

Youth, Women and Employment in the Mediterranean Region: Continuity and Change

Roger Albinyana
Managing Director

Edward Rodger Martinez
Research Fellow
European Institute of the Mediterranean (IEMed),
Barcelona

The Union for the Mediterranean's (UfM) 5th Ministerial Conference on Employment and Labour, held on 18 May this year in Marrakesh (Morocco), gave ministers the chance to address the issue of unemployment, particularly affecting young people and women in southern and eastern Mediterranean (SEMED) countries.¹ This issue has consistently been at the forefront of discussions on international cooperation in the Mediterranean region, since SEMED countries remain characterized by exceptionally high levels of unemployment, a large informal economy and low female labour participation. The UfM Ministerial Conferences on Employment and Labour therefore shed light on how Euro-Mediterranean cooperation adapts itself and reacts to shocks such as the 2008 economic crisis, the Arab Spring, the refugee crisis and, most recently, the Covid-19 pandemic.

The 2022 UfM Ministerial Conference on Employment and Labour took place not only in the context of the post-pandemic recovery, but also against the backdrop of the European Year of Youth, and, finally,

with the explicit aim of bringing gender to the forefront of its agenda. All of this, in parallel with the European Union's New Agenda for the Mediterranean, combines with the pressing issues of the green and digital transitions. The ministerial declaration produced by the conference sets out a wide-ranging assessment of the current challenges around issues on employment and labour in the region, and aims to respond to these challenges with a renewed and ambitious focus on youth and women.

Current Trends in Youth Labour Markets

Whereas youth unemployment has slowly decreased as a global trend since 2014, with the easing of the most severe effects of the financial crisis, rates in the southern Mediterranean countries have shown no improvement.² According to publicly available data³ provided by the International Labour Organization (2022), youth unemployment rates in the southern Mediterranean region, with the exception of Syria and Libya, saw a peak in the aftermath of the revolts in 2011, and from 2014 they stabilized with a relative declining trend until 2020, when they were hit by the economic crisis caused by the global Covid-19 pandemic. This, along with the ongoing political turmoil in the region, has been a major factor of political and social unrest. Hence, youth unemployment, along with its various effects and consequences, is a "*generational time bomb*" (Dhillon and Youssef,

¹ Throughout this article we use the term "southern and eastern Mediterranean countries" and "southern Mediterranean countries" alike to refer to the Arab Mediterranean countries. In EU jargon these are known as the "EU Southern Neighbourhood," even if Israel is not properly considered in this paper as it follows very distinctive patterns and features in terms of human development compared with the Arab Mediterranean countries.

² See, for instance, the report edited by the International Labour Organization (ILO) entitled "Global Employment Trends for Youth 2017." at www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_598669.pdf.

³ See ILO, "Youth unemployment rates – ILO modelled estimates." ILOSTAT, accessed 28-05-2022, <https://ilostat.ilo.org/data>.

2009), and remains one of the main drivers towards insecurity and instability in the region.

The factors that triggered the wave of protests and uprisings in 2011 across the SEMED countries highlighted the reality for large segments of the population, who felt themselves excluded from private and public life. Moreover, it underlined the significance of the demographic profile for the region's youth. Never before has the region had such a large share of youth compared to other world regions, with the exception of sub-Saharan Africa. Youth aged 15-29 make up a bit less than 30 percent of the population, compared with an average 15 percent in high-income countries, which is even lower in northern Mediterranean countries such as Italy or Spain, where the share of youth makes up around 14 percent of the total population.⁴

Furthermore, most countries in SEMED have witnessed little change in economic structure. The public sector, instead of creating the environment necessary for manufacturing, investment and trade to flourish, has forged monopolistic and uncompetitive alliances, while renouncing to a sound and sustainable system of public finances. This has led to a stifled private sector unable to absorb the demographic dividend by providing a sufficient amount of job opportunities and unable to create a fertile, business-friendly environment for new, young and independent entrepreneurs. Moreover, in some countries this has been aggravated by political shocks of different natures; authoritarian rule and repression, coupled with the systematic distribution of unproductive rents accrued not only from the exploitation of natural resources, but also created through licences, monopolies and economic controls. Demographic pressures and unchanged economic structures are the leading causes of youth unemployment rates in the region (Ahmed, 2012; ILO, 2020).

Not only does youth unemployment last longer than in any other region in the world due to insufficient labour demand, but also the school-to-work transition is particularly arduous given that education is not a guarantee against unemployment. For instance, data suggest that in countries such as Tunisia, Jordan or

Egypt, young people that have completed their tertiary education are two to three times more likely to be unemployed than those with primary education or less (UNDP, 2016). In other developing regions, as the level of education rises, the unemployment rates decrease.

Youth unemployment remains one of the main drivers towards insecurity and instability in the region

An alarming trend in the field of youth employability is the growing number of youngsters who are not in education, employment or training (NEETs). In accordance with the latest estimates of the International Labour Organization (ILO), with available Eurostat statistics for 2019, the NEET rate for the 15-24 age group is 21 percent in Algeria, 28 percent in Egypt, 32 percent in Jordan, 22 percent in Morocco and 25 percent in Tunisia, while in the EU it is around 12.5 percent. The rate has been proved to be much higher for young women and it increases with low educational attainment (early drop-out).⁵

Added to this are a wide range of economic and social consequences; labour market conditions are one of the most relevant pull factors for migration flows from certain countries to others with better labour prospects. Youth emigration from SEMED countries has clearly increased during the last decade, amidst a diversification of the origin of migrants and the ways to migrate to Europe. Another consequence amongst youth is radicalization. Indeed, an overall sense of political, economic, social and cultural exclusion has pushed some in this direction.

In recent years, a number of active labour market policies have been implemented by public authorities in the region. But these alone cannot address the systemic challenges of youth unemployment, low

⁴ See ILO, "Population by sex and age based on UN estimates and projections." ILOSTAT, accessed 28-05-2022, <https://ilostat.ilo.org/data>.

⁵ See ILO, "Share of youth not in employment, education or training (NEET) – ILO modelled estimates." ILOSTAT, Accessed 28-05-2022, <https://ilostat.ilo.org/data>.

rates of productivity and competitiveness, or stagnant labour demand. Institutional stability, predictability and security are key factors to ensure sustained economic growth, which can then be translated into more inclusive, dynamic, open and flexible labour markets able to generate sustainable and decent jobs for young people and women. But these factors are mutually reinforcing; without inclusive development, both economically and politically, for young people within their societies, insecurity in the region will continue to grow. To this end, enhancing regional cooperation at the Euro-Mediterranean level is of the utmost importance.

In summary, the following current trends in labour markets hinder human development in SEMED countries, while they have become central destabilizing elements that generate considerable turmoil in the region's collective development:

- Failure of the education-to-work transition
- Financial exclusion and dependence in light of high unemployment and precarious job markets
- Exclusion of young women
- Exclusion of youth from public and political life

The Union for the Mediterranean's 5th Ministerial Conference on “*Employment and Employability of the Most Vulnerable, Especially among Youth and Women,*” 2022

How, then, does this year's UfM ministerial conference, and its subsequent declaration, respond to these trends?

The four previous UfM ministerial conferences on employment and labour were held in Marrakesh (2008), Brussels (2010), Jordan (2016) and Cascais (2019). While each sought to respond to contemporary challenges in its own way, it is also worth

noting the continuity in their conclusions. Since Marrakesh 2008, ministers have highlighted the high unemployment rates in the region, a young workforce facing social and economic exclusion, a lack of decent jobs and a large informal economy.⁶ The subsequent policy priorities have therefore also followed a certain line; the creation of decent jobs, for example, has featured in every ministerial declaration so far, as has the importance of maintaining social dialogue in the region, or encouraging the transition from informal to formal employment.⁷ The UfM ministerial declarations can be seen, therefore, as part of a wider context of Euro-Mediterranean attempts at cooperation and integration which, despite some progress in countries like Morocco, have generally failed to achieve their goals of unlocking the potential of the young workforce in SEMED countries, and often continue to emphasize similar policy priorities in response.

An alarming trend in the field of youth employability is the growing number of youngsters who are not in education, employment or training (NEETs)

This is not to say that this year's ministerial conference does not have its particularities, especially in the context of its response to the pandemic. The most prominent of these is what is broadly described as the green transition, which includes the UN's 2030 Agenda, and the inclusion of Sustainable Development Goals (SDGs), which are mentioned for the first time in a UfM Ministerial declaration on employment and labour.⁸ This ministerial declaration is the first to place so much emphasis on the notion of

⁶ See, for example; Ministerial Declaration 2008 (https://ufmsecretariat.org/wp-content/uploads/2017/09/employment_health_conclusions_1108_en.pdf), 2; Ministerial Declaration 2010 (<https://ufmsecretariat.org/wp-content/uploads/2017/09/Declaration-Labor-2010.pdf>), 3; Ministerial Declaration 2016 (<https://ufmsecretariat.org/wp-content/uploads/2016/09/UfM-Ministerial-Declaration-Employment-and-Labour.pdf>), 2; Ministerial Declaration 2019 (<https://ufmsecretariat.org/wp-content/uploads/2019/04/Ministerial-Declaration-EN-1.pdf>), 3-4; Ministerial Declaration 2022 (<https://ufmsecretariat.org/wp-content/uploads/2022/05/Final-UfM-Ministerial-Declaration-EN.pdf>), 3.

⁷ See; Ministerial Declaration 2008, 1,5,7; Ministerial Declaration 2010, 4-5, 7; Ministerial Declaration 2016, 1-3; Ministerial Declaration 2019, 1, 3, 5; Ministerial Declaration 2022, 4-6.

⁸ See Ministerial Declaration 2022, 2.

a “just transition” and on social justice as a key pillar to sustainable development.⁹

This brings us to the question of youth and women; in the context of these notions of a just and inclusive transition, the 2022 declaration shows promising signs of having put youth and women at the forefront of its post-Covid employment agenda.

This ministerial declaration is the first to place so much emphasis on the notion of a “just transition” and on social justice as a key pillar to sustainable development

We can compare, for instance, the assessment in this year’s ministerial declaration of the disproportionate impact of Covid-19 on women and young people, to the similar assessment of how these groups had seen the worst effects of the 2008 financial crisis in the 2010 ministerial declaration. In 2010, the fact that “vulnerable groups have been most affected by the crisis, including the young unemployed, women, working poor and poor households” is kept to a somewhat brief statement.¹⁰ The 2022 declaration, however, elaborates on this significantly, not only recognizing in much more detail why and how women have been disproportionately affected by lockdowns, but placing them at the centre of the proposed policy solutions.¹¹ With the ambition of building a “long-term socioeconomic recovery, as well as resilient, sustainable, inclusive and connected economies” in the Mediterranean, the 2022 Ministerial Declaration therefore places women and youth more at the forefront of its agenda than it ever has before.¹²

⁹ See Ministerial Declaration 2022, 4-5.

¹⁰ See Ministerial Declaration 2010, 7.

¹¹ See Ministerial Declaration 2022, 2-3.

¹² See Ministerial Declaration 2022, 2.

¹³ See Ministerial Declaration 2010, 7.

¹⁴ See Ministerial Declaration 2016, 1.

¹⁵ See Ministerial Declaration 2019, 4.

¹⁶ For more analysis on migration and the Euro-Mediterranean partnerships, see E. Cohen-Hadria & K. Sidf o, “A new agenda for the Mediterranean: Are the EU tools and means of action up to its ambitions?” 2022, [www.europarl.europa.eu/RegData/etudes/STUD/2022/702558/EXPO_STU\(2022\)702558_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2022/702558/EXPO_STU(2022)702558_EN.pdf)

Lastly, it is worth mentioning the contentious issue of migration, and its absence from the 2022 Ministerial Declaration, despite its relevance to issues around youth unemployment in the region, since large numbers of young people turn to irregular migration routes in response to social and economic exclusion. While the 2010 ministerial declaration emphasized that “legal migration constitutes a factor that contributes to economic and social development,”¹³ by 2016 the focus, unsurprisingly, had shifted towards the “refugee crisis,”¹⁴ and in 2019 the declaration emphasized the need to “fight against irregular migration.”¹⁵ Perhaps in recognition of the clear friction between advocating for economic integration and job creation in the region on the one hand, and stringent border measures on the other, migration is, on the whole, left out of this year’s ministerial declaration.¹⁶

Policy Responses

In spite of the policy responses offered by the UfM Ministerial Conference, youth in SEMED countries will continue experiencing difficulties in contributing to stability and engaging in security partnerships, unless the central question of inclusive and human development is properly tackled, which includes creating job opportunities for young people. While it is very difficult to illustrate policy responses through a “one-size-fits-all” approach for all SEMED countries, it is important to highlight a set of structural reforms and policy recommendations that can enhance socioeconomic development for young people in the region, and therefore foster more inclusive, dynamic, open and flexible labour markets, able to generate sustainable and decent jobs for young people.

Some of these policy responses can be summarized as follows:

- Enhance the role of the public sector in SEMED countries by improving the provision of public and social goods such as education, vocational education and training; housing policies that favour the emancipation of young people; the planning of new infrastructure that reduces the gap between rural and urban communities; and control of inflation.

Is very difficult to illustrate policy responses through a “one-size-fits-all” approach for all SEMED countries

- Scrap the existing constraints on the demand side of labour markets that are not supportive for business development and job creation; upgrade the business environment to support private sector-led development and growth; simplify the administrative procedures for new businesses; nourish an ecosystem that promotes MSME growth and entrepreneurship by facilitating access to finance, and opening economies to enable them greater access to foreign markets and FDI.
- Young women should be given full attention and prioritized by the authorities in order to combat their exclusion from public life, gender-based violence and discrimination in education and labour markets. Legislative reforms are not sufficient and need to be accompanied by sound policy measures to increase women’s contribution to the labour force, increasing their access to vocational training and offering them better options to balance work with family care. Schemes of maternity and paternity leave should also be enacted whenever possible, as

well as a more flexible employment system that enables women to get part-time jobs. Finally, more attention should be given to women who have suffered gender-based violence by aligning all public services: judiciary, police and social services in the struggle against these atrocious acts.

- Develop comprehensive programmes to back youngsters in transition – from education to work and from adolescence to adulthood – which consider the different needs young people have in terms of housing, education, training, employment, marriage and civil participation. These should include legislative and economic reforms that broaden social security systems and intervene in the real estate market, reducing the costs of housing (for both renting and buying) for young people, and enforce financial aid schemes that support the most disadvantaged and vulnerable communities, especially in rural areas.
- Improve the effectiveness of active labour market policies (ALMP)¹⁷ and tackle the skills mismatch. ALMPs should play a significant role in facilitating the (re-)insertion of youth into the labour market. To this end, in the design of policies and programmes, there should be dialogue and cooperation between public and private employment services, involving all relevant stakeholders, including social partners, education and training providers and youth organizations. This should produce a holistic approach between supply and demand-side ALMPs. On the one hand, there is a need to provide appropriate career guidance, with services targeting youth, and particularly female youth, as well as services focused on providing digital and green skills. On the other hand, these policies should go hand in hand with the abovementioned improvement of the business environment so as to create more (and more decent) jobs.
- Enhance regional cooperation at the Euro-Mediterranean level. There is no doubt that

¹⁷ Active labour market policies (ALMPs) are public policies that help adjust the level of labour supply with that of labour demand. Traditionally, ALMPs focus on the supply side of the labour market by assisting job seekers in finding a job, either by upgrading their labour skills (active policies) or supporting their income (passive policies).

all initiatives undertaken at the level of the Union for the Mediterranean, in particular the Med4Jobs programme, should not only be enhanced but also scaled up, multiplied and replicated. The UfM offers a unique platform

The UfM offers a unique platform where decisions that favour the progressive integration of labour markets and progressive harmonization of labour legislation in the region could be made

not only for mutual learning and the exchange of best practices, but also where decisions that favour the progressive integration of labour markets and progressive harmonization of labour legislation in the region could be made. Furthermore, progressive integration in numerous economic areas would be a catalyst for generating sustainable youth employment in southern Mediterranean countries (as predicted in a study by Ayadi, Ramoset al., 2017).

Bibliography

- AHMED, M. "Youth Unemployment in the MENA Region: Determinants and Challenges." World Economic Forum's *Addressing the 100 Million Youth Challenge – Perspectives on Youth Employment in the Arab World*, 2012.
- ASSAAD, R. "Making sense of Arab labour markets: The enduring legacy of dualism." *IZA Journal of Labor & Development*, 3:6, 2014.
- AYADI, R., RAMOS, R. et al. *How regional integration leads to youth employment in the Euro-Mediterranean region*, IEMed-EMEA, 2017.
- DESAI, R.; OLOFSGARD, A. & YOUSEF, T. "The logic of authoritarian bargains." *Economics & Politics*, Volume 21, 2009.
- DHILLON, N. & YOUSSEF, T. *Generation in Waiting: The Unfulfilled Promise of Young People in the Middle East*. Washington DC: Brookings Institution Press, 2009.
- EUROPEAN TRAINING FOUNDATION. *Youth Employment: Challenges and Policy Responses in Arab Mediterranean Countries*. ETF, Torino, 2013.
- UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP). *Arab Human Development Report. Youth and the Prospects for Human Development in a Changing Reality*. New York: United Nations publications, 2016.