning governmental structures regarding the lack of supervision for young people looking for a job [DZ_FG_1].

Another striking finding from the field study is that even if young people think that there are jobs available in the market, their major concern is that their own *skills do not match* the requirements of those jobs [EG_FG_1]. The reasons for such a skills mismatch are identified by the young people as the lack of good quality education; the lack of practical skills taught throughout their university education; or the irrelevance of their topic of studies to the needs of employers. Such considerations show that the value of university education and a diploma, as well as the existence of a variety of disciplines at undergraduate level are highly questioned by young people in such a way as to discourage them from any levels of education to the extent that they witness young people “unemployed with a diploma” [NCS_TN_1]. On the one hand, the belief that university education does not equip and prepare young people to be employed puts additional pressure on young people to acquire new skills that would be useful for them to find jobs in the existing job market.

Besides such problems with the implementation of the existing structures and measures, young people point to some *structural problems* related to unemployment, such as the high retirement age, as a reason for young people’s unemployment [DZ_FG_3], as well as informal jobs that are seen as a temporary solution for young people before finding a steady job [DZ_FG_3], and the lack of government support in finding a job, providing training, etc. [EG_FG_1].

4. Conclusion and recommendations

Policy analysis literature suggests that policy can be defined as “a relatively stable, purposive course of action followed by an actor or set of actors in dealing with a problem or matter of concern” (Anderson, 2003: 4), which highlights three characteristics of policy: policy problem, policy process and policy actors. Thus, to see the ways in which the societal problems and issues are defined and constructed, and how they are integrated into the political and policy agenda (Parsons, 1995: xv) is crucial in order to analyse the instrumentality of the proposed policy measures to tackle the policy problem, in this case the youth unemployment problem in the AMCs.

Any evidence-based policymaking approach which considers that it improves the way “evidence of young people’s living conditions, values and attitudes are gathered, shared and understood” should reserve a place for young people’s experiences within the context of policymaking.³ Thus, this policy paper argues that young people, as the major beneficiaries of the unemployment policies in the AMCs, should not be considered only as the recipients of the policies and policy measures, they should also be given an active role in terms of definition of the policy problem depending on their real life experiences with unemployment and aspirations for employment. In this context, qualitative and quantitative SAHWA data on the AMCs highlight the importance of looking at the experiences and perceptions of the young people on unemployment, since this reveals a severe degree of inconsistency between the redefinition of unemployment as a policy problem and the proposed/implemented measures for tackling this problem on the one hand, and the experiences and demands of the young people on the other. Although the perceptions of the young people cannot be automatically interpreted as scientific facts, they undeniably provide valuable evidence, challenging

the grounds for the development and questioning the implementation of policy tools, namely ALMPs, in the AMCs.

In this regard, the inefficiency and ineffectiveness of the ALMPs extensively implemented in the five AMCs with a focus on training and entrepreneurship also necessitates the questioning of the supply-side interventions developed to tackle the problem of unemployment. In the light of the inconsistencies, there is a need to redefine the development paradigm and, accordingly, to reformulate more balanced policy measures in terms of: their focus on demand and supply (decent job creation-entrepreneurship; public-private employment); target groups (male-female; educated-less educated; unemployed-NEETs-informal employees); geographical coverage (rural-urban); sectoral priorities (service sector-manufacturing-agriculture), and implementing agencies (public-private). In this context, the following recommendations can be formulated:

- ➔ *Youth unemployment should not be seen as the problem of young people.* Young people are not the cause of this problem; on the contrary, they are suffering from the effects of a deeper, larger structural problem of the neoliberal economic system. Supply side policy interventions only attempt to fix the symptoms, rather than providing a complete cure.
- ➔ *Employment strategies in the five Arab Mediterranean countries should place more emphasis on policies of decent job creation and social security.* Entrepreneurship cannot be considered the sole remedy for the creation of jobs for young people, especially given the lack of financial support and the existence of structural economic problems. More weight should be given to infrastructural and industrial investments to have long-term positive effects in terms of employment.
- ➔ *Entrepreneurship as a tool for job creation, as well as its focus on the service sector should be reconsidered.* Many start-ups by young people tend to be discrete, small-scale and temporary, with relatively limited financial resources. Given the chronic labour market problems and conditions for free market competition, only a few young entrepreneurs can make it work. A focus on productive activities, for example, in the agricultural sector or artisanship, would have better potential to create more jobs for young people.
- ➔ *Young people's experiences and demands should be taken into consideration when designing youth employment strategies.* Rather than the needs of the private sector and employers, the needs and demands of the young people should be prioritised for the well-being of young people. It is evident from the field research that young people do not prioritise being “employable”, but being “employed.”
- ➔ *A more differentiated target group for the policy measures should be identified and involved.* Given the extensive number of discouraged young people, specific policies targeting these segments should be implemented. To accommodate the needs of young women, those who are not in education, employment or training (NEETs) and those who do not/cannot participate in the labour force should be one of the major priorities. Besides the educated young people, those with less education and experience should also be targeted. A serious focus on rural young people is a must.
- ➔ *The reciprocal link between informal employment and unemployment should be seriously considered,* given the fact that the existence of informal employment serves as a remedy that decreases unemployment and increases competitiveness at the expense of young people's well-being. Fighting unemployment should not give way to further development of informal employment, but focus on the development of decent jobs for young people.

References

Anderson, J. (2003) *Public policymaking: An Introduction*. Boston: Houghton.

Angel-Urdinola, Diego F; Kuddo, Arvo; Semlali, Amina (2013) *Building effective employment programs for unemployed youth in the Middle East and North Africa*. Washington DC; World Bank. Available online at: <http://documents.worldbank.org/curated/en/2013/01/17966063/building-effective-employment-programs-unemployed-youth-middle-east-north-africa>.

BSB (2008) *2008 Kavşağında Türkiye: Siyaset, İktisat ve Toplum*, Bağımsız Sosyal Bilimciler (BSB), Yordam Kitap: İstanbul.

De la Porte, Caroline and Pochet, Philippe (2004) “The European Employment Strategy: Existing research and remaining questions”, *Journal of European Social Policy*, vol. 14, issue: 1, pp. 71-78.

ETF (2012) *Union for the Mediterranean regional employability review: the challenge of youth employment in the Mediterranean*, Prepared by Ivan Martin and Ümmühan Bardak, European Training Foundation.

ETF (2013) *Youth Employment: Challenges and Policy Responses in the Arab Mediterranean Countries*, Briefing Note, written by Ümmühan Bardak, European Training Foundation.

ETF (2015) *The Challenge of Youth Employability in Arab Mediterranean Countries: The Role of Active Labour Market Programmes*, European Training Foundation.

ILO (2015) *Global Employment Trends For Youth 2015*, Geneva: International Labour Office.

Masood Ahmed, Dominique Guillaume, Davide Furceri (2012) “Youth Unemployment in the MENA Region: Determinants and Challenges” in *Addressing the 100 Million Youth Challenge: Perspectives on Youth Employment in the Arab World in 2012*, World Economic Forum.

Musette, M. S. (2014) “Employment Policies and Active Labour Market Programmes in Algeria”, report prepared for the European Training Foundation (ETF), available at: [http://www.etf.europa.eu/webatt.nsf/0/3F6D27A7987C47FEC1257CE60024C937/\\$file/Employment%20policies_Algeria.pdf](http://www.etf.europa.eu/webatt.nsf/0/3F6D27A7987C47FEC1257CE60024C937/$file/Employment%20policies_Algeria.pdf).

Murphy, Emma (2014) “Youth challenges in the MENA region”, Opinion Piece, Middle East Monitor, November 4, 2014. Available at: <https://www.middleeastmonitor.com/20141104-youth-challenges-in-the-mena-region/>.

OECD (2012) *Youth Employment: Five Challenges for North Africa*. [online] Tunis: OECD. Available at: <https://www.oecd.org/dev/emea/Background%20Paper.pdf>.

Parsons, W. (1995) *Public Policy: An Introduction to the Theory and Practice of Policy Analysis*, Edward Elgar: Cheltenham and Northampton.

Rhodes, Martin (2005) “Employment policy: Between efficacy and experimentation”, in: H. Wallace, W. Wallace and M. A. Pollack (eds.) *Policy Making in the European Union*, Oxford University Press: Oxford, pp. 279-304.

Roberts, Ivor and Springer, Beverly (2001) “EU social policy and employment policy at the end of the twentieth century”, in: I. Roberts and B. Springer *Social Policy in the European Union: Between Harmonization and National Autonomy*, Lynne Rienner Publishers: Boulder, London, pp. 27-56.

Said, M. (2015) “Policies and Interventions on Youth Unemployment in Egypt”, report prepared for the European Training Foundation (ETF). Available at: [http://www.etf.europa.eu/webatt.nsf/0/8B7FE470410B4DB8C1257E28004C06CA/\\$file/Employment%20policies_Egypt.pdf](http://www.etf.europa.eu/webatt.nsf/0/8B7FE470410B4DB8C1257E28004C06CA/$file/Employment%20policies_Egypt.pdf).

Tidow, Stefan (2003) “The emergence of European Employment Policy as a transnational policy arena” in: H. W. Overbeek (ed.) *The Political Economy of European Employment: European Integration and the Transnationalization of the (Un)Employment Question*, Routledge: London, pp. 77-98.

Van Apeldoorn, Bastiaan (2003) “European unemployment and transnational capitalist class strategy” in H. W. Overbeek (ed) *The Political Economy of European Employment: European Integration and the Transnationalization of the (Un)Employment Question*, Routledge: London, pp. 113-134.

World Bank (2012) *Kingdom of Morocco: Promoting Youth Opportunities and Participation*, June 2012, Middle East and North Africa Region, Sustainable Development Department, Report No. 68731 – MOR.

World Bank (2014) *Tunisia: Breaking the Barriers to Youth Inclusion*, The International Bank for Reconstruction and Development / The World Bank Group, Report No. 89233-TN.

Annex: Summary of Active Labour Market Policies implemented in the five Arab Mediterranean Countries

Summary of Active Labour Market Policies implemented in the five Arab Mediterranean Countries				
	Intermediation	Training and employment incentives	Entrepreneurship	Public works
Algeria		Vocational integration assistance mechanism for young people (DAIP) consisting of four programmes: CID, CIP, CFI and CTA; Social inclusion programmes to fight youth unemployment (PID, AIG and DAIS).	Advice, training, project funding, monitoring of micro-businesses created by young people; Micro-enterprise support programme; Microcredit for poor people.	Pro-poor employment programmes (CPE, ESIL, TUP-HIMO, IAIG).
Egypt	Youth for Employment project – pilot youth units, building career counselling capacity.	National Programme for Training for Employment; Job placement training programme, school-to-market programme, merchandiser training programme; Egypt@Work programme.	The Community Development Programme (training, microcredit activities) Small Enterprise Development Organisation.	<i>Shoroukh</i> programme; Emergency Labour Intensive Investment Programme (ELIP); Emergency Employment Investment Programme (EEIP).
Lebanon	Electronic Labour Exchange: free online job matching service.	An accelerated vocational training programme; Subsidised vocational training for people with disabilities; Short-term vocational training.	Integrated SME Support Programme (ISSP).	
Morocco		<i>Idmaj</i> – first-time recruitment contract; <i>Taehil</i> – training contract; Support for training in emerging sectors.	<i>Moukawalati</i> – support scheme for small business creation.	Intensive public works programme.
Tunisia		Employability improvement cheque; Employment support cheque; Programme to foster employment; Donor-sponsored programmes.	Support for small business entrepreneurs; Donor-sponsored programmes.	Local community partnerships to foster employment.

Source: ETF, 2015: 32-33.

Endnotes

1. For a detailed account of the elements of such a shift, see Jessop, B. (2003) “Changes in welfare regimes and the search for flexibility and employability”, in H. Overbeek (ed.), *The Political Economy of European Employment: European Integration and the Transnationalization of the (Un)employment Question*, Routledge: London and New York, pp. 29-51.
2. For a detailed description and analysis of employment policies implemented in the five AMC's please see the series of European Training Foundation reports at: http://www.etf.europa.eu/web.nsf/pages/Publications_catalogue.
3. http://ec.europa.eu/youth/policy/implementation/policy_making_en.htm.



Researching
Arab Mediterranean Youth:
Towards a New Social Contract



This project has received funding from the European Union's Seventh Framework Programme for research, technological development and demonstration under grant agreement no 613174.

The SAHWA Project (“Researching Arab Mediterranean Youth: Towards a New Social Contract”) is a FP-7 interdisciplinary cooperative research project led by the Barcelona Centre for International Affairs (CIDOB) and funded by the European Commission. It brings together fifteen partners from Europe and Southern and Eastern Mediterranean countries to research youth prospects and perspectives in a context of multiple social, economic and political transitions in five Arab countries (Morocco, Algeria, Tunisia, Egypt and Lebanon). The project expands over 2014-2016 and has a total budget of €3.1 million. The thematic axes around which the project will revolve are education, employment and social inclusion, political mobilisation and participation, culture and values, international migration and mobility, gender, comparative experiences in other transition contexts and public policies and international cooperation.

