



## II. ANNUAL YOUTH SUMMIT

### YOUTH EMPOWERMENT: SOCIO-ECONOMIC INCLUSION OF YOUNG PEOPLE

**Date:** 16<sup>th</sup>-18<sup>th</sup> of June, 2017

**Venue:** Kadir Has University, Istanbul/TURKEY



@co\_opinion  
#youthunemployment

*Youth unemployment is one of the major problems that the youth faces in the Middle East & North Africa. As the region experiences the highest youth unemployment rate in the world, the Co-Opinion Network has unbundled this topic and analyzed its dimensions by organizing thematic workshops, panels, and bilateral meetings as well as engaging in research activities so far. In the 2<sup>nd</sup> Annual Youth Summit, young leaders, young academics, and young professionals will find the chance for discussing this issue with prominent policy makers and distinguished intellectuals. The discussants will particularly focus on entrepreneurship & innovation, education policies, and sustainable & inclusive growth with respect to youth unemployment.*

#### COLLABORATORS



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## OVERVIEW

The MENA region is the youngest region in the world, more than 60% of its population being under 29. The unemployment rate in the region is the highest of all regions, and mostly youth is affected by that problem. In the Middle East, youth unemployment rate reaches 27.1 per cent, while it is more than 29 per cent in the North Africa and, in total; this rate is more than twice as high as the global average. As the global youth unemployment rate was 13.1% in 2013, the Middle East region experienced **one of the highest youth unemployment rates** in the world. And new crisis looms on the horizon. In order to absorb new entrants into the labor force, more than 4.5 million jobs need to be generated every year for the next 15 years.

Until the financial crisis in 2008, North African economies grew at %5 a year on average. Moreover, these economies continued to grow at about %3 per annum until the Arab Spring. However, the jobs created in the past decade were not sufficient to absorb the increasing number of new entrants into the labor market in the region, since jobs were created in relatively low-value added sectors and public employment continued to account for a substantial share. There are several reasons for the failure to ensure long-term and sustainable growth. Firstly, MENA's real exchange rate volatility, which is the highest in the world, reduces the incentive to invest in the non-resource sectors. This in turn reduces development prospects for the **non-capital intensive sectors** in the economy, which have higher potential to create employment. Secondly, cyclical and discretionary fiscal policies that rely on costly food and fuel subsidies hinder high and sustained investment. In similar vein, corruption and political patronage/clientelism also scare away investors from making long-term investments. Thirdly, enterprise surveys indicate that the strictness of the MENA states' **labor regulations** disincentivizes firms from expanding employment. Ratio of entering/exiting cohorts is as high as 6 to 1; therefore this rigidity impairs youth's access to limited jobs.

Education may seem as a solution to unemployment. However, in the region, education is not a guarantee against unemployment, since unemployment tends to increase with educational attainment. Young and educated people hardly find jobs that match their skills and education. The preferences of the young people also prevent them from finding jobs. According to a World Bank report, high job expectations and tendency to seek public sector jobs also increase unemployment rates. The public sector jobs are more attractive because of the higher wages, job security and some other benefits. Also, the education system trains people for public sector, but due to the limited supply of public sector jobs, the waiting list becomes longer with each passing day. As the balance of employment generation is tilted towards public sector, neither labor-intensive high-quality private sector jobs can be offered nor can the workforce attain the high skills necessary for the private sector. The findings of World Enterprise Survey indicate that 50.1%, 59.6%, 36.8%, and 34.2% percent of firms identify an inadequately educated workforce as a major constraint in Egypt, Syria, Algeria, and Iraq, respectively. Therefore, on the one hand, the education system in the region actually fails to equip the youth with needed skills such as soft skills; on the other hand, highly qualified young people cannot find jobs suitable for their high skills. In other words, the current settings in education systems and industrial policies result in **skill mismatch**.

The MENA region has the highest youth unemployment rate in the world, while the youth in the MENA region has the lowest rate of labor participation. The low labor force participation rate of the MENA's youth emerges partly from the low level of female labor force participation. Hence, the **gender dimension** of the issue should be emphasized, too. Early married women are not preferred in employment due to maternity leave or child care. There are two main reasons for low level of female labor force participation in the MENA. Firstly, women have traditionally been barred from public spaces. Secondly, the oil industry is dominant in certain MENA economies, in which mostly men are employed. Due to a combination of sectoral pressures on the labor market and cultural biases, young women in the MENA region have fewer job prospects and higher unemployment rates than those in other world regions.



**1<sup>ST</sup> DAY**  
**FRIDAY**

- 14.00-14.30:** *Registration & Welcoming Remarks*
- 14.30-15.30:** *Keynote Speeches*
- 15.30-16.00:** *Coffee Break*
- 16.00-18.00:** *Panel I – Sustainable & Inclusive Economic Growth in the MENA: Job Prospects for the Youth*
- 19.00-21.30:** *Opening Cocktail – Elevator Pitches*  
**Location:** TBA  
*Exclusive for the Advisory Board Members & Representatives of Stakeholder Institutions & Workshop Participants*

**2<sup>ND</sup> DAY**  
**SATURDAY**

- 10.00-11.00:** *Networking Session*  
*Exclusive for the Workshop Participants*
- 11.00-12.30:** *World Café Session I*  
*Exclusive for the Workshop Participants*

**Group A:**  
***Entrepreneurship & Innovation***  
Structural & Cultural Impediments  
to Youth Entrepreneurship

**Group B:**  
***Education Policies***  
Tackling Skills Mismatch I:  
Vocational Training & the Role of  
the Private Sector

**Group C:**  
***Sustainable & Inclusive Economic Growth***  
Active Labor Market Policies: Labor Market Rigidity  
& Informality



**12.30-14.00:** *Lunch*

**14.00-15.30:** *World Café Session II*  
*Exclusive for the Workshop Participants*

**Group A:**  
***Entrepreneurship & Innovation***  
Social Innovation: Prospects & Challenges

**Group B:**  
***Education Policies***  
Improving Gender Gap in Education & Employment

**Group C:**  
***Sustainable & Inclusive Economic Growth***  
Structural Issues: The Role of SMEs in Developing Context

**15.30-16.00:** *Coffee-Break*

**16.00-17.30:** *Future Collaboration*  
*Exclusive for the Workshop Participants*

**Group A:**  
***Entrepreneurship & Innovation***

**Group B:**  
***Education Policies***

**Group C:**  
***Sustainable & Inclusive Economic Growth***

**17.30-18.00:** *Evaluation Session*  
*Exclusive for the Workshop Participants*

**Group A:**  
***Entrepreneurship & Innovation***

**Group B:**  
***Education Policies***

**Group C:**  
***Sustainable & Inclusive Economic Growth***



**3<sup>RD</sup> DAY**  
**SUNDAY**

- 10.00-10.30:** *Opening Remarks*  
*Exclusive for the Advisory Board Members & Representatives of Stakeholder Institutions & Workshop Participants*
- 10.30-11.15:** *Presentation of Co-Opinion Academic Team*  
*Exclusive for the Advisory Board Members & Representatives of Stakeholder Institutions & Workshop Participants*
- 11.15-11.30:** *Coffee-Break*
- 11.30-12.30:** *Certification Ceremony & Closing Remarks*  
*Exclusive for the Advisory Board Members & Representatives of Stakeholder Institutions & Workshop Participants*

