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SOCIAL SECTOR PRACTICE

Linking jobs and education in the Arab world

The region's future prosperity depends on its youth. Governments must ensure that young people have the right skills for the jobs being created.



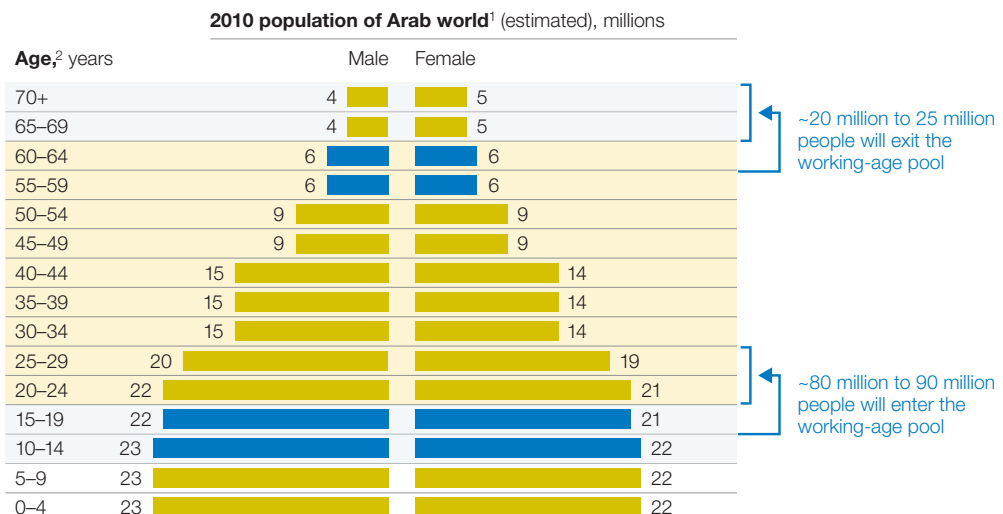
The Arab world is experiencing unprecedented turmoil. Any evaluation of its root causes would include unemployment for youth between the ages of 15 and 24. More than 25 percent of youth in the Middle East are unemployed, the highest such rate in the world, while North Africa reports about 24 percent. Unemployment among young females is even higher, reaching and exceeding 30 percent across the region.

There is wide recognition that if nothing is done, unemployment levels are likely to rise further as a result of a demographic bubble: about one-third of the population is below age 15. As a result, millions of young people will enter the region's workforce over the next ten years (exhibit).

So far, the region's governments haven't focused sufficiently on a vital component of the employment picture: how to ensure that the region's young people have the right skills for the jobs being created. To do so, it will be necessary to orient education directly to work opportunities—full- or part-time or even self-employment. There is even less focus on how to encourage the private sector (both employers and education providers) to play a role complementary to that of the government in addressing the region's pressing needs. A new report based on research by McKinsey, *Education for employment: Realizing Arab youth potential*, highlights the dramatic gaps in education and employment across the region and provides a private sector-based road map for closing them. The report was

Exhibit

The Arab world's employable population will grow dramatically over the next 10 years.



¹ Arab world comprises the 22 nations in the League of Arab States.

² For age groups where data are not given in 5-year increments, an even split was used as an estimate.

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commissioned by the International Finance Corporation and the Islamic Development Bank. We base our findings on more than 200 interviews with government officials, employers, education providers, investors, and nonprofit organizations in nine countries and on proprietary surveys of 1,500 employers and 1,500 young people in Egypt, Jordan, Morocco, Saudi Arabia, and Yemen.

Elsewhere in the world, the private sector, both education providers and employers, has played a critical role in providing opportunities for young people. Given the right conditions, it can play the same part in the Arab world as well. The report therefore highlights these messages: demand is substantial for private-sector involvement but supply is limited; vocational education and training, private universities, and work-readiness programs are the major categories of private investment opportunities; and several critical enablers of private participation are missing, such as rigorous standards to ensure that students are taught the right skills. Surveyed private employers tell us that only one third of new graduate employees are ready for the workplace when hired. Consequently, more than half of all employers provide substantial training for their new hires, to ensure work readiness. On the other side, only one-third of the surveyed young people believed that their education prepared them adequately for the job market, expressing strong doubts about the quality and relevance of their programs.

The challenge is big, significant, and urgent. Action is required now: unless all stakeholders come together and embark on ambitious plans to address the employment gaps jointly, the Arab world’s young people face potentially dire consequences.

Read more about the report and link to it from the McKinsey & Company Web site. [○](#)