

# Bias and BARRIERS

Raising women's labor force participation in the Arab world could boost economic growth, but there are deeply rooted obstacles

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**S**ince the 2011 uprisings in many Middle Eastern and North African countries, the role of women in the economy has expanded somewhat—at least on paper. But as the following vignettes suggest, it is still difficult for women to work and even more so to found and run a business in the region. And all too often to succeed in business they need the help of a supportive male relative.



Before launching *Middle East Business Magazine and News*, a publication in Arabic and English, Amal Daraghmei Masri spent 13 years laying the foundation for it. She started the Ougarit Group, a public relations and media company, in 1999 to develop the necessary network and experience. When she got the magazine up and running in 2012, she felt she could overcome any bias against women entrepreneurs by devising a plan to ensure the financial success of the publication.

“There are two kinds of women,” said Masri, who lives in the West Bank city of Ramallah. “Women and stubborn women. In this part of the world, you need to be a stubborn one to succeed.”

But Masri learned quickly that even for stubborn women there was little incentive to start a business with the prospect of growth. Arab society considers men to be the main providers for their family and takes female aspirations so little into account that Masri's magazine did not qualify as a woman-owned business, according to the country's laws. She was unable to secure a loan for the business because the magazine was considered a service, she was told, not a good like the embroidery and handicraft products generated by other women-owned businesses. Masri had to have her husband cosign her

loan application because he owned property that could serve as collateral. But then her husband's involvement disqualified her from the five-year tax exemption granted to women-owned businesses.

Today, Masri, 49, employs five people—including her 21-year-old daughter, a videographer—and has amassed a pool of paid subscribers and advertisers.

She said the key to building her business was her husband. “Without my husband, I might not have succeeded,” she said. A mother of three children, she said that every working Arab woman needs a supportive male partner willing to share the burden.

The female labor force participation rate in the Middle East and North Africa is the lowest in the world at 21.2 percent, according to a 2017 report by the International Labour Organization, compared with approximately 40 percent in other parts of the world. Yet, with higher education levels among young women, women have become a force for change, demanding equal opportunity even in traditional countries such as Saudi Arabia.

Still, progress has been slow, and even in a country like Morocco, where feminist organizations have succeeded in pressuring the government to adopt more progressive laws that ban gender discrimination, breaking with the past has been difficult. Patriarchal attitudes are still prevalent in the home and in society, and many women are relegated to low-paying jobs if they are employed at all.

Noncultural factors can compound the problem. In Ramallah, for example, Israel has shut the borders and restricted the movement of people. Firms that traditionally employed women, such as in the textile sector, have gone bankrupt. In 2012, women accounted for only 17 percent of the workforce in the West Bank and Gaza.



Masri said curfews and roadblocks have created financial problems for her, too. It is expensive to bring in needed equipment “and therefore bad for business, whether you are a male or female business owner,” she said.

One of the slogans that echoed across Tunisia during the Arab Spring uprising that began in late December 2010 was “employment, freedom, and dignity.” Unemployment in the Arab region was the highest in the world—27 percent in Tunisia. Women, the majority of students in most universities across the Arab world, were, like their male counterparts, largely unable to find work after they graduated.

Frustrated with the lack of economic opportunities, women were at the forefront of the protests in Tunisia and in other Arab states where the protests spread in 2011. Lina Ben-Mhenni, the daughter of a teacher and a civil servant, was one of them.

“When we talk about employment, I had and still have in mind employment for women and men, freedom and dignity for both sexes,” she said.

A freelance translator, she blogged from ground zero of the revolution. After the fall of the government of President Zine El Abidine Ben Ali, Ben-Mhenni found work teaching linguistics at Tunis University

but remained an outspoken blogger—outraged that despite progressive laws introduced in 1956, women remained marginalized.

“Tunisia is considered one of the most progressive countries in terms of women’s rights. But when it comes to reality, things are different,” she said. “Few women are in decision-making positions, wages are not equal, and employers prefer to recruit men because of issues like pregnancy for women.”

Men harass women daily in public spaces across the Arab world with comments about their appearance or clothes. But with the rise of Islamic groups in Tunisia after the revolution, Ben-Mhenni and women with her aspirations faced a new form of harassment. A general climate of religious conservatism made men suspicious of newfangled liberties, such as women’s more active role in public and their questioning of traditions. Insults and threats against Ben-Mhenni reached the point that she feared for her life.

“Extremists could not accept that a woman would defy their views and criticize them,” she said.

Ben-Mhenni lost her job in 2015. Now 34, she lives with her parents, and her work as a freelance translator offers neither a stable income nor job security. Ben-Mhenni epitomizes the employment problems women face. Since the “revolution” and its promised unleashing of opportunity for women, the

### *If more women worked ...*

Arab states rank the lowest in the world in female labor force participation at 21.2 percent in 2017, according to a recent International Labour Organization (ILO) report. This rate has been rising steadily, but women in the Arab states—which the ILO defines as the Gulf Cooperation Council countries as well as Iraq, Jordan, Lebanon, West Bank and Gaza, and Syria—still have a long way to go to bridge the gap with men, who participate at a rate of 76.4 percent.

Why does this gender gap matter? In an environment where new sources of growth are scarce, increasing women’s labor force participation could be one way of boosting economic growth in the Middle East and North Africa.

In 2014, leaders of the Group of Twenty (G20) advanced and emerging market economies committed to a 25 percent reduction in the gender gap for workforce participation by 2025. If this goal were to be realized across all countries, it could boost global employment by 5.3 percent, the ILO says.

Such an outcome would result in significant economic growth, raising global GDP in 2025 by as much as 3.9 percent, or \$5.8 trillion. The regions with the largest gender gaps—North Africa, the Arab states, and southern Asia—would stand to benefit the most. According to the IMF’s November

2013 *Regional Economic Outlook*, the Middle East, North Africa, Afghanistan, and Pakistan region could have gained \$1 trillion in cumulative output in the decade preceding the report’s release if female labor force participation had been raised enough to narrow the gender gap from triple to double the average for other emerging market and developing economies during that period.

There are clear economic gains associated with engaging more women in the labor force. But there are other positive effects as well, such as improved welfare for women and increased opportunities for them to wield influence and attain their life goals.

And these beneficial effects are borne out in the data. The ILO report says that 70 percent of women they polled preferred to work at paid jobs, regardless of their current employment status. But more than half of all women globally are out of the labor force, which suggests that significant challenges are restricting their capacity and freedom to participate.

This box is based on *World Employment Social Outlook: Trends for Women 2017* published by the International Labour Organization.