

How Middle East countries can boost youth employment

Sat, 2020-02-15 23:24

DUBAI: Youth unemployment may be a challenge in many parts of the world, but in the Middle East, where 65 percent of the population is younger than 30, it is an overarching policy priority.

According to World Bank research, the highest unemployment rate in the world – 30 percent of 18-24-year-olds being out of work – is in the Middle and North Africa (MENA) region, which has a total population of 578 million. Small wonder that survey after survey shows unemployment as one of the top concerns of Arab youth, alongside rising costs of living and corruption. Unemployment also ranked second in the list of concerns in a recent pan-Arab study commissioned by Arab News, affecting people in the 18-25 age bracket most.

The opinion poll, conducted by YouGov last year, found unemployment to be a main concern most prominently among nationals of Morocco (68 percent) and Oman (65 percent).

Mohammed Alardhi, the Omani executive chairman of Investcorp, a leading Gulf provider and manager of alternative investment products, sees the gap between young populations and employment opportunities as one of the Arab world's megatrends.

"While the rest of the world is facing ageing, which comes with lower productivity of labor, this region is the opposite," he said at the Milken Institute's Middle East and Africa Summit in Abu Dhabi last week.

While education and training will be crucial to the wellbeing of new generations, geopolitical factors particular to the Arab world must also be taken into consideration, Alardhi added.

He said the Gulf Cooperation Council (GCC) member states have shown themselves to be "resilient" in the sense that despite the many regional sources of tension, the bloc has "proved in the last 50 years that it's a place that maintains stability, growth and development."

A BOOST FOR EMPLOYMENT

- 'Hadaf Supports You' wants Saudi nationals hired in private sector.
- Establishments will get subsidies for employees' wages for 3 years.
- Maximum monthly wage of supported individual is SR15,000.
- Program began in 2019 and continues this year.
- KSA's 2020 unemployment rate target is 10.6%.

Alardhi identified urbanization as another megatrend of the Arab world, noting for instance that the GCC countries are 80 percent urbanized as against the global average of 50 percent.

He said despite the challenges confronting them, the GCC states' accelerating pace of technological advancement is a bright spot, so they must focus on

developing local talent and creating knowledge-based economies.

A surprising finding of the Arab News-YouGov study is that economic challenges are felt to be a problem for those living in the comparatively prosperous GCC bloc (30 percent), more than the rest of the Arab world (27 percent in North Africa and 25 percent in the Levant).

Separately, the ASDA'A BCW Arab Youth Survey of 2019 found that young Arabs in GCC states continue to look to their governments as a source of employment, with seven out of 10 wanting to work in the public sector. Abdulla Mohammed Al-Zamil, board member and CEO of Saudi Arabia's Zamil Industrial PJSC, says unemployment will be a challenge for the Kingdom at a time of change driven by the Vision 2030 reform plan and the growth of the private sector.

Saying that job creation needs to be looked at first, he told the Milken Summit that the drop reported in 2019 in Saudi Arabia's unemployment rate – from 12.9 percent to 12 percent – indicates “early signs of recovery” in a “transition period.”

He said: “Today a university graduate in Saudi Arabia has never held a job, while in many countries around the world graduates have already worked, even if in voluntary positions.”

In his opinion, fresh graduates in Saudi Arabia must have a strong work ethic and professional discipline to be able to do the jobs they desire.

Expansion of the private sector as a result of economic diversification was mentioned by Al-Zamil as one of the solutions to the Kingdom's employment challenge.

He also underscored the need for creating high-quality, long-lasting jobs that require specific skill sets in new and growing industries such as manufacturing.

By way of example, he pointed to job opportunities expected to be created by the Neom smart-city in Saudi Arabia, among other projects under Vision 2030. He recalled that when the plan was first announced in 2015-2016, the Saudi private sector faced some challenges “because companies had been doing business in a certain way for over 40 years.”

In this context, Al-Zamil highlighted a SR72 billion (\$19 billion) incentive package that followed the launch of Vision 2030, with the aim of facilitating the Saudi private sector's transition into the new economy.



Khalid Al-Rumaihi, CEO of Bahrain Mumtalakat Holding Company. (Supplied)

With such a transformation, “it will take time for the government and private sector to reap the benefits,” he said.

“On the private sector side, we need to adapt, and before learning new things, we need to unlearn the past, because things will no longer be the same. I think that will be a challenge.”

He said the Saudi private sector is gradually adapting to changes in regulations, the introduction of value-added tax and increasing global investments in the Kingdom.

However, he cautioned against developing dependence on “non-oil income through taxation,” calling it a “dangerous move.”

He said: “Non-oil income doesn’t necessarily mean additional taxes. That’s the danger and trap we’re continuously being put in by the likes of the International Monetary Fund.”

On the subject of taxation in the GCC, Al-Zamil’s view was echoed Khalid Al-Rumaihi, CEO of Bahrain’s sovereign wealth fund Mumtalakat, who said finding a way to cover a country’s budget deficit “doesn’t happen through taxes” but by reviewing services.

“If you tax too aggressively, capital will flee. It’s a very delicate balance, and it’s going to take governments a couple of years to transition,” he added.

Al-Rumaihi recalled Bahrain’s economic dependence in the 1920s on pearling, an industry that “dissipated” with the introduction of the technology to create cultured pearls.

“There’s a lesson to be learned from history. As we think of our commodity-based economies today, we should be wary of what will happen to the oil industry in the coming 20-30 years,” he told the Milken Summit.

He added that Bahrain's economy had gone through several stages of diversification, starting with the introduction of the banking industry in the 1970s, followed by the aviation industry in the 1980s and the deregulation of the telecoms sector in 2004.

Al-Rumaihi said deregulation saw employment in the telecoms industry grow by 70 percent, prices of mobile phones fall by 50 percent, and the sector's gross domestic product share rise from 4 percent to 8 percent, in tandem with an increase in the number of operators from one to 20.

Moving forward, he suggested two primary ways to tackle youth unemployment in Bahrain: Enhancing job opportunities in growth sectors, and offering higher wages to attract nationals.

At the same time, there is a need for a change of mindset, more vocational education and a stable environment, he said.

Al-Rumaihi ended on an understandably cautionary note, saying: "While we want to move to a market-based economy, it's important to remember that we have to think of the country (as a whole) and not (just) about our national assets."



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Unemployment high on list of Arab youth's major concerns Unemployment rate in

Saudi Arabia drops to 5.5 percent

[Tunisia talks on cabinet press on amid risk of new election](#)

Sat, 2020-02-15 22:31

TUNIS: Designated Tunisian prime minister Elyes Fakhfakh proposed the line-up of a new government on Saturday and then said negotiations would continue after the Ennahda party, the biggest in parliament, rejected it.

The proposed government must be approved by the deeply fragmented parliament in two weeks or there will be a new election.

Fakhfakh submitted a list of cabinet nominees to President Kais Saied, with Nizar Yaich as finance minister, Nourredine Erray as foreign minister and Imed Hazgui as defence minister.

But with the largest parties either opposed to his coalition or unenthusiastic about its composition, Fakhfakh may struggle to gain the strong parliamentary majority needed for any significant political programme. The moderate Islamist Ennahda party, with 53 seats, said it would only join a unity government that brings together parties from across Tunisia's political spectrum.

"This decision will put the country in a difficult situation," Fakhfakh said in speech.

Heart of Tunisia, the second biggest party with 38 seats, also said it would not back the government after Fakhfakh excluded it from the coalition.

Tunisia faces a series of long-term economic challenges which threaten to undermine public trust in the young democracy, and which demand political decisions that could be unpopular.

Since the 2011 revolution, unemployment has been high and growth low, while the government has sunk further into debt with a series of big budget deficits that foreign lenders demand it bring under control.

Elections in September and October returned Saied, a political independent, as president, and a parliament in which Ennahda held fewer than a quarter of the seats.

Ennahda's nominee for prime minister, Habib Jemli, proposed a coalition government that was rejected by parliament in a confidence vote last month, giving Saied the chance to ask his own candidate, Fakhfakh, to form a cabinet.

If Fakhfakh's proposal is also rejected by parliament next week, a new parliamentary election must follow within three months.

Fakhfakh had already promised to name a government that would draw only from parties he considered aligned with the goals of the revolution and committed to rooting out corruption.



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[Houthis breaching cease-fire, Yemen govt tells monitors](#)

Sun, 2020-02-16 02:01

AL-MUKALLA: Yemeni soldiers have asked international monitors stationed in the southern port city of Hodeida to visit their observation posts to document daily cease-fire breaches by Houthi militia.

Baha Khalefa, one of 10 government soldiers deployed at the joint observation posts, said the team faced death every day due to thousands of landmines and from sporadic shelling by Houthis.

"We have sent reports to our seniors complaining about the violations," Khalefa told Arab News by telephone from Hodeida. "We are walking on fields of landmines that put our lives at risk."

Yemen's internationally recognized government and the Iran-backed Houthi

militants set up observation posts to monitor a cease-fire in the city's main frontlines as part of a UN-brokered agreement signed in Stockholm.

FASTFACT

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The agency's observers were tasked to monitor the truce and troop withdrawal from frontlines in Hodeida and the three ports in the city.

But soldiers say that international monitors in Hodeida have never visited their posts at former flashpoints.

The government has long cast doubt on the Houthis' adherence to the agreement, saying they were using the cease-fire to mobilize forces and dig new trenches.

Khalefa said that Houthis had mostly refused to defuse landmines or open key roads leading to Sanaa that go through government-controlled areas in the city.

"We want the international monitors to independently see the firsthand risks that we encounter. Our demining engineers defuse at least as many as 150 landmines every day. The Houthis refuse to remove landmines and reopen Al-Khameri and Kilo 16 roads."

Houthis have planted thousands of landmines along the country's western coast to slow down a major offensive by government forces aimed at liberating Hodeida. Yemeni government officials think that the UN has restricted movements of its monitoring team in Hodeida due to security concerns and landmines.



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[Hariri: Aoun settlement over, will not deal with 'shadow president'](#)

Sat, 2020-02-15 01:36

BEIRUT: In a speech on the 15th anniversary of the assassination of his father, Rafic Hariri, former Lebanese Prime Minister Saad Hariri announced that the settlement he had established with President Michel Aoun had come to an end. "The Hariri era has not ended, and I am staying in the country and in politics, and the Sunnis are staying," he stated.

"Before the settlement, I tried to pave the way for my friend, Suleiman Franjeh, to become president, but his allies prevented him. The abolition mentality wants to abolish the Progressive Socialist Party, the Lebanese Forces and, now, Hariri," he said.

Hariri lashed out at the leader of the Free Patriotic Movement, Gebran Bassil, without naming him. "President Aoun knows how much I respect him, but I arrived at a point where I have begun to deal with two presidents – I have

to deal with a shadow president to protect the original one," he said. He was also indirectly critical of Hezbollah. "How can we strengthen tourism without the Arabs and the citizens of the Arabian Gulf region, and how do we protect the interests of the Lebanese people, who are benefitting from employment opportunities in the Gulf Cooperation Council countries when there are those who stir up trouble with these countries?" he said.

"Iran's money solves Hezbollah's crisis; not the crisis of a country. Parties in the state do not operate separately and individually without actual financial policies."

Hariri strongly criticized the ongoing efforts to hold his father responsible for Lebanon's economic collapse.

"What is most dangerous are suggestions that the countdown to the Taif Agreement has begun. People know how Lebanon was before Rafic Hariri and what he did for it. They did not offer the country anything of value. They did not even build a sewer. Instead, they fabricated files, dug graves, and made accusations. There is a political system that started discussing a non-Hariri era and holding Hariri responsible for 'the deal of the century' and the resettlement nightmare. We say that resettlement is not mentioned in the constitution," he said.

"Seven years of impediment after (Rafic) Hariri's assassination have been wasted on talks about the rights of minorities, who have been partners for 30 years and participated in all disturbances. The cost of electric power has amounted for 50 percent of public debt," he added, highlighting that since the war ended, no Future Movement member of parliament had ever assumed the role of minister of energy.

"In the last two months, we have heard that the Future Movement has come to its end. We have also heard that Saudi Arabia, the US, China, and the world do not want Saad Hariri, but I assure you that the Future Movement, the movement of Arabism and moderation, is staying, and this house shall never close," he added.

FASTFACT

Saad Hariri strongly criticized the ongoing efforts to hold his father responsible for Lebanon's economic collapse.

Thousands of supporters and popular delegations carrying the Future Movement's blue flag as well as Lebanon's flag flocked to Hariri's house and the streets surrounding it. They also carried banners that read, "Your martyrdom is revolution."

The speech was attended by a delegation from the Democratic Gathering, led by Taymour Jumblatt, a parliamentary and ministerial delegation from the Lebanese Forces, and delegations from the Armenian Tashnag Party and the Phalange Party. It was also attended by the Saudi Arabian and UAE ambassadors to Lebanon.

Walid, a young man from Iklim Al-Kharoub region, told Arab News: "People are with Saad Hariri, may God give him strength."

Nabiha from Beirut said: "We are with Saad Hariri. His allies have deceived him despite everything he did. He shall return to power."

Farouk, also from Beirut, said: "Rafic Hariri leveraged everyone, but they removed him from power and then assassinated him. They are now trying to do the same to his son, Saad Hariri, but he is staying and will return strong. He will not lose his popularity."

Political, religious and diplomatic figures also visited the grave of Rafic Hariri on the anniversary of his death, including Russian Ambassador to Lebanon Alexander Zasytkin.

There was friction between Hariri's supporters and protesters in Martyrs' Square, opposite the site of Rafic Hariri's grave.

During the commemoration of Rafic Hariri, US Secretary of State Mike Pompeo said: "The assassination of Prime Minister Rafic Hariri is a mass killing. Many individuals linked to Hezbollah have been charged with playing roles in this terrorist attack, and they must be brought to justice in the end."

Pompeo added that Hezbollah had proven through its terrorist and illegal activities that it cared more about its interests and the interests of its sponsor, Iran, than about the best interests of the Lebanese people.

"The US continues to proudly stand with the Lebanese people in their peaceful calls for reform, transparency, and accountability," he added.



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Lebanon weighs defaulting Eurobond next month Security forces say Lebanon's rioters 'organized' as Hariri warns over 'cycle of collapse'

Erdogan adviser in Iranian drug lord investigation

Author:

Sat, 2020-02-15 01:01

ISTANBUL: The Istanbul Chief Public Prosecutor's Office launched an investigation into Burhan Kuzu, a former parliamentarian from the ruling Justice and Development Party (AKP), on Friday, over interference in the judicial process to secure the release of Iranian drug lord Naci Zindashti. Kuzu, the former chair of Turkey's parliamentary constitutional committee, is a highly trusted adviser to President Recep Tayyip Erdogan on legal issues. Zindashti was arrested in Istanbul in 2007 with 75 kilos of heroin by Turkish police, along with nine other gang members.

He was released by a court order in Istanbul in October 2018, after allegedly accepting an offer to turn witness for the prosecution.

Hours after his release, a fresh arrest warrant was issued, but he had already vanished, believed to have fled the country.

The judge who issued the release claimed he was pressured by Kuzu, who asserted Zindashti's incarceration was a "highly sensitive issue for the government," adding he had received repeated pressure from Kuzu to grant the release.

Ozgur Ozel, a lawmaker from the main opposition Republican People's Party (CHP), said Kuzu had been caught red-handed.

"Does the president take his advice about 'how to put pressure on the courts?' I'm wondering why Kuzu gets paid," he said.

SPEEDREAD

Iranian drug lord Naci Zindashti was released by a court order in Istanbul. The judge who issued the release claimed he was pressured by Burhan Kuzu, a former AKP parliamentarian.

Photos of Kuzu and a member of the AKP's women's branch having dinner with Zindashti made the front pages in the Turkish press this week.

Even the pro-government Haber Turk ran the story about Kuzu and his connections to Zindashti, an unexpected development considering the widespread censorship of the country's media.

Kuzu has denied all accusations, saying that the kingpin was introduced to him as a businessman seeking Turkish citizenship.

It is expected that he will be soon called to give testimony. "I will never abstain from giving my statement. There is rule of law in Turkey," he tweeted.

Under the AKP, judicial independence in Turkey has been a hotly debated topic, with many rights groups like Human Rights Watch and Amnesty International criticizing judges, saying that court rulings are heavily influenced by politicians.

During the 35th session of the Universal Periodic Review (UPR) of the UN, in late January, Turkey was also criticized for its lack of judicial independence.



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Erdogan's energy grab roils the Mediterranean's waters
Erdogan's energy grab roils the Mediterranean's waters