



An International Conference on
“The Unemployment Crisis in the Arab Countries”
(17-18 March 2008)

Background:

1. In the context of a broad definition of development, as a process of expanding the real freedoms that people enjoy, an unemployed individual suffers from a real deprivation of capability to live the life she/he has reason to value. Empirical evidence, especially from European countries, shows that individuals can be compensated for the loss of income due to being unemployed by income support programmes (including unemployment allowances), irrespective of their economic costs involved and their negative impact on incentives to work. "If, however, unemployment has other serious effects on the lives of individuals , causing deprivation of other kinds, then the amelioration through income support would be to that extent limited" (A.K. Sen, (1999), *Development as Freedom*, Oxford University Press, Oxford; p. 94).

2. Sen also notes that there is "plenty of evidence that unemployment has many far-reaching effects other than the loss of income, including psychological harm, loss of work motivation, skill and self-confidence, increase in ailments and morbidity, disruption of family relations and social life, hardening of social exclusion and accentuation of racial tensions and gender asymmetries". Moreover, in poor developing countries unemployment among the youth of 15-29 years of age have recently been found to be a statistically significant factor in explaining civil wars.

3. Now, it is generally acknowledged that the social contracts in the various Arab countries recorded impressive development achievements in terms of economic growth and social equity, since their independence and up to the end of the 1980s. Despite these achievements, however, unemployment became a serious development problem in a vast number of these countries. Such a problem exhibits itself not only in the form of high unemployment rates, compared to other regions in the developing world, but also in terms of an increasing time trend for these rates.

4. It is on the basis of such observations that the World Bank considers the creation of jobs in the Arab countries as the most important development challenge facing them. Preliminary estimates, based on labor force growth rates for the period up to 2020 and current unemployment rates, shows that Arab countries need to create about 80 million jobs in the next two decades. This is the magnitude of the development challenge facing this group of countries.

5. Needless to note that there is a huge diversity among Arab countries in terms of development achievements, structure of economies, and nature of labor markets. Careful analysis needs to distinguish between labor markets in the Gulf Cooperation

Council (GCC) countries and other Arab countries. The labor market in non-GCC countries is most problematic of the two in terms of the development challenge posed by unemployment (with their high unemployment rates, declining real wages, and the predominance of the government sector in total employment). For the GCC countries unemployment among nationals is the most serious development challenge facing them.

6. Since the mid-1980s a number of Arab countries experimented with policies and programmes with the aim of addressing their unemployment problem. Some of these policies and programmes were undertaken in the context of economic reform policies aiming at liberalizing the economies in question with an ultimate aim of enabling them to further integrate in the world economy.

Objective and Themes:

7. Given the evidence on the persistence of high unemployment rates in Arab countries, and their tendency to increase over time, the **major objective** of this Conference is to provide a forum to debate the issues related to the nature of the development challenge posed by unemployment in the Arab countries, to scrutinize the nature of policies that were pursued to meet the challenge, and to search for more relevant and durable policy options.

8. On the basis of the above observations the Conference themes are to include the following:

- (i) analysis of the nature of the unemployment problem, especially in Arab countries, in an attempt to answer the question of whether it is a macroeconomic problem;
- (ii) determination of the distinctive features of Arab labor markets for the various sub-groups of Arab countries from the perspective of market flexibility;
- (iii) evaluation of the impact of economic reform policies on the labor market;
- (iv) evaluation of the role of the informal sector in job creation and labor absorption;
- (v) evaluation of the role of the private sector in solving the unemployment problem;
- (vi) evaluation of the role of social development funds, or their equivalents, in solving the unemployment problem;
- (vii) evaluation of the relationship between educational systems and unemployment;
- (viii) evaluation of the relationship between unemployment and poverty;
- (ix) country case studies on policies to solve the unemployment problem;
- (x) empirical studies to test the implication of various theories of development as they relate to the labor market and its functioning;
- (xi) analysis of unemployment from a gender perspective and women participation in the labor force;
- (xii) analysis of unemployment from a human capital perspective and the implied costs.

Call for Papers:

9. Interested researchers, from the Arab countries and beyond, are invited to submit an electronic copy (Microsoft word) of a completed manuscript (in Arabic or English) on any of the Conference themes, not exceeding 25 single-spaced pages, to the Conference Coordinator on or before 30th November 2007. Earlier submissions are strongly encouraged. All submissions will be acknowledged as soon as received.

10. Submitted papers will be appropriately refereed and final decisions, and comments, on accepted papers will be communicated no later than 15 January 2008. In the review process papers will be judged primarily on the basis of original contribution to scholarship and overall quality. Final manuscripts, in required format, with changes consistent with any requested revisions, must be received by the Conference Coordinator by 15th February 2008.

11. Authors (one per paper) of accepted papers will be supported by API to attend the Conference and present their contributions. API support covers travel (on the most direct route and in economy class), hotel accommodation and meals.

12. The Conference venue : *Cairo - Egypt.*

Conference Coordinator:

Dr. Ali Abdel Gadir Ali

Deputy Director General

Arab Planning Institute

P.O. Box: 5834 Safat 13059 Kuwait.

Tel.: (Direct) 00965 4843130 – 00965 4843130 (Ext. : 124, 125)

Fax: 00965 4842935

E-mail: aali@api.org.kw