

Special Paper for M.Phil in Modern Middle Eastern Studies

Political Economy of Middle East and North Africa

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Assessment

The course will be conducted in a seminar format. Students will be required to submit three essays during the course of the term and make presentations on individual topics. Assessment will be through a three-hour examination at the end of the year.

Useful websites and Common Data Sources

The Egyptian Center for Economic Studies (ECES): <http://www.eces.org.eg/>

Arab Social Science Research <http://www.assr.org/>

Middle East Review of International Affairs <http://meria.idc.ac.il>

Economic Research Forum <http://www.erf.org.eg/>

Arab Monetary Fund www.amf.org.ae/pages/page.aspx

Gulf Cooperation Council <http://www.gcc-sg.org/eng/index.php>

UN Conference on Trade And Development FDI Country Report

www.unctad.org/Templates/Page.asp?intItemID=3198&lang=1

UNDP Human Development Report 2007. <http://hdr.undp.org/hdr2006/statistics>

World Bank Doing Business 2008. www.doingbusiness.org/economyrankings/

The Inter-Arab Investment Guarantee Corporation. <http://www.iaigc.org/>

UN Economic and Social Commission for West Asia. <http://www.escwa.un.org/>

World Bank's Website site on The Middle East and North Africa

<http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/MENAEXT/0,,menuPK:247603~pagePK:158889~piPK:146815~theSitePK:256299,00.html>

Middle East Economic Association: <http://meeaweb.org/>

Energy Information Administration, <http://www.eia.doe.gov/>

Organization of the Petroleum Exporting Countries: <http://www.opec.org/home/>

Middle East Report. <http://www.merip.org/>

Useful Sources for regular information on MENA Economies

Middle East Economic Survey (MEES): <http://www.mees.com>.

Middle East Economic Digest: <http://www.meed.com/>

Zawya, Website Adress: <http://www.zawya.com/>

Some Relevant Journals:

International Journal for Middle East Studies, Middle East Journal, Review of Middle East Economics and Finance

Useful Reference Text Books

Roger Owen and Sevket Pamuk, *A History of Middle East Economies in the Twentieth Century*. Harvard University Press 1999.

Issawi, Charles 1982. *An Economic History of the Middle East and North Africa*. London: Methuen.

Waterbury, John and Alan Richards (1998) *A Political Economy of the Middle East*, second ed. Boulder, Colorado: Westview Press.

Ayubi, Nazih. *Overstating the Arab State: Politics and Society in the Middle East*, London: IB Tauris, 1995.

Zahlan, S. Rosemary, *The Making of the Modern Gulf States*, London, Garnet Publishing Ltd., London, 1998.

Shafik, Nemat, ed. (1998): *Prospects for the Middle Eastern and North Africa Economies: From Boom to Bust and Back?* New York: St. Martin's Press.

Seminar 1

Introduction to the Political Economy of MENA

(Adeel Malik)

- *Economic history*

Roger Owen and Sevket Pamuk. (1999). *A History of Middle East Economies in the Twentieth Century*. Harvard University Press.

Issawi, Charles. (2006). *An Economic History of the Middle East and North Africa*, Routledge.

Sevket Pamuk. 2006. "Estimating Economic Growth in the Middle East since 1820," *The Journal of Economic History*, Vol. 66, pp. 809-28.

Sevket Pamuk and Jeffrey Williamson. (2000). *The Mediterranean Response to Globalization Before 1850*, (selected papers edited jointly with Professor Jeffrey Williamson of Harvard University), Routledge Press, London and New York.

Sevket Pamuk. (1990). "The Middle East in Nineteenth Century World Trade", In Haleh Esfandiari and A.L. Udovitch (eds.), *The Economic Dimensions of Middle Eastern History, Essays in Honor of Charles Issawi*, The Darwin Press, Princeton, N.J. pp. 199-214.

- *Introduction to MENA political economy*

Richards, Alan and John Waterbury. (1998). *A political economy of the Middle East*, second edition, Westview Press (chapter 3).

Owen, Roger. (2000). *State, Power and Politics in the Making of the Modern Middle East*. London and New York: Routledge (chapter 1 and conclusion).

Seminar 2

Growth and Volatility in MENA

(Adeel Malik)

- *The economic record of MENA*

Noland, Marcus and Howard Pack. (2007). *Arab Economies in a Changing World*. Washington D.C.: Peterson Institute for International Economics. (chapters 1 & 2).

Xavier Sala-i-Martin and Elsa V. Artadi (2003). "Economic Growth and Investment in the Arab World", in Peter K. Cornelius (ed.) *The Arab World Competitiveness Report 2002-2003*. Geneva: World Economic Forum.

Page, Jeffrey (1995), "From Boom to Bust-and Back? The Crisis of Growth in the Middle East and North Africa", in N.Shafik (ed.), *Prospects for Middle Eastern and North African Economies*. London: Macmillan and St.Martin's Press.

Hakimian, Hassan and Jeffrey Nugent. (2005). *Trade Policy and Economic Integration in the Middle East and North Africa*. New York: Routledge.

- *Explaining economic growth in MENA*

Nugent, Jeffrey and Hashem Pesaran. (2005). *Explaining Growth in the Middle East*. Amsterdam: North Holland (chapters 1 & 2).

Kuran, Timur. (2004). "Why the Middle East is Economically Underdeveloped: Historical Mechanisms of Institutional Stagnation." *Journal of Economic Perspectives*, 18(3): 71-90.

Elbadawi, Ibrahim. (2005). "Reviving growth in the Arab Region," *Economic Development and Cultural Change*, 53(2), pp. 293-326.

- *Islam and development*

Timur Kuran (1997). "Islam and Underdevelopment: An Old Puzzle Revisited." *Journal of Institutional and Theoretical Economics*. March, 153:1, pp. 41-71.

Kuran, Timur. (2006). *Islam and Mammon: The Economic Predicaments of Islamism*. Princeton: Princeton University Press.

Tripp, Charles. (2008). *Islam and the Moral Economy: The Challenge of Capitalism*. Cambridge: Cambridge University Press.

Marcus Noland (2003). "Religion, Culture, and Economic Performance", Institute for International Economics Working Paper 03-8. Washington: Institute for International Economics.

Seminar 3

Themes in Poverty and Inequality in MENA

(Adeel Malik)

Adams Jr., R.H. and J. Page (2003), "Poverty, Inequality and Growth in Selected Middle East and North Africa Countries, 1980-2000", *World Development* Vol. 31 (12), pp. 2027-2048.

Adams, Richard, (2000), "Self-Targeted Subsidies: The Political and Distributional Impact of the Egyptian Food Subsidy Program," *Economic Development and Cultural Change*.

Ali, A.A. and Elbadawi, I. A. (2002), "Poverty in the Arab World: The Role of Inequality and Growth", in Sirageldin, I. (ed.) *Human Capital: Population Economics in the Middle East*, pp: 62-95. Cairo: American University in Cairo Press.

Noland, Marcus and Howard Pack. (2007). *Arab Economies in a Changing World*. Washington D.C.: Peterson Institute for International Economics. (chapters 3 & 4).

Van Eeghen, W. (1998), "Poverty in the Middle East and North Africa," in N. Shafik (ed) *Prospects for Middle Eastern and North African Economies* (London).

Victor Levy (1986), "The Distributional Impact of Economic Growth and Decline in Egypt," *Middle Eastern Studies*, Vol. 22, pp. 204-213.

Wassim Shahin and Ghassan Dibeh (2000) .Earnings inequality, unemployment, and poverty in the Middle East and North Africa Westport, Conn. : Greenwood Press.

World Bank (2005), *Egypt: Toward a More Effective Social Policy: Subsidies and Social Safety Net*, Social and Economic Development Group, Washington: World Bank.

World Bank (2007), *Yemen Poverty Assessment*. Volume 1. Washington, D.C.: World Bank.

World Bank, (2000) "Social Protection in the Middle East and North Africa," Published Report by the Human Development Department, MENA Region.

- *Population and unemployment*

Farzaneh Roudi-Fahimi (2001). "Population Trends and Challenges in the Middle East and North Africa", Population Reference Bureau Briefing, December.

Onn Winckler (2002). "The Demographic Dilemma of the Arab World: The Employment Aspect," *Journal of Contemporary History*, 37: 4, pages 617-636.

Ragui Asaad and Farzaneh Roudi-Fahimi (2007). "Youth in the Middle East and North Africa: Demographic opportunity or Challenge?", Population Reference Bureau Briefing, April.

Seminar 4

Food, Agriculture and Water in MENA

(Bassam Fattouh)

This lecture will discuss the interaction between water scarcity, food security and agricultural policy and how these influence development and urbanization patterns in MENA. Until recently, agriculture was the major economic activity in the region and is still significant in some countries. However, with the development of oil reserves, agriculture has declined in importance in most countries. As a result, the Middle East has become a net importer of food with the food gap rapidly increasing. This lecture will analyse the policy constraints on the development of the agriculture sector including the role of land tenure, price signals, water resources and rapid urbanization. The lecture will also discuss rural-urban migration in the Middle East and analyse its causes and consequences. The geopolitics of water and the extent to which water will drive regional conflict (water wars) or cooperation (peace dividend) will be critically analysed.

Discussion Questions

- Should the Middle East be concerned about the issue of food security?
- What are the main push and pull factors behind rural-urban labour migration in the Middle East?
- Is water scarcity a significant factor in the modern political economy of the Middle East?

Readings

Beaumont, P. and K. McLachlan (1985), *Agricultural Development in the Middle East*. Chichester: J. Wiley and Sons.

Cleaver, K. M. (1982), *The Agricultural Development Experience in Algeria, Morocco and Tunisia: A Comparison of Strategies for Growth*, World Bank Staff Working Papers, No. 552.

Dethier, J.J. (1989), *Trade, Exchange Rate and Agricultural Pricing policies in Egypt*. Vol. I Washington D.C.: World Bank.

El-Ghonemy, M.R. (1993), "Food Security and Rural Development in North Africa", *Middle Eastern Studies*, Vol. 29, No.3, 455-466.

Haim Yacobi and Relli Shechter (2005). "Rethinking cities in the Middle East: political economy, planning, and the lived space", *The Journal of Architecture*, Vol. 10, No.5, pages 499-515.

Hans Lofgren and Alan Richards (2003), "Food Security, Poverty and Economic Policy in the Middle East and North Africa", in Hans Lofgren (ed.) *Food, Agriculture, and Economic policy in the Middle East and North Africa*. Amsterdam ; New York : JAI..

Kontos, S. (1990), "Farmers and the Failure of Agribusiness in Sudan", *Middle East Journal*, Vol. 44, No.4, 649-647.

Krueger, Anne O., Maurice Schiff, Alberto Valdes (1991), *The Political Economy of Agricultural Pricing Policy*. Volume 3: Africa and the Mediterranean. The Johns Hopkins University Press - for The World Bank (World Bank Comparative Studies).

Majd, M.G. (1992), "On the Relationship between Land Reform and Rural-Urban Migration in Iran, 1966-1976", *Middle East Journal*, Vol.46, No.3, 440-455.

Saad Eddin Ibrahim (1975) " Over-urbanization and under-urbanism: The case of the Arab world ", *International Journal of Middle East Studies* , vol. 6, Issue 1, pages 29-45.

Selby, J. (2005), "The Geopolitics of Water in the Middle East: Fantasies and Realities', *Third World Quarterly*, Vol. 26, No. 2, pp. 329-49.

Shobha, S. (2006), "Water, Food Security and Agricultural Policy in the Middle East and North Africa Region", Working Paper Series No. 47, Washington: World Bank.

Sutton, K. and A. Aghrout (1992), "Agricultural Policy in Algeria in the 1980s: Progress Towards Liberalization", *Canadian Journal of African Studies / Revue Canadienne des Études Africaines*, Vol. 26, No. 2, pp. 250-273.

Swearingen, W.D. (1987), *Moroccan Mirages: Agrarian Dreams and Deceptions, 1912-1986*. Princeton: Princeton University Press.

World Bank (2008), *Making the Most of Scarcity: Accountability for Better Water Management Results in the Middle East and North Africa*. Washington: World Bank.

Seminar 5

Structural Adjustment in the Middle East: Success or Failure?

(Bassam Fattouh)

This lecture will assess the recent macroeconomic stabilization policies and structural reforms undertaken in MENA in response to economic shocks and fiscal crisis using country case studies. It will also discuss the various areas of economic reform including financial reform, trade liberalisation, openness to foreign investment, and privatization efforts. Inter and intra-regional efforts such as the Euro-Mediterranean Agreements and the Arab Free Trade Area aimed at promoting trade and capital flows will also be analysed. The lecture will evaluate to what extent these reforms have placed MENA economies on a new growth trajectory.

Discussion Questions

- How can one explain the variation in the pace and the depth of economic reform across Middle Eastern countries?
- How did external/oil rents affect the speed, the depth and reversal of the process of economic reform?
- Has reform in the region resulted in the retreat of the state in the economic domain?

Readings

Jbili, A. and V. Kramarenko (2003), "Choosing Exchange Regimes in the Middle East and North Africa", Washington: IMF.

Augier, P., Michael Gasiorek, Charles Lai-Tong (2004), "Rules of Origin and the EU-Med Partnership: The Case of Textiles", *The World Economy* 27 (9), 1449-1473.

Ayubi, N. (1997). "Etatisme Versus Privatization: The changing economic role of the State in Nine Arab Countries", in Heba Handoussa (ed), *Economic transition in the Middle East: Global Challenges and Adjustment Strategies*, Cairo: American University in Cairo Press.

Bolle, M. J., A.B. Prados, and J.M. Sharp (2006), "Qualifying Industrial Zones in Jordan and Egypt", CRS Report for Congress, July 5.

Creane, Susan, Mobarak, Ahmed Mushfiq, Goyal, Rishi and Sab, Randa (2004), "Financial Sector Development in the Middle East and North Africa", IMF Working Paper No. 04/201.

Dennis, Allen (2006), "The Impact of Regional Trade Agreements and Trade Facilitation in the Middle East North Africa Region", World Bank WPS 3837, Washington.

Dessus, S., J. Delvin and R. Safadi (2002), *Towards Arab and Euro-Med Regional Integration*. Paris: OECD.

Galal, A. and R. Lawrence (2003), "Egypt-US and Morocco-US Free Trade Agreements", ECES Working Paper No. 87, July.

Grais, W. and Z. Kantur (2003), *The Changing Financial Landscape: Opportunities and Challenges for the Middle East and North Africa*, World Bank Policy research Working paper 3050, Washington: World Bank.

Hoekman, B. (1995), *The World Trade Organization, the European union and the Arab World: Trade policy, Priorities and Pitfalls*. In

Hoekman, B. and P. Messerlin (2002), *Harnessing Trade for Development and Growth in the Middle East*. Report by the Council on Foreign Relations Study Group on Middle East Trade Options, New York: The Council on Foreign Relations.

- Ilker Domaç and Ghiath Shabsigh (1999). "Real Exchange Rate Behavior and Economic Growth: Evidence from Egypt, Jordan, Morocco, and Tunisia", IMF Working Paper No. 99/40.
- Karen Pfieler (1992). "Algeria's implicit Stabilization Program", in Henri J. Barkey (ed.) The politics of economic reform in the Middle East. New York : St. Martin's Press.
- Khattab, M. (1999), "Privatization in Egypt: Constraints and Resolutions", in S. Fawzy and A. Galal (1999) Partners for Development: New Roles for the Government and Private Sector in Middle East and North Africa, Washington D.C.: The World Bank.
- Khosrowshahi, C. (1997). "Privatization in Morocco: The Politics of Development", Middle East Journal 52, No. 2, pp. 242-255.
- Meggison, William L. and Netter, Jeffry M. (2001). "From State to Market: A Survey of Empirical Studies on Privatization", Journal of Economic Literature, Vol. 39, No. 2, June.
- Mokhlis Y Zaki (2001). "IMF-Supported Stabilization Programs and their Critics: Evidence from the Recent Experience of Egypt." World Development 29 (11): 1867-1883.
- Omran, M., (2004), "The Performance of State-Owned Enterprises and Newly Privatized Firms: Does Privatization Really Matter?", *World Development*, 32(6), 1019-1041.
- Page, J. (2003). "Structural Reforms in the Middle East and North Africa" in Peter K. Cornelius (ed.) The Arab World Competitiveness Report 2002-2003. Geneva: World Economic Forum.
- Patrick Clawson (1992). "What's so good About Stability?" in Henri J. Barkey (ed.) The politics of economic reform in the Middle East. New York : St. Martin's Press.
- Pfieler, K. (1999). "How Tunisia, Morocco, Jordan and Even Egypt Became IMF "Success Stories" in the 1990s", Middle East Report, Spring, 23-27.
- Rivlin, P. (2001). Economic Policy and Performance in the Arab World. Boulder, CO, and London: Lynne Rienner. Chapter 5.
- Shachmurove, Y. (2003), "Financial Markets of the Middle East and North Africa: The Past and Present", PIER Working Paper 03-017, USA: Penn Institute for Economic Research.
- Shehata, S. (2003). "In the Basha's House: The Organizational Culture of Egyptian Public-Sector Enterprise", *International Journal of Middle Eastern Studies*, Vol. 35, pp. 103-132.
- Sullivan, D.J. (1990) 'The Political Economy of Reform in Egypt', *International Journal of Middle Eastern Studies*, vol. 23.
- Werenfels, I. (2002). "Obstacles to Privatization of State-Owned Industries in Algeria: The Political Economy of a Distributive Conflict", *The Journal of North African Studies*, Vol.7, No.1, pp 1-28.
- Wippel, S. (2005), "The Agadir Agreement and Open Regionalism: The New Forum for Integration on the Southern Shore of the Mediterranean in the Context of Multiple Regional Orientations", EuroMeSCopaper No. 45, September.
- World Bank (2003), "Trade, Investment, and Development in the Middle East and North Africa. Engaging with the World", Washington D.C.
- World Bank (2006) "Morocco, Tunisia, Egypt and Jordan after the End of the Multi-Fiber Agreement: Impact, Challenges and Prospects?", Washington, D.C.
- Yeats, A. and F. Ng (2000), "Beyond the Year 2000: Implications of the Middle East's Recent Trade Performance", in Bernard Hoekman and Jamel Zarrouk (eds), *Catching Up with*

Competition: Trade Opportunities and Challenges for Arab Countries, USA: University of Michigan Press.

Zarrouk, J (2003), "A Survey of Barriers to Trade and Investment in Arab Countries", in Galal, A. and B. Hoekman (eds), Arab Economic Integration, Brookings Institution Press, Washington DC.

Zarrouk, J. (2000), "The Greater Arab Free Trade Area: Limits and Possibilities", in Bernard Hoekman and Jamel Zarrouk (eds.), Catching Up with the Competition, Trade Opportunities and Challenges for Arab Countries, Ann Arbor: The University of Michigan Press, p. 285-305.

Seminar 6

The political economy of oil in MENA

(Adeel Malik)

This lecture will assess the recent macroeconomic stabilization policies and structural reforms undertaken in MENA in response to economic shocks and fiscal crisis using country case studies. It will also discuss the various areas of economic reform including financial reform, trade liberalisation, openness to foreign investment, and privatization efforts. Inter and intra-regional efforts such as the Euro-Mediterranean Agreements and the Arab Free Trade Area aimed at promoting trade and capital flows will also be analysed. The lecture will evaluate to what extent these reforms have placed MENA economies on a new growth trajectory.

Discussion Questions

- How does oil shape the economics and politics of MENA countries?
- How did external/oil rents affect the speed, the depth and reversal of the process of economic reform?
- Has reform in the region resulted in the retreat of the state in the economic domain?

Readings

Herb, Michael. 1999. *All in the Family: Absolutism, Revolution, and Democracy in the Middle Eastern Monarchies*. Albany: SUNY Press.

Hazim Beblawi, "The Rentier State in the Arab World," In eds. Hazem Beblawi and Giacomo Luciani, *The Rentier State* (London: Croom Helm, 1987), pp. 49-71.

Kiren Aziz Chaudhry (1997). *The Price of Wealth: Economies and Institutions in the Middle East*. Ithaca and London: Cornell University Press.

Esfahani, Hadi Salehi. (2005). "A re-examination of the political economy of growth in the MENA countries," In Jeffrey Nugent and Hashem Pesaran. (2005). *Explaining Growth in the Middle East*. Amsterdam: North Holland.

Crystal, J. (1995), *Oil and Politics in the Gulf: Rulers and Merchants in Kuwait and Qatar*. Cambridge University Press.

Ross, Michael. (2009). *The Curse of Oil Wealth*. Forthcoming.

<http://www.sscnet.ucla.edu/polisci/faculty/ross/Rossbook.pdf>

_____. (2008). "Oil, Islam and women", *American Political Science Review*.

_____. (1999). "The political economy of the resource curse," *World Politics*. January.

_____. (2001). "Does oil hinder democracy", *World Politics*. April.

(also see recent responses by Michael Herb and Stephen Haber).

Seminar 7

State-Business Relationship in the Middle East

(Bassam Fattouh)

This lecture will analyse the historical evolution of business-state relationship in the Gulf and how the concentration of the oil wealth in the hands of the rulers has changed the power balance between rulers and merchants. This lecture will use case studies from Kuwait, Dubai and Qatar to draw comparisons and highlight differences among the different development trajectories. The lecture will also analyse the main formal and informal channels between the private and the public sector and how these channels shape these countries' development strategy. The lecture will also analyse the historical evolution of state-business relationship in non-oil rich countries (Morocco, Lebanon and Syria) to draw some comparisons with the oil-rich Gulf countries and evaluate the extent to which existing frameworks such as network analysis and crony capitalism can explain business-state relationship in the Middle East.

Discussion Questions:

- How has the ruler-merchant relationship developed over time and how has the concentration of oil wealth in the hands of rulers changed the balance of power?
- What are the main formal and informal channels through which the public and private sector interact and what are their strengths and weaknesses?
- To what extent can network analysis/crony capitalism depict the anatomy of business-government relationship in non-oil rich countries?

Dillman, B. (2000), *State and Private Sector in Algeria: the Politics of Rent-Seeking and Failed Development*. Boulder, Colo.: Westview Press

Christopher M. D. (2005), *The United Arab Emirates: A Study in Survival*. Boulder, CO and London: Lynne Rienner Publishers.

Crystal, J. (1989), "Coalitions in Oil Monarchies: Kuwait and Qatar." *Comparative Politics* **21**(4): 427-443.

Crystal, J. (1995), *Oil and Politics in the Gulf: Rulers and Merchants in Kuwait and Qatar*. Cambridge University Press.

Haggard, S., Maxfield, S. & Schneider, B.R., "Theories of Business and Business-State Relations", in: Maxfield, S. & Schneider, B.R (ed), *Business and the State in Developing Countries*, (New York: 1997).

Hazim Beblawi, "The Rentier State in the Arab World," in eds. Hazem Beblawi and Giacomo Luciani, *The Rentier State* (London: Croom Helm, 1987), pp. 49-71.

Hvidt, M. (2006). *Governance in Dubai: The emergence of political and economic ties between the public and the private sector*. Centre for Contemporary Middle East Studies University of Southern Denmark.

Kiren Aziz Chaudhry (1997). *The Price of Wealth: Economies and Institutions in the Middle East*. Ithaca and London: Cornell University Press.

Moore, P. W. (2002). "Rentier Fiscal Crisis and Regime Stability: Business-State Relations in the Gulf." *Studies in Comparative International Development* **27**(1): 34-56.

P. Evans (1995) *Embedded Autonomy: States and Industrial transformation*. Princeton, NJ: Princeton University Press.

- Moore, P. (2004). *Doing Business in the Middle East: Politics and Economic Crisis in Jordan and Kuwait*. Cambridge: Cambridge University Press.
- Niblock, Tim and Monica Malik. (2007). *The Political Economy of Saudi Arabia*. London: Routledge.
- Powell, W.W. & Smith-Doer, L., "Networks and Economic Life", in: Smelser, N. J. & Swedberg, R. (ed), *The Handbook of Economic Sociology*, (Princeton, Princeton University Press: 1994).
- Cunningham, R.B. and Yasin K. Sarayrah (1993). *Wasta: The hidden force in Middle Eastern society*. Westport, Conn: Praeger.
- Schneider, Ben Ross. "Elusive Synergy: Business-Government Relations and Development." *Comparative Politics* 31, no. 1 (1998): 101-122.
- Steven Heydemann (2004). *Networks of Privilege in the Middle East: The Politics of reform Revisited*. New York: Palgrave MacMillan.
- Jacqueline S. Ismael, *Kuwait: Dependency and Class in a Rentier State* (Gainesville, FL: University Press of Florida, 1993)

Seminar 8

Labour Markets and Migration in MENA

(Bassam Fattouh)

This lecture will analyse the main features of labour markets in MENA and the role that the rapid expansion of the public sector has played in shaping labour market outcomes in the region. The lecture will analyse the various axes of labour market segmentation along private-public, national-foreign, male-female, and formal and informal lines. The role of women in the labour market and the feminization of the public sector will be explored. The GCC's governments' attempts to nationalise their labour force and the economic and social impacts of nationalisation policies will be critically analysed. The lecture will also analyse the main trends in intra-regional migration (forced and non-forced migration) and international migration and the linkages amongst the MENA economies through labour flows and channels of transmission of oil-market related shocks.

Discussion Questions:

- How has public sector employment shaped labour markets in the region?
- What are the main factors that limit greater participation of GCC nationals in the private labour force?
- To what extent can culture and religion explain the limited participation of women in the labour force?

Readings

Assaad, R. (1997), "The Effects of Public Hiring and Compensation Policies on the Egyptian Labour Market", *World Bank Economic Review*, Vol. 11, 85-118.

Assaad, R. and M. Arntz (2003), "Constrained Geographical Mobility and Gendered Labour Market Outcomes Under Structural Adjustment: Evidence From Egypt", [World Development Volume 33, Issue 3](#), March 2005, Pages 431-454.

Birks, J.S. and Sinclair, C.A. (1980), *Arab Manpower, the Crisis of Development*, London: Croom Helm.

Cagatay, N. and S Ozler (1995), "Feminization of the Labour Force: The Effects of Long Term Development and Structural Adjustment", *World Development*, Vol 23 No. 11

Choucri, (1986), 'The hidden economy: a new view of remittances in the Arab World', *World Development*, vol. 14, no. 6.

Fasano, U. and Goyal, R. (2004), "Emerging Strains in GCC Labor Markets" (April 2004). IMF Working Paper No. WP/04/71

Gil Feiler. Migration and Recession: Arab Labor Mobility in the Middle East, 1982-89. *Population and Development Review* 17. No 1. March 1991.

Girgis, M. (2002) "Would Nationals And Asians Replace Arab Workers in the GCC?" Paper Presented at the Fourth Mediterranean Forum. Downloadable from: <http://www.worldbank.org/wbi/mdf/mdf4/papers/girgis.pdf>

Girgis, Maurice. 2002. "National versus Migrant Workers in the GCC: Coping with Change." In Heba Handoussa and Zafiris Tzannatos, eds., *Employment Creation and Social Protection in the Middle East and North Africa*. Cairo: American University in Cairo Press.

Glytsos, Nicholas (2002), "Perspectives of Employment and Emigration in Middle Eastern and North African Countries", *European journal of development research*, 2002, Vol. 14, Issue 2, p228,

Johansson de Silva S., Silva-Jauregui C. (2004) "Migration and Trade in MENA: Problems or Kapiszewski, A (2001), *Nationals and Expatriates. Population and Labour Dilemmas of the Gulf Cooperation Council States*. Reading, UK.

Karshenas, M. (2001) 'Economic liberalisation, competitiveness, and women's employment in the

Looney, R. (2004): "Saudization: A Useful Tool in the Kingdom's Battle against Unemployment?" *Journal of South Asian and Middle Eastern Studies*, Vol. XXVII, No.3, pp.13-33.

Moghadam, V.M. (1998), *Women, Work and Economic Reform in the Middle East and North Africa*, London: Lynne Rienner Publishers.

Roy, D.A. (1989) 'Egyptian emigrant labour: domestic consequences', *Middle Eastern Studies*, vol. 25. no. 3.

Said, M. (2000) "Public Sector Employment and Labour Markets in Arab Countries: Recent Developments and Policy Implications", in S. Isfahanai (ed.), *Labour and Human Capital in the Middle East* (London: Ithaca Press)

Said, M. (2000), "A Decade of Rising Wage Inequality? Gender Occupation, and Public Private Issues in the Egyptian Wage Structure", *Economic Research Forum for the Arab Countries, Iran and Turkey EGYPT LABOR MARKET PROJECT*, Downloadable from: <http://www.iceg.org/NE/projects/labor/inequality.pdf>

Shaban, R. Assas and S. Al-Qudsi (1995), "Employment Experience in the Middle East and North Africa", *International Labour Review*, ILO, Geneva, vol 134, No. 1, 1995/1.

Shah, N.M. and S. al-Qudsi (1989) 'The changing characteristics of migrant workers in Kuwait', *International Journal of Middle Eastern Studies*, vol. 21.

World Bank (2004), "Unlocking the Employment Potential in the Middle East and North Africa: Toward a New Social Contract", World Bank: Washington.

World Bank (2008), "The Road Not Travelled: Education Reform in the Middle East and North Africa", Washington: World Bank.

