Education Reform as an Element of Workforce Nationalization in the Gulf Cooperation Council: Policy Recommendations for Sustainable Socioeconomic Development

Major Research Paper by

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In Partial Fulfillment of the Requirements
for the Degree of
Master’s of Public and International Affairs

University of Ottawa
Graduate School of Public and International Affairs

Submitted March 26, 2013
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Abstract

The technologically advanced knowledge economies of today increasingly demand that new labour market entrants possess the requisite preparation that will allow them to be productive contributors in multiple sectors of the workforce. This preparation is often seen as a function of the education system, which is expected to develop not only technical competencies but also an extensive list of ‘soft’ or non-cognitive skills including problem-solving, being able to work as part of a team, leadership, skills, perseverance and worth ethic.

Acknowledging the importance of producing world-class human capital, so as to maintain continuous development and growth, the countries of the Gulf Cooperation Council (GCC), namely Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates, have begun to enact a series of comprehensive reforms of their respective education systems. These efforts are seen in opposition to the unsustainable tradition of funneling local human capital into the public sector and the over-reliance on expatriate labour.

This paper begins with a review of the historical trends that have contributed to the over-abundance of foreign labour in the region. Subsequently, the paper outlines a series of implications - social, economic and political - should this status quo remain. Following this, a critical analysis of the current deficiencies and gaps of the education system will be conducted. The paper concludes with a series of recommendations aimed at driving future policy-level discussions in the Gulf region on the topic of education reform.
I Introduction

The six nations of the Gulf Cooperation Council (GCC)\(^1\) currently find themselves at a critical juncture. The region has one of the fastest-growing populations in the world and one of the world’s youngest demographic profiles, where the vast majority of individuals are under the age of 25.\(^2\) However, it is the youth cohort in these countries that is predominantly affected by the chronic and persistent unemployment that plagues much of the Arab world.

“The region’s youthful demographics is viewed both as an enabler of economic growth and a potential threat.”\(^3\) Recent tumultuous social and political developments in the wider Arab world have shown that government failure to link their populations with gainful and meaningful employment is a root cause of instability and stunted economic growth. The aftermath of the Arab Spring has exerted further pressure on government decision makers in the GCC to be deliberate and act swiftly, so as to avoid being afflicted by the same destabilizing forces.

Government leaders are aiming to take advantage of the present-day population boom and their society’s youthful characteristics, because “unless there is a plan to invest in this human capital to form the cornerstone of development by enabling it to acquire the requisite knowledge, skills and values, it will be a burden on the economy.”\(^4\) The GCC’s long-standing reliance on foreign labour, coupled with the persistent funneling of nationals into the public sector – a sector characterized by substantially inflated wage packets and welfare benefits – have increasingly come to be viewed as harmful policies that perpetuate inefficiency and diminished socioeconomic growth.

\(^1\) The GCC is comprised of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates.
Furthermore, after years of steadily creating jobs for nationals, the public sector has now become saturated and public sector wage bills are at unsustainably high levels in relation to GDP.\(^5\) Governments can no longer act as employers of first and last resort, especially when facing a growing population that will further strain the public purse with an increase in demand for government services. Compounding this hefty expenditure burden are fiscal stimulus programs and public sector wage increases that were implemented to counteract a drop in private investment and to placate growing fears of popular unrest in the Arab Spring era, respectively.\(^6\)

In order to counteract the negative effects caused by past policies, all of the GCC member-states have committed to a complete overhaul of their long-term economic growth and development strategies, seeking to diversify their economies. In order to meet socioeconomic development goals, the GCC countries should adopt efforts to relinquish their over-dependency on volatile and finite oil revenues, so as to exhibit a sustainable growth strategy for the future. Another core aspect mutually shared by the aforementioned strategies is the need to engage a significantly higher proportion of the local population in private sector employment and the more skilled component of the workforce, which is crucially underrepresented with local talent. No longer able to absorb the high costs of supplying locals with public sector employment in addition to the short-sighted reliance on expatriate labour, “the examination and implementation of nationalization policies are necessary considerations for governments to redress these socio-demographic imbalances within the labor markets.”\(^7\) In the GCC, these workforce nationalization

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\(^7\) Randeree, Kasim. “Workforce Nationalization in the Gulf Cooperation States.” *Center for International and Regional Studies, Georgetown University School of Foreign Service in Qatar, Occasional Paper Series No. 9*. 2012.
initiatives have become known as Bahrainization in Bahrain, Kuwaitization in Kuwait, Omanization in Oman, Qatariization in Qatar, Saudization in Saudi Arabia, and Emiratization in the United Arab Emirates.\(^8\)

This comprehensive human resource strategy drives decision makers to ensure that the right mechanisms are in place to produce the desired standard of human capital necessary and that the mechanisms themselves are functioning properly. In the Gulf, the problem is not so much one of needing to create jobs in order to satisfy the unemployed masses, but rather a dearth of qualified talent, in that the local population is widely criticized for not wielding the proper technical and soft skills required by employers in this modern-day knowledge economy, thus explaining the preference for imported foreign labour. “To this effect, education has always been seen as a fundamental component of human well being and national productivity,”\(^9\) and thus, “instilling the readiness for a higher performance workforce becomes a responsibility of the function of education.”\(^10\)

“The stability of the economy mainly lies in the education system which should prepare national manpower to better integrate in the workforce. Especially with the rising need of the GCC countries to diversify their economies, governments should ensure that their citizens have the opportunities and resources to excel in needed specializations.”\(^11\)

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In recognition of this, leaders in the GCC have proceeded to invest a great deal in all-
embracing education reform initiatives, working in close collaboration with international
partners from both the private and public sectors. This represents a shift from previous
tendencies since, historically, many Gulf Arab leaders have been disinclined to accept Western-
recipes for reform pertaining to socioeconomic and political issues. However, on matters of
education, regional leaders are diverging from that trend and enthusiastically welcoming reform
prescriptions from foreign entities.12

The reasoning behind the massive expenditure on education reform is two-fold: First, governmental leaders hope that by enhancing the quality of education, the human capital capacity of the country will increase, thereby allowing a relaxation on the dependency for expatriate labour and simultaneously decreasing unemployment rates among nationals. Secondly, at the individual level, a cultural shift in mindset is being sought so as to promote an open-minded perception in the population towards employment opportunities, and to instill a sense of pride and work ethic in individuals. Wielding the power of education can enable GCC nationals to transform the societies they are living in. Education can make these individuals conscious of their ability to put knowledge into action, “re-create a social world and establish a dynamic society.”13

The high unemployment rate among locals is commonly perceived as a consequence of the education system’s failure to adequately impart the value of hard, honest work to children and youth.14 Poor work ethic is a widespread problem and perhaps the most difficult obstacle to

overcome in terms of increasing the rate of workforce participation amongst locals. “‘Clock-
watching is costing the state budget 1.5 billion riyals (US$397 millions) a year: late arrivals lead
to wastage of more than 5 million working hours per year; leaving the desk and chatting with
colleagues – 19 million working hours; absence without an excuse – 30 million working
hours.”

Accordingly, GCC government expenditure on education infrastructure, as a percentage
of GDP, has on average largely matched much of the developed world. So, the education
system’s failure to produce employment candidates with the right characteristics cannot
necessarily be blamed on GCC governments’ inaction or on a limited supply of educational
opportunities.

The source of the dilemma, rather, can be pointed to the qualitative deficiencies in
pedagogical styles and curricular content, coinciding with a disincentivized local population that
has grown overly-accustomed to traditionally ‘guaranteed’ public sector employment as well as
the abundance of expatriate labour which constitutes most of the workforce. “Despite more than
a decade of dramatic expansion – in enrollment, female participation, numbers of institutions,
and programs… education continues to fall far short of the needs of students, employers, and
society at large.”

The GCC “must review its education policy in order to enhance the sector and

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15 Kapiszewski, Andrzej. Nationals and expatriates: population and labour dilemmas of the Gulf Cooperation
develop it qualitatively, allowing young Arab generations to become a human force able to build, renew and actively participate in a comprehensive development process.”

This paper aims to offer an examination of the role of education in efforts to develop the human capital of national populations in the GCC so as to increase local participation rates in the labour force, making it capable of advancing development and sustaining growth for the future in the new knowledge economy. The paper will begin by presenting the historical circumstances that have contributed to the dilemmas currently faced today; namely, skills-mismatch between educational outputs and labour market demand, high unemployment amongst locals, and finally, the disincentive structures that act as ‘barriers’ of entry to the workforce for locals. A discussion of the implications of failing to adequately develop local human capital and translate it into a workforce that is well represented with nationals will subsequently be discussed. The following section will offer an exploration of the multiple core deficiencies inherent in the education sector that are being targeted for reform. Ultimately, the paper will conclude with a series of policy recommendations, aimed at improving education system outputs, which I hope will positively complement existing literature and forthcoming discussions on the topic of education reform in the GCC.

II GCC Labour Market Characteristics – How Did We Get Here?

How did the GCC countries find themselves in this current predicament? Before the discovery of oil and industrialization in the region, the GCC countries were home mainly to several small nomadic tribes, peasants, and fishermen who subsisted off traditional agrarian economic practices. During the early 1970s and as a result of the oil boom, the expansion of the oil sector created numerous jobs but these jobs required skills that the indigenous populations did

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not possess. In order to alleviate this skills shortage, the practice of importing labour from abroad began and this step initiated the years-long pattern of over-reliance on foreign workers.

Demonstrating the large extent to which the GCC depends on migrants, the GCC region houses approximately 7 percent of the world’s entire migrant population and all six GCC member states are represented in list of top ten countries with the highest percentage of international migrants.19

The table below displays the composition of the GCC labour forces over time, differentiated by national and expatriate labour. It should be noted that standards of data keeping in the GCC are generally poor, but the following data represent a consolidation of primary and secondary figures that this author believes come from the most reliable sources available.

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## GCC Labour Forces – Native and Foreign Components, 1975-2008 (000s)

<table>
<thead>
<tr>
<th></th>
<th>1975</th>
<th>1985</th>
<th>1990</th>
<th>1999</th>
<th>2008*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahrain</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Nationals</td>
<td>46</td>
<td>101</td>
<td>127</td>
<td>113</td>
<td>139</td>
</tr>
<tr>
<td>Foreigners</td>
<td>30</td>
<td>174</td>
<td>258</td>
<td>307</td>
<td>458</td>
</tr>
<tr>
<td>Total</td>
<td>76</td>
<td>58.0</td>
<td>51.0</td>
<td>63.2</td>
<td>76.7</td>
</tr>
<tr>
<td>% Foreigners</td>
<td>39.5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kuwait</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nationals</td>
<td>92</td>
<td>126</td>
<td>118</td>
<td>221</td>
<td>351</td>
</tr>
<tr>
<td>Foreigners</td>
<td>213</td>
<td>544</td>
<td>731</td>
<td>1,005</td>
<td>1,742</td>
</tr>
<tr>
<td>Total</td>
<td>305</td>
<td>670</td>
<td>849</td>
<td>1,226</td>
<td>2,093</td>
</tr>
<tr>
<td>% Foreigners</td>
<td>69.8</td>
<td>81.2</td>
<td>82.0</td>
<td>83.2</td>
<td></td>
</tr>
<tr>
<td>Oman</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nationals</td>
<td>137</td>
<td>167</td>
<td>189</td>
<td>312</td>
<td>276</td>
</tr>
<tr>
<td>Foreigners</td>
<td>71</td>
<td>300</td>
<td>442</td>
<td>503</td>
<td>809</td>
</tr>
<tr>
<td>Total</td>
<td>208</td>
<td>467</td>
<td>631</td>
<td>815</td>
<td>1,169</td>
</tr>
<tr>
<td>% Foreigners</td>
<td>34.1</td>
<td>64.2</td>
<td>70.0</td>
<td>61.7</td>
<td>74.6</td>
</tr>
<tr>
<td>Qatar</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nationals</td>
<td>13</td>
<td>18</td>
<td>21</td>
<td>36</td>
<td>72</td>
</tr>
<tr>
<td>Foreigners</td>
<td>54</td>
<td>156</td>
<td>230</td>
<td>244</td>
<td>1,193</td>
</tr>
<tr>
<td>Total</td>
<td>67</td>
<td>174</td>
<td>251</td>
<td>280</td>
<td>1,265</td>
</tr>
<tr>
<td>% Foreigners</td>
<td>80.6</td>
<td>89.7</td>
<td>91.6</td>
<td>87.1</td>
<td>94.3</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nationals</td>
<td>1,027</td>
<td>1,440</td>
<td>1,934</td>
<td>3,173</td>
<td>4,173</td>
</tr>
<tr>
<td>Foreigners</td>
<td>773</td>
<td>2,662</td>
<td>2,878</td>
<td>4,003</td>
<td>4,282</td>
</tr>
<tr>
<td>Total</td>
<td>1,800</td>
<td>4,102</td>
<td>4,812</td>
<td>7,176</td>
<td>8,455</td>
</tr>
<tr>
<td>% Foreigners</td>
<td>42.9</td>
<td>64.9</td>
<td>59.8</td>
<td>55.8</td>
<td>50.6</td>
</tr>
<tr>
<td>UAE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nationals</td>
<td>45</td>
<td>72</td>
<td>96</td>
<td>124</td>
<td>455</td>
</tr>
<tr>
<td>Foreigners</td>
<td>252</td>
<td>612</td>
<td>805</td>
<td>1,165</td>
<td>2,588</td>
</tr>
<tr>
<td>Total</td>
<td>297</td>
<td>684</td>
<td>901</td>
<td>1,289</td>
<td>3,043</td>
</tr>
<tr>
<td>% Foreigners</td>
<td>84.8</td>
<td>89.5</td>
<td>89.3</td>
<td>90.4</td>
<td>85.0</td>
</tr>
<tr>
<td>TOTALS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nationals</td>
<td>1,360</td>
<td>1,896</td>
<td>2,485</td>
<td>3,979</td>
<td>5,466</td>
</tr>
<tr>
<td>Foreigners</td>
<td>1,393</td>
<td>4,375</td>
<td>5,218</td>
<td>7,114</td>
<td>11,072</td>
</tr>
<tr>
<td>Total</td>
<td>2,753</td>
<td>6,271</td>
<td>7,703</td>
<td>11,093</td>
<td>16,538</td>
</tr>
<tr>
<td>% Foreigners</td>
<td>50.6</td>
<td>69.8</td>
<td>67.7</td>
<td>64.1</td>
<td>66.9</td>
</tr>
</tbody>
</table>


Since the local population was too small and too under-educated to contribute to the modernization strategies being implemented during the oil-boom years of the 1970s, the GCC countries opted for the quick-fix importation of foreign labour and expertise. The problem with this rushed development model is that long-term sustainability was sacrificed in order to ensure short-term gains in development and growth. Furthermore, this practice “ends up weakening local demand for knowledge and forfeiting opportunities to produce it locally and employ it effectively in economic activity.”

It should be noted, though, that the GCC governments did take advantage of rapidly rising oil rents so as to develop a formal education system which had previously been focused almost entirely on the study of religious texts. However, the system was, and still is today, “mostly geared toward providing diplomas rather than the skills, expertise and savoir-faire necessary to participate in the labor market. The curricula, textbooks, and teaching methods do not meet the requirements of a new knowledge economy.”

Indicative of the low value placed on education by GCC societies is that between 1995 and 2000, of the new Saudi entrants in the labour market, 28 percent were elementary school dropouts “who lacked the basic skills even for entry level jobs.”

The presence of GCC nationals in even the most entry-level and non-skilled positions is a rarity in the region. Cultural perceptions remain an ever-present barrier to entry in low-skilled jobs, given that GCC national populations have grown accustomed to seeing these jobs carried out by cheap foreign labour, originating primarily from other Middle Eastern and North African

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(MENA) countries and Asia. “Many occupations in the services sector, such as taxi drivers, food service clerks, and particularly household workers (including cooks, nannies and cleaners) are considered the terrain of less-respected foreigners and are therefore unattractive for nationals.”

Although higher skilled positions are viewed more positively, many locals remain unmotivated to work unless they receive management level positions or higher, regardless of the field of work.

Due both to the dearth of locally-available human capital as well as cultural barriers to the private sector, governments across the GCC, buoyed by substantial oil wealth, became the primary employer of nationals. In fact, the traditionally perceived superiority of public sector employment was a key factor that detrimentally created a disincentive with regards to the pursuit of higher education in the region, the legacy of which has continued to exacerbate low levels of national penetration in the labour force. The reason is that the large majority of public sector jobs do not, however, require a candidate to possess a post-secondary degree and the sector itself remains the primary source of employment for the region’s national populations.

Higher pay, better job security, social allowances, shorter working hours and promotion that is based on seniority rather than performance make working for the government a more desirable option than pursuing private sector employment. The two tables below respectively indicate the public sector’s share of national employment and the number of nationals employed in the private sector.

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GCC’s Public Sector Share of All Employed Nationals (%)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahrain</td>
<td>68</td>
<td>80</td>
<td>38</td>
<td>29</td>
</tr>
<tr>
<td>Kuwait</td>
<td>42</td>
<td>75</td>
<td>87</td>
<td>86</td>
</tr>
<tr>
<td>Oman</td>
<td>76</td>
<td>n.d.</td>
<td>50</td>
<td>47</td>
</tr>
<tr>
<td>Qatar</td>
<td>n.d.</td>
<td>n.d.</td>
<td>89</td>
<td>88</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>70</td>
<td>82</td>
<td>73</td>
<td>72</td>
</tr>
</tbody>
</table>

GCC’s Private Sector Share of All Employed Nationals (%) – 2003 Data

<table>
<thead>
<tr>
<th></th>
<th>Total Workers (000s)</th>
<th>% of Nationals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bahrain</td>
<td>254</td>
<td>30</td>
</tr>
<tr>
<td>Kuwait</td>
<td>1,071</td>
<td>3</td>
</tr>
<tr>
<td>Oman</td>
<td>158</td>
<td>48</td>
</tr>
<tr>
<td>Qatar</td>
<td>252</td>
<td>3</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>4,315</td>
<td>46</td>
</tr>
<tr>
<td>UAE</td>
<td>99</td>
<td>1</td>
</tr>
</tbody>
</table>


Currently, the average private sector salary is roughly only a third of the public sector salary. Some GCC governments have requested the private sector to increase salaries handed out to nationals or have been outright subsidizing private sector salaries by transferring public funds. However, just like the quota systems and penalty schemes that will be discussed in more detail shortly, it is entirely implausible that these actions will eliminate the culture of dependency that currently plagues Gulf societies – a dependency that acts as a major impediment to the creation of an independent, innovative, and hard-working workforce.

The extreme segmentation of the labour market between private and public has not, in any event, prevented the present unemployment crisis that is affecting the GCC countries. Both

bloated public sectors no longer able to absorb nationals, as well as low-skilled national labour has led to national unemployment rates (based on 2008 data) of 15% in Bahrain and Oman, and 13% and 14% respectively in Saudi Arabia and the UAE. The unemployment rate of just 3.2% in Qatar, a reduction from 11.6% in 2001, is commendable, but massive natural resource development in the country has likely contributed to expansive local hiring sprees by the public sector there, evidenced by the data on public sector employment in the above tables.

The unemployment amongst nationals is, furthermore, largely concentrated in the youth demographics between ages 19-25, with those figures ranging from 12% to 30% in the region. The region’s growing population will need to either be provided with artificially created jobs, which most public sectors are no longer realistically able to do, or be instilled with the appropriate skills and cultural perceptions that are increasingly being demanded by the private sector.

Until recently, alternative efforts to increase national participation in the workforce have been implemented from above, but have garnered little success. Every GCC government has initiated workforce nationalization programs aimed at alleviating high unemployment rates as well as promoting alternate career paths to engage locals with. However, local critics argue that many of the programs that are being administered under these workforce nationalization policies are misguided. A major implication of these policies is that they indirectly convey a negative image of the private sector, which will not improve the appeal of private sector employment to locals.

Under these programs, a penalty system whereby private sector firms that have more foreigners than nationals on their payroll can be fined annually for each excess foreigner. It has been difficult to get the private sector to legitimately buy in to the policy, with most companies opting to exploit system loopholes whereby they make hires-of-convenience and keep local employees on staff without expecting them to do any actual work. Crucially, even with the penalties taken into consideration, foreign labour still represents a more cost-effective alternative than nationals.

In the immediate future, at least, it is unrealistic to imagine a complete turnaround in terms of local labour replacing expatriates. Thus, the private sector will continue to be reliant on foreign labour until local human capital capacities improve dramatically. It is foreseeable, then, that many companies will have staff compositions that necessitate penalties. In publicizing the ‘wrong-doings’ of these firms and their subsequent punishments, it is entirely possible that a stigmatization of private sector will occur, with locals seeing it as an obstacle to their own advancement. In the future, this could be unfavourable to local participation rates in the private sector and, more importantly, will do nothing to solve the fundamental issue, which is to develop workers with the right skills that are needed today.

Additionally, by essentially forcing the private sector to employ local labour, there is a strong likelihood that the culture of dependency and entitlement will continue, meaning that locals will feel just as confident of obtaining guaranteed employment in the private sector, similar to what they are used to with the public sector. This will further disincentivize locals from pursuing formal education, especially if companies, which might otherwise require a certain level of qualification from employment candidates, are forced to settle for subpar

candidates solely due to the legally mandated labour force composition structure that is being advocated by government entities.

Finally, it is worth mentioning a unique characteristic inherent in the labour markets of the GCC countries that acts as a further impediment to the development of human capital and the participation of locals in the labour force – the sponsorship system also known as the kafeel or kafala system. Only in Saudi Arabia and Bahrain do the legal codes permit 100 percent foreign ownership over private businesses. For the rest of the region, and outside of the designated economic free zones, the establishment of private companies cannot be achieved without involvement and sponsorship from local partners, though measures are being taken to address the issue and the governments of Qatar and the UAE are each discussing changes that could elicit a relaxation of the foreign ownership regulations currently in place. These legal reforms aim to provide flexibility for negotiation between shareholders over the allocation of shares, as well as permitting full foreign ownership in ‘priority’ sectors such as agriculture, health, and tourism.\textsuperscript{30,31}

However, at the moment, those seeking to set up business in places like Qatar and the UAE must accept that they are unable to control more than 49 percent of the share capital in the company, with 51 percent being allocated, \textit{de jure}, to an individual local partner or a company that is wholly-owned by a national of the country. Furthermore, there exists no legal obligation for the local partner to be involved in any of the management functions within the company.\textsuperscript{32}

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Over time, these conditions act as disincentives with regards to the pursuit of education, skill advancement and the development of a strong work ethic, as it awards nationals with the benefits of economic success whilst allowing them to forego the academic route (i.e. pursuing a post-secondary degree) that would otherwise be required to attain executive positions of employment. Further, when local partners are not necessarily obligated to perform workplace duties or managerial functions, whilst still being eligible to be majority shareholders in multiple companies, any incentive to pursue more education than is necessary will be rendered virtually non-existent. Thus, the development of human capital will stall when there are ample economic benefits to be gained without the need to obtain higher, skill-related education.

III  Consequences of the Continuation of Current Practices

III.1 Possibility of an Impending Foreign Exodus

The sizable population of expatriate workers is primary attracted to the region for the high quality of living on offer, made possible through little-to-no taxation and high wages. Eventually, though, as a result of demographic shifts and the need to sustain the plethora of developmental projects currently in the pipeline, it is realistic to predict that governments will be compelled to begin imposing some form of taxation. Such a move could limit opportunities for attracting talent from abroad. Furthermore, the increasing rate of negative publicity associated with questionable employment practices and human rights violations in the region also serve as disincentives for those seeking international work experience. Foreign workers are often mistreated both physically and remuneratively. Employers do not consistently respect pre-determined working hours and days off and female workers in particular are susceptible to abuse by employers and colleagues alike.
Prior to the global financial crisis, civil society actors in the region had begun to pressure leaders at the policy level to enact reforms to eliminate these sources of negativity; “one target has been the *kafala* system, which requires foreign workers to have “sponsors” to obtain a visa and mandates their immediate deportation if they lose their jobs.”\(^3^3\) The Prime Minister of Qatar was one of many regional dignitaries to publicly condemn the practice as a form of modern day slavery. Somewhat hypocritically then, Qatar has chosen to delay any further progress with regards to *kafala* reform, citing that the country is waiting on the initial results from nearby Bahrain and Kuwait, both of which have already taken measures to abolish the system.

Will foreigners opt to stick around amidst these ongoing pressures, not to mention the persistent political instability that surrounds the region, which at present is inching closer and closer to the GCC countries? Whether financial troubles as seen in the UAE or political turmoil most recently experienced in Bahrain, such instability has already contributed to a massive exodus of foreign workers. Consequently, this talent-drain crisis - at both the low and high ends of the skill spectrum - has been damaging to the economies of these countries.\(^3^4\) Already, the warning signs are present. Following the recommendation of the Filipino Department of Labour and Employment and the Department of Foreign Affairs, the deployment of domestic workers to Kuwait, Qatar and the UAE could come to a halt, due to the disharmony of labour rights legislation between the Philippines and each of the aforementioned countries.\(^3^5\) During the high-growth years prior to the most recent global economic downturn, Western expatriate workers were such a valued commodity that many firms competed for the best talent available by handing

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\(^3^4\) Lewis, Paul. “Expat exodus as Dubai's bubble bursts.” *The Brunei Times.*

\(^3^5\) Sambidge, Andy. “UAE, Kuwait, Qatar face ban on Filipino maids.” *Arabian Business.*
out bloated salary and benefit packages. Today, unwilling and often unable to continue on such a path, financial prudence has been strictly adhered to by much of the private sector and “Western expatriates are no longer required.”

Additionally, whether out of necessity or preference, in persisting with current practices of predominantly hiring foreigners, the Gulf countries are indirectly supporting a capital outflow that provides them with little benefit. In the Gulf, foreign workers are provided with little incentive to remain loyal to their host country, as there are virtually no opportunities to become naturalized and consequently granted citizenship. Workers, many of whom are employed on short-term contracts, send remittance to their country of origin, thus depriving GCC host countries of the economic benefits that would come if the money were instead used for consumption and investment purposes locally. Remittances pouring out of the GCC today amount to approximately $35 billion per year. One would think that based on cultural similarities, non-GCC Arab foreign workers would alleviate the outflow problem as they may be more inclined to keep their money in their host country. However, their proportion of the population, even with the addition of GCC Arabs, is relatively small and only constitutes approximately 25-29% of the total GCC population.

III.2 Unemployment and “Education Poverty” = Radicalization?

Since the 9/11 era began, policy makers worldwide have pursued a multitude of ideas and prescriptions in an attempt to destabilize the cultural and structural elements that are manipulated

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by extremist groups to serve their cause. In the United States, prominent foreign policy experts have gone so far as to identify education as the “fourth dimension of foreign policy.”\textsuperscript{40} It is now a widely acknowledged fear that under-education and consequent slow-downs in social development will create fertile ground for extremist breeding.\textsuperscript{41}

Barring Saudi Arabia, though, the Gulf countries have generally not been regarded as hotbeds of radicalization, religious extremism and militant social movements. The capitulation of the Pan-Arab movement, championed by former Egyptian President Gamal Abdel Nasser, as well as the oil boom of the 1970s, drove the leaders of the Gulf states to isolate themselves from the regional political agendas, choosing instead to direct their energies towards trade with the West. Oil wealth was no longer seen as a political tool but rather one that would contribute to economic growth. The political culture fostered in these countries was not conducive to the entrenchment of extremist ideology. The GCC’s generous, oil-revenue supported welfare systems have been largely successful in preventing crises of radicalization that plague large swathes of the under-privileged populations in neighbouring countries such as Egypt and Yemen. In fact, several Gulf governments donate substantial amounts of aid to these countries so as to back the vulnerable governments in place there in their efforts to indirectly defend against the growth of extremism in their own countries. “Al Qaeda and ideology are perceived as enemies of status quo states, as is the case in [the] GCC.”\textsuperscript{42}

However, in recent years, extremist factions in several of the GCC countries have emerged, posing a threat to not only internal security but also to regional and international


stability as well. In the UAE, the government has embarked on an internal crackdown against dissidents linked to Islamist extremist groups with the arrests including relatives of the royal family and senior legislators.\footnote{Reuters. “UAE extends crackdown on Islamists, 8 arrested.” Yahoo! News. http://news.yahoo.com/uae-extends-crackdown-islamists-8-arrested-145255719.html (accessed November 8, 2012).} In Bahrain, the sole GCC country to have substantially been affected by the wave of Arab Spring societal revolts, evidence suggests fundamentalist groups, funded by external actors in the region like Lebanon’s Hezbollah and Iran, were behind terrorist attacks within the country.\footnote{Toumi, Habib. “Bahrain says major terror plot foiled.” Gulf News. http://gulfnews.com/news/gulf/bahrain/bahrain-says-major-terror-plot-foiled-1.1041583} High unemployment and the state of the national economy in general are major contributing factors to these localised pockets of radicalism.

The effects of the most recent global financial crisis in the Gulf were relatively tame given the fact that the respective governments maintained an adequate reserve of funds to adopt comprehensive fiscal stimulus programs as well as decrease interest rates.\footnote{Khamis, May, Abdelhaj Senhadji, Joshua Charap, and Serhan Cevik. “Impact of the Global Financial Crisis on the Gulf Cooperation Council Countries and Challenges Ahead: An Update.” International Monetary Fund. 2010. http://www.imf.org/external/pubs/ft/wp/2010/wp1002.pdf (accessed November 2012).} For some segments of society, blame for the financial malaise rested on the shoulders of foreigners, with some citing that stricter adherence to Islamic financial rules would have prevented the credit crisis from occurring altogether.\footnote{McGinley, Shane. “Islamic finance ‘would have prevented credit crunch’.” Arabian Business. http://www.arabianbusiness.com/islamic-finance-would-have-prevented-credit-crunch--432159.html (accessed November 2012).} Pre-crash, the local population was benefitting financially from Western-imported business practices, but those same practices left many vulnerable after the heyday subsided. Prior to the crash, economic prospects were rosy and much of the local population could live off the fruits borne predominantly by expatriate workers. Now, “there are a lot of angry young people out there, and the whole region will go up in smoke in ten years if they can’t...}
find employment for them.” With reliance on the public sector proving unsustainable, if local human capital is not presented with an opportunity to eliminate the mismatch of skills being provided by the local education apparatus in comparison to the demands of the private sector, a sense of purposelessness could consequentially lead to radicalization.

This author’s intention is not to comprehensively argue whether or not a particular political and/or ideological system entails a better chance at achieving economic prosperity. In fact, the contemporary rise of China has indicated that democratic systems may not actually be necessary to achieve growth and economic development. However, this analysis is based on the opinion that political Islam, oftentimes embodying an undemocratic character and plagued with corruption, will fail to generate the same stability and innovation necessary for sustainable growth. For the citizens of these types of states, being confined within a limited space of what is doable or not can stifle innovation by repressing new ways of thinking. In Egypt, a country now under the purview of an Islamist government, the country’s economic prospects look dire, with some estimates positing daily losses suffered by the economy at approximately US$ 300 million.

Thus, to concisely summarize the analysis above, there is a risk that ideological extremism can sprout from the failure to suitably equip the population with the education and skills required to be employable, positive contributors to the knowledge economy. This in turn can contribute to a downward spiral of chronic insecurity and cripple development from a political, social, and economic perspective. Lack of opportunity and high unemployment rates have catalyzed the political winds engulfing the wider Middle East and North Africa region,

resulting in “the first tremors of a youthquake.”\textsuperscript{50} Long-term, the Gulf states, until now largely shielded from the political turmoils, risk the same consequences if they fail to create an able and ready workforce of the modern economy. Under extremist control, governmental policies aimed at modernizing education infrastructure could stagnate or be reversed altogether, thus exacerbating the labour market irregularities that currently plague the region.

\section*{IV Areas of Concern and Current Deficiencies in the GCC Education System}

\subsection*{IV.1 Lack of Qualified Teachers}

Studies have indicated that in order to achieve socioeconomic growth, quality is more important than quantity with regards to the provision of education.\textsuperscript{51} Contrary to the situation in the wider Arab world, the availability of education is not so much the primary problem in the GCC as compared to the quality of the education on offer. In fact, the “student-teacher ratio (all primary, secondary and tertiary) in the GCC region stood at 11.8:1 in 2010, which is better than the student-teacher ratio of around 15:1 of developed nations such as US, UK and other European countries.”\textsuperscript{52} Such numbers, though, do not provide an accurate representation of the realities on the ground, where teachers are woefully underprepared. For years, education policymakers in the GCC have focused on inputs rather than outputs, falsely assuming that more teachers translated to improved student performance.

Efforts at rejuvenating the out-dated curriculum have been made more difficult given that a multitude of educators have not been on board, ideologically, with the direction of the reforms.


being taken. Indeed, shaping and changing the attitudes and behaviours of teaching staffs are a prerequisite to carrying out broad reforms on learning materials and curricular content. In Saudi Arabia for example, opposition to what school faculties saw as Western impositions on curriculum led to the transfers and/or firings of two thousand teachers after they were found to be “inculcating the youth with dangerous content.”

Furthermore, curriculum planners in the region are concerned that the material taught in schools “reflect unrealistic situations or contradict normal, everyday practice that the students witness in society,” such as criticism of interest on loans – interpreted as sinful by many Muslims – whilst many adult members of the students’ families are actually having to pay off home mortgages.

In the UAE public school system, only 28 percent of the teaching staff and faculty are nationals and at UAE University – the first public university in the country – only 25 per cent of the faculty are Emirati nationals. The situation remains similar in the other GCC countries. Since many public school teachers in the GCC have come from Arab countries “that were themselves suffering from low teacher quality, they added little value to the overall attempt to build a modern education infrastructure.” The quality of teachers in the region is in desperate need of improvement. Simply replacing teachers with more qualified alternatives can lead to improvements for a particular school perhaps, but those teachers that are replaced will likely just be recycled throughout the education system and the quality of teaching will suffer elsewhere.

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54 Ibid. 200.
Adequate professional development, that seeks to improve the teaching skills of educators, is lacking in the GCC countries. In Kuwait, Oman and Saudi Arabia, an average of only 12 percent of students had teachers that had partaken in professional development exercises. This is problematic because when teachers recognize that they are ill-equipped to teach in post-education reform format, there will be a reversion to the status quo, and they will choose to lecture in the outdated style that they are more accustomed to, with a heavy emphasis on memorization and passive learning.

One reason behind the poor quality of teachers is the relatively low salary structure that they are subject to as well as the widespread perception of the teaching profession as socially inferior. Since the majority of teachers are expatriates from neighboring Arab countries, they are not entitled to the same benefits nor do they enjoy the same position on the salary scale as locals do and are, on average, paid approximately half of what their counterparts receive. The largely non-existent career advancement opportunities granted to expatriate teachers, such as promotions and funding grants to pursue further education and professional development, can negate the social status of many teachers, a concern further exacerbated by the fact that foreign teachers are granted one-year contracts, leaving them with little job security.

Demotivation can occur as a result of teachers’ negative views towards their working environment, which can subsequently lead to a poor work ethic. It has been found that when teachers do not feel as though they are being deservedly recognized for their efforts, they can

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resort to unprofessional conduct such as absenteeism. The most blatant consequence of lost classroom time is under-educated and poorly prepared students.

IV.2 Examination-Heavy Curriculum and Poor Incentive Structures

The poor quality of knowledge-economy skills amongst nationals in the workforce can also be traced to the examination-heavy style of schools and the distorted incentive structures this creates for both teachers and students. Learning in the K-12 public school system is primarily focused on preparing students for the Tawjihi final exam. The result of the exam, a major factor in each student’s final graduating mark, essentially determines the academic – and economic – path that the student will move on to in the future. The remaining marks are assigned to projects; however, teachers themselves describe the assignments as a “joke”. Teachers too are valued based on their ability to help their students attain the highest marks possible.

With so much at stake for both parties, this exam structure rewards memorization and punishes the skills that the knowledge economy demands. Only a small segment of the final exam requires students to be analytical and tests critical thinking skills. Consequently, there is little incentive for teachers to emphasize the importance of critical analysis during the year in the classroom and, in the exam, the limited space afforded to questions testing the skills that are important for the knowledge economy convey that these same skills are not that important – a contradictory message to send out to educators and learners when the broader reform efforts are trying to get the local population to partake in the knowledge economy revolution.

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62 Ibid.
In addition to the examination format in schools, the poor quality of teachers is arguably the biggest factor contributing to the rote-memorization style of learning that students are being subjected to. However, another point that deserves attention is the imbalance in the allocation of class time in the public school system at the elementary and secondary levels. The majority of instruction time in schools is reserved mainly for language studies, religious education and the hard sciences, at the expense of more creative subjects like fine art and music.\textsuperscript{63} Psychological studies on human cognition indicate that learning in the arts enables students to achieve significant gains in academic and social skills that are transferable to non-art applications. Examples include piano training, which can improve mathematic proficiency, and drama, which can develop conflict resolution skills, concentration, and self-confidence.\textsuperscript{64}

Thus, not only are the academic and social outcomes of students being hindered by the lack of emphasis on creative arts curriculum, the students are also being prevented an avenue by which they can legitimately engage with their learning environment by, quite simply, partaking in fun and creative activities as opposed to memorizing a teacher’s lecture on auto-pilot. The pattern of rote memorization, instructor-led teaching and lack of critical inspection on the part of students continues into the post-secondary phase of education where teaching practices remain similar to the K-12 school system. “The minute adults walk into an activity labeled ‘education,’ ‘training,’ or anything synonymous, they hark back to their conditioning in their previous school experience... sit back, and say ‘teach me.’”\textsuperscript{65}


Students are increasingly detached from learning and will have no motivation to take any initiative in attempting to improve their circumstances by seeking to influence the curriculum being taught. Attempts to strengthen bonds between students, teachers and the learning environment have been pilot-tested in various education jurisdictions internationally, with students being invited to partake in discussions pertaining to custom-tailoring curriculum to satisfy their interests as well. “Students need to realize the valuable insight they have to offer their faculties and the way in which this can benefit future students. It is by actively seeking student involvement and using their input, that faculties will be able to create a consumer-friendly curriculum.”

In failing to appreciate the contributory value that students can offer, their lack of motivation will transfer into other classrooms, to the post-secondary education system and finally, to the workplace. In order to be successful in any effort to move away from a teacher-oriented classroom environment towards one that gives students a substantial role to play, any action from the top-down must simultaneously be reciprocated from the bottom-up and students can play a major role in altering the current state of affairs.

IV.3 Low Maths and Science Proficiencies

Due to the poor preparation that students receive in maths during their time in the K-12 system, a large majority of them are obligated to complete a foundational program prior to beginning their core curriculum at the post-secondary level. The results of the exam administered at the end of the foundational year illustrate how far behind regional students are in comparison to international standards. In maths, the average student is only able to correctly answer 50 percent of the questions while English literacy results indicate that only 6.5 percent of students

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are at the minimum proficiency level expected from American universities.\textsuperscript{67} Results from student tests of their proficiency in the sciences are similar in this regard.

As a result of the overwhelming number of students that it needs to prepare and provide with foundational courses, the post-secondary system is forced to allocate their budget into areas that could be best used elsewhere. “A lot of time and resources [at universities] are put into preparing students for their core programmes rather than putting those resources into their core programmes.”\textsuperscript{68} Not only is the poor maths and science preparation for students during the K-12 years detrimentally affecting university faculties’ budgetary and resource allocation (and thus the overall quality of education on offer), it is also arguably a major contributor to the lopsided nature of chosen fields of study amongst students that go on to pursue post-secondary education. The vast majority of students that do pursue post-secondary education tend to be concentrated in social sciences, humanities and business degrees, whereas only a small percentage of students pursue science and engineering degrees.\textsuperscript{69}

Without a strong educational foundation in mathematics and the sciences, local individuals will be rendered unqualified for the highly technical employment opportunities of modern economies and the unsustainable requirement for foreign labour will continue. Maths and science form the foundation for innovation and are the building blocks of the economy, so


\textsuperscript{68} Ibid.

\textsuperscript{69} UNESCO. \textit{Education for All Global Monitoring Report: Reaching the Marginalized}. Paris: 2010. 380. In Bahrain, 51.8% of students pursued degrees in social sciences, business and law, but only 9.2% were in science programs, and only 8.6% were in engineering, manufacturing, and construction for the academic year ending in 2006. In Saudi Arabia, 39.5% pursued social sciences, business and law, 20.6 completed science degrees, but only 5.3% were in engineering, manufacturing and construction. In the UAE, nearly 40% of students enrolled in social sciences, business or law, whereas only 10.4% and 10.6% were respectively in science and engineering, manufacturing and construction.
the current situation also threatens the attainment of broader economic growth objectives.\textsuperscript{70} Across the GCC, non-oil exports account for an insignificant share of total GDP, valued at an average of just over 10 percent.\textsuperscript{71} “As GCC countries push to become more diversified economies, young people will need the technical and digital skills to master – and create – new technologies.”\textsuperscript{72}

\section*{IV.4 Ineffectual Utilization of ICT in the Classroom and Poor ICT Competencies}

Some elements of education sector reform have been more readily implemented and technological teaching tools have become more prevalent in the GCC education systems. The high-tech nature of our world today makes it imperative for educators to introduce technology into classrooms in order for students to be equipped to meet workplace realities. A number of studies have shown that academic achievement improves when ICT (Information and Communications Technology) is used in the classroom.\textsuperscript{73} Equally important, ICT also helps to develop the “ability to invent and innovate, that is to create new knowledge and new ideas that are then embodied in products, processes and organizations,”\textsuperscript{74} which consequently fuels growth and development.

On the face of it, it is strange that after substantial investment in the region to equip learning facilities with high-quality ICT, workplace innovation remains under-developed. The

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primary factor behind this anomaly is due to the way ICT is being employed by educators. By observing the rapid pace at which ICT was brought to the classroom, one can infer that policymakers tasked with education reform have proceeded with the assumption that a higher quantity of ICT would directly bring about improved outcomes for the classroom as well as the labour market. However, for ICT to be effective, it cannot be viewed as an end in itself but rather as a tool that, if used properly, can help bring about desired results.

This requires a two-step process whereby teachers must first learn how to effectively use ICT as part of their teaching routine, in order to, secondly, provide students with the foundational skills and knowledge of how to use available technologies so that they can hopefully move on and carry out more comprehensive and innovative tasks using the tools at their disposal.

Educators must be taught how to incorporate ICT in their daily curriculum in a way that moves beyond using basic tools, such as a projector screen, simply for the sake of using them. Teachers are not properly trained in how ICT can be used to effectively engage the analytical, critical-thinking and collaborative team-working skills of students, all of which are widely-agreed on prerequisites to the knowledge economy. “Much of the professional development that occurs related to technology in schools focuses on how to operate the technology (e.g., turn it on and off, or use the functions of the technology tool like highlighting or opening software programs) rather than integrating instruction with technology to improve student learning or engage higher-order thinking.”

Even today, a large proportion of students lack the requisite knowledge of how to use everyday programs, such as PowerPoint, despite the increased use of these tools in the workplace. The attainment of even basic ICT competencies should bring about beneficial returns

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swiftly. Short-term, the development of ICT competencies will improve the prospects of finding employment in the knowledge economy. Long-term, these competencies can develop to the extent that users will be able to move beyond basic operational understandings of how ICT works and will eventually be able to undertake more complex and innovative tasks using the power of technology.

“ICT can be a catalyst for knowledge enabling and creation at the classroom level in the GCC and consequently a springboard for national innovation system development.”76 However, due to the fact that education technology devices are not being taken advantage of to the fullest extent, students are not benefitting from any of the intended results that prompted the widespread investment in outfitting schools with high-tech equipment in the first place. The rapid pace of technological progress today has inspired countless individuals to identify opportunities to improve upon the already existing innovative products and services in world markets today. In the GCC, if students continue to lack the basic skills and know-how with regards to operating and productively using ICT, then there will be little-to-no chance of producing a creative cohort that resembles anything like the creative and innovative talent of a Steve Jobs or a Mark Zuckerberg.

IV.5 Non-existent Focus on Soft-Skills Development

Technical deficiencies are not the only shortcomings that inhibit the entry of nationals into the private sector workforce. Frequently identified by prospective employers is the lamentable difficulty in finding candidates equipped with soft-skills, such as workplace etiquette, interpersonal abilities, and time management. In a series of interviews with members of the

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business community, one individual recalled a time when a national was given the opportunity to deliver a presentation at an important conference but chose to arrive over an hour late without a credible excuse – an all-too-common occurrence.77

This lack of respect for authority can be directly linked to many students’ experience during their schooling. Since many of the teachers in the public school system are non-GCC nationals, they sometimes are subjected to manipulation by a segment of students who are less determined to do the work that is required of them. These students may “attempt to use personal contacts to obtain special benefits or consideration… and to bargain for grades.”78 As a result, many locals then feel that they can get away with poor effort and tend to lack respect for (predominantly foreign) authority figures.

When school administrators overrule the (fair and correct) decision of teachers in order to satisfy the demands of influential students and/or parents, the credibility of the educational institution is damaged.79 As a result, teachers will cease to teach in an impartial fashion and grade students based on merit. Consequently, dedicated students will feel that their efforts are all for naught and opt for ‘short-cuts’ to get the rewards they seek instead.

The segregated nature of schooling is negatively impacting the development of soft skills in the region. Public schooling at the elementary and secondary levels is gender-segregated; girls are taught by female instructors and boys taught by males. It is not only social norms or adherences to religious principles that encourage the continuation of segregation as such policies have been enforced at a formal government level as well. At the turn of the 21st century, Kuwaiti

79 Ibid.
segregation laws meant that, for several years, “men and women could attend the same school, but they were not allowed to take classes together, sit next to each other in coffee shops, or work together in the library – even if they were relatives.”

Such an arrangement is not representative of the environment that these individuals will need to be comfortable with in the private sector. The public school system is already lacking in diversity as students are predominantly surrounded by peers that come from the same ethnic background and oftentimes the same social class as well. As a result, these students do not benefit from the head-start enjoyed by their counterparts who learn in multi-cultural environments and thus their soft skill growth is stifled in comparison.

The education system is criticized for overemphasizing theoretical learning as opposed to devoting much-needed time to the useful applications of said theories by undertaking practical assignments. Adequate linkages between employers in the private sector and education policymakers and experts are not common in the region. As a result, students are unaware as to the norms and expected behaviors that are key aspects of work in the private sector. There are very limited opportunities for students to develop these soft-skills through practical experience. Before entering post-secondary education, students currently have little to no means of networking with their future potential employers through any school-related mechanisms. At the post-secondary level, some institutions mandate students to complete a work-experience term during their final year of studies, but this can sometimes be reserved only for those students pursuing commerce degrees.

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IV.6 Cultural Aversions to Skills-Based Vocational Training

The GCC countries have sought to diversify their economies and are “moving towards an investment-led economy in order to reduce the dependency on energy revenues.” With various non-oil sectors enjoying significant growth, there will consequently be more jobs available in these sectors. Similar to the oil-boom period of the 1970s, the demand for job and/or industry specific training will be great. This window of opportunity must be taken advantage of immediately if governments aim to place their local populations in these newly created jobs and cease their unsustainable reliance on foreign labour.

Enrolment in the trades and related technical and vocational education programs in the GCC remains significantly lower in comparison to the rest of the world. Bahrain is an exception with 21 percent of post-secondary students taking up vocational training, but Kuwait, Qatar, Saudi Arabia and the UAE have negligible enrolment figures, all below 5 percent. Many students “view vocational training as a less credible alternative to a university or a college degree,” and there is widespread cultural perception that the jobs gained from pursuing vocational education are inferior and best left for foreigners. “Instead, they choose to study disciplines which do not necessarily hold direct relevance or add value to the ‘growth sectors’ of the economy.”

V Policy Recommendations

V.1 Implement Professional Development Programs and Improve the Status and Pay of Teachers

Ongoing teacher training seminars are vital, particularly during the curriculum transformation phase currently underway in the GCC. Most educators have no background training or experience in the sort of teaching that is now being sought, so all reform efforts will be rendered futile if they are simply expected to change their teaching styles to match contemporary needs without having any prior guidance. Thus, administrators should be more committed to reserving time and allocating substantial resources to support these professional development programs. Of course, positive impacts will only be possible upon ensuring that participation is full, the duration of the program is adequate, and that the content and assessment methods are comprehensive.

Suitable working conditions for teachers positively correlate with improvements in student achievement. High-quality facilities are not the only component of a healthy working environment; salary and benefits, as well as the status that teachers enjoy in society also contribute to the way educators rate their working conditions. Efforts should be made to publicly recognize, and consequently reward them for their important role in enriching the human capital of the region. With higher remuneration packages comes an increase in social prestige, which can thereby “improve the cultural perception of the teaching profession to one which is highly honored and respected by society.”86 In sum, student achievement targets are considerably dependent on providing teachers with suitable incentives that reward teaching performance as

opposed to seniority. Only then will teachers be driven to improve their craft for the betterment of themselves as well as their students.

V.2 Reform Examination Methods and Generate ‘Buy In’ From All Stakeholders

On the topic of *Tawjihi*, the UAE actually acknowledged the need to include a larger critical thinking component in the exam but were forced to revert the changes after the wider public protested, decrying the fact that students were performing worse on the new version of the exam.⁸⁷ Genuine worry for their children’s well being may be one factor behind the reasoning of those opposed to the reforms, but a more pertinent cause may be related to the apprehension many locals feel over externally-led reforms. When such a drastic paradigm shift occurs, the locally affected will be wary, particularly if policy makers in government do not effectively relay the motivations and objectives behind the reforms. At present, it is unclear as to how suitable current government communication strategies are at raising awareness in the population, but what is certain is that the message would be transferred more effectively to the masses if local education reform leaders were more publicized and at the forefront. Basic translation gaps and the opposition of many locals to what they see as foreign impositions of outsider culture can prevent messages from foreign governments and experts from finding a receptive audience.

This is why the development of local education reform champions should be prioritized. Changing the content of exams and curriculum is important but, on its own, will not suffice. Initially, the post-secondary institutions will need to support these changes and accordingly initiate their own reforms in order to indicate the importance of knowledge economy skills. Upon such a move, educators in the K-12 system will be incentivized to alter the emphasis of their

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teaching so as to alleviate the relative absence of knowledge-economy skill training. Ultimately, parental concern should ease once they are assured that the education leaders, who essentially control the fate of their children, deem the new curriculum important.

At this point, it will be less threatening and thus considerably easier to facilitate the introduction of school subjects, such as music and fine arts, which would otherwise not be traditionally seen as necessary for imparting the skills demanded by the knowledge economy. With appropriate guidance from school faculty and administration, students could play a leading role in a collaborative approach to curriculum design, whereby students can communicate with faculty and deliberate over things such as what textbooks to use, what subject material most directly ties in with their interests, and formulating classroom behavior protocols. By ensuring that the material taught is relevant not only for social and economic growth but also for the students themselves, students will “feel connected, engaged, and meaningfully involved.”

V.3 Improve Quality and Availability of Maths and Science Education

In terms of their trade balance, the GCC’s over-reliance on a single industry has rendered it vital to promote a research culture in the post-secondary education system. Increased efforts to improve GCC students’ maths and science test scores, so as to bring them to par with international standards, is essential if local governments hope to produce a class of high school graduates with the right proficiencies necessary to be successful in the pursuit of modern, highly technical post-secondary degrees.

The establishment of maths- and science-focused faculties in public universities is a positive move given that governments are moving away from being solely reliant on importing

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such education via foreign university satellite campuses. With significant gains in this area, a capable national workforce and new class of innovative entrepreneurs can begin to transform the non-oil sectors, “accelerate the progression from research to product development,” and engage in lucrative trade competition with the world.\(^89\) This would go some way in correcting current trade disparities but would also contribute to the continuation of a growth and development cycle for the GCC. Increased trade would create jobs, which in turn would increase demand for a skilled and educated workforce to maintain competitiveness (which would increase both the quality and the desirability of education).

V.4 The Role of the Private Sector in Education: ICT Classroom-Penetration

Since many teachers have little experience of their own in using the types of technology now readily available, adequate training programs must be provided for them, ideally beforehand or at the early stages of ICT introduction in the classroom, so as to ensure that an efficient use of technology is made possible. Subsequently, it is important that monitoring and compliance measures are taken in order to ascertain whether or not the teaching staffs are putting into practice the training they have been instructed with.

Given that a majority of nationals progress through their K-12 education with the belief that they will thereafter be eligible for a career in the public sector, it is likely that many children and youth growing up are ignorant to the plentiful opportunities and diversity of benefits that can be found in the private sector. Local recruitment experts concur in claiming “job seekers have no idea about the vast careers that await them in private organizations.”\(^90\) In order to improve local

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students’ awareness of private sector prospects and encourage curiosity, innovative steps could be taken to allow for the modification of the curriculum that would see private companies offering consultative advice in course design for example. Similar to internship programs, private sector consultation on curricular content could increase students’ exposure to the limitless employment opportunities that allow individuals to literally build and create products and services that add value to the economy.

Private sector involvement in the realm of education is well represented in GCC markets, and with local parents becoming more open to private education - so long as cultural values are respected - there is room for growth in public-private partnerships of this kind. Internationally, many thinkers have described the benefits of allowing engineering and tech companies the chance to selectively incorporate their own tools and products/technologies in the classroom. These efforts are borne out of the criticisms of industry and education leaders against the unsatisfactorily outdated ICT curriculum that does not develop individual creativity through digital media. In the UK, top technology firms Facebook, Microsoft and IBM are assisting in the development of a computer science training course for teachers that will better equip them, and thus students, with the skills demanded by industry. The presence of industry-guided curriculum would naturally better prepare students for employment in the digital age.

In a recent joint-study conducted by Cisco and The Economist, it was determined that innovation is a boon to national economies and the GCC countries were found to be in poor standing on this front. Should this trend endure, governments will struggle to withstand the

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burden that comes with bestowing generous “life subsidies” for their citizens – including free education and health care, no-interest home purchase loans, and artificially low utility rates⁹³ – if the local workforce is not doing their part in contributing to GDP.

If the private sector were to provide consultative advice on course design for example, such a move could help resolve two of the more problematic issues that have herein been described. First, it would raise awareness amongst local students of the type of work being carried out (and available to them) in the private sector. Secondly, and perhaps more importantly, it would also turn schools into incubators of innovation that, if administered correctly, can be translated into the workplace by future graduates who will hopefully envision a role that they can play a part in. It is likely that in order to spark a spirit of innovation in local minds, an equally innovative approach to education is necessary, and the introduction of company- or industry-specific courses into the curriculum represents such an approach.

V.5 Raising Awareness of Private Sector Opportunities and Improving Soft-Skills Development

Deep-rooted political and social traditions may be difficult to keep separate from the realm of education and thus, at least for the foreseeable future, efforts to develop the soft skills of the future workforce should be made under the assumption that there will be a continued presence of segregated learning. The education system should strive as much as possible to foster a learning environment that is representative of regular working life. In this sense, student collaboration on assignments in the form of discussion, delegation of tasks and implementation of deadlines should be introduced into the curriculum and encouraged during its nascent stages.

Campus careers advice and services centers should be implemented in all schools to provide all students with the guidance necessary to allow them to attain preliminary insights into the variety of employment paths that are accessible in the private sector. This can also help familiarize students with the particular industry requirements that are expected of prospective applicants so that. This may be particularly useful prior to post-secondary education as it will enable students to make more informed decisions as to what degree path they will follow at college or university.

Additionally, and arguably more important, internship programs linking the private sector and the education sector - seen by analysts and policy experts both as essential - should be introduced. Largely free from the overarching and constraining social and moral rules imposed by legislators, the private sector offers local students the opportunity to work in a diverse, multi-cultural environment that is symbolic of the globalized nature of the world today.

It is an unfortunate irony that GCC nationals are living in cities that are byproducts of the forces of globalization but those same nationals are viewed by many as incapable of playing a central role in the globalized workplace. By immersing students in daily working life prior to their graduation and subsequent formal entry into the workforce, they will be able to develop an awareness and (hopefully) an appreciation for private sector opportunities, acquire job-specific skills and expertise, as well as cultivate the soft skills that are integral to contemporary corporate culture.

V.6 Vocational Training and Employment: Publicly Demonstrate the Value to Both the Individual and to Socioeconomic Progress

It is unlikely that there is a single, cure-all prescription that can generate an ideological change in the way locals view particular forms of work. However, having attended to other aspects of education reform largely at the expense of developing vocational education, there is
ample opportunity for decision-makers to take steps that acknowledge these negative cultural perceptions. Individuals need to be willing to work, no matter what type of work it is and no matter how prestigious the job title is – particularly if the alternative is to idly subsist off government welfare benefits. Vocational technical education plays a vital role developing a nation’s social and economic characteristics and it is the one of the “tools to improve the productivity of the labor force of any country.”

There are various ways in which governments can encourage the uptake of vocational training. Advertisements and public awareness campaigns can help reach a large audience and will increase visibility of this type of work and demonstrate the value that it can have for the individuals partaking in it as well as the positive impact it can have on their country’s development. The region’s governments would be wise to look at the experience of Singapore in this regard as that country also dealt with similar issues of public disdain for vocational training. Singapore made some aspects of vocational training compulsory for all post-secondary students and proceeded to award prestigious nationally-televised prizes so as to generate interest in this form of education.

The second step would necessitate an effort to multiply the number of institutes and programs that offer vocational education and consequently proceed to actively recruit potential candidates in order to raise enrollment levels. The importance of ‘word-of-mouth’ advertising

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cannot be underestimated in these cultural settings and policymakers must leverage the fact that a large number of students in the region follow their peers when choosing academic programs.\textsuperscript{97}

V.7 International Post-Secondary Scholarship Programs

Despite large investment, some argue that the extensive human capital development initiatives have failed to achieve the ambitious goal of creating a knowledgeable, technologically adept, and innovative local workforce but opinions diverge on this point. Instead, some argue that the blame should not be placed on the individual’s lack of talent and enthusiasm but rather on the environment they are subsequently placed into. Economic practitioners have the tendency to “assume that all good things go together; that improvements in performance will automatically ensue as investment in human capital resources and adoption of technical innovations increase.”\textsuperscript{98} However, it is oftentimes evident that once the knowledge has been imparted, the management of that knowledge, and thus the individual, has failed to create an environment in which the individual can maximize his/her potential and translate what he/she has learned into practice. Locally conducted studies indicate that “although skills and abilities are increasingly available, they are often misplaced, unrecognised or underused – at a rate of 49 per cent in Saudi Arabia, 46 per cent in Oman and 40 per cent in UAE.”\textsuperscript{99}

Whilst the task of proposing a solution to the problem of skills-utilization in the workforce falls out of the purview of this paper, there are some pertinent education-related facets


in relation to this issue. For years, GCC governments have organized a number of lucrative scholarship programs that seek to persuade national students to pursue higher education in foreign countries. Many of these scholarships provide full funding for not only necessities such as accommodation and tuition expenses, but also for miscellaneous personal expenses during the course of their studies. However, these scholarships are granted under the condition that the recipient, upon completion of their studies, returns home to be employed for a pre-determined number of years. The individuals are generally employed in the public sector.

This is problematic because, after having amassed a wealth of knowledge from esteemed academic institutions abroad, the skills gained through this endeavor are often wasted as a result of the skills under-utilization mentioned above. Consequently, there is the risk that the scholarship will become devalued by those who would prefer to have the freedom to choose their own career paths post-graduation. Future efforts should be aimed at removing the restrictions inherent to many of the lucrative scholarship programs offered by the region’s governments. In Bahrain, such a move has already been implemented for the Crown Prince’s International Scholarship Program, representing a step in the right direction.\(^{100}\)

The design of the initial policy helped to reduce the likelihood of talent brain drain that might otherwise occur if students opted to remain in the foreign country where they were sent to attend university. It would not be the most prudent decision to fund a student’s tuition and related expenses whilst giving them the complete freedom to do as they please post-graduation. Thus, a mutually beneficial compromise could be made that would still require students to return to their home country but the restrictions would end there. Returning students should then be supported by way of networking them with business leaders in the country so that they would

have the freedom and motivation to excel in their chosen field of employment. Granting labour market entrants the freedom to choose their own path should lead to a more productive worker as they would conceivably opt for a job or career that they enjoy and one that relates to their skills and personal tastes.

VI Concluding Thoughts

GCC populations are increasingly falling behind in terms of being able to compete in the modern knowledge economy. After decades of relying on foreign labour, so much so that expatriates now represent a majority of the population, the skill development of GCC nationals has stagnated as oil rents and unsustainable public sector practices have delayed an urgent policy response to alleviate the labour market imbalance in the region. Having grown overly accustomed to the benefits of economic success brought about by the work of foreigners, there is a critical lack of strong work ethic, particularly amongst the youth generations in the region. Education is the foundation of societal change, progress, and development and it is for this reason that a high quality, modern education system can serve to reduce the harmful effects brought about by the aforementioned trends.

It is an unfortunate reality that many of the debates pertaining to education reform in the region have been characterized by divided opinion as a result of deep-rooted sociocultural and political viewpoints, all of which have limited the effectiveness of the change being sought within the education system. It is thus imperative for local policymakers to install an impartial governance mechanism that can operate objectively in order to foster the change that is needed without succumbing to external pressures.

Governance mechanisms with regards to monitoring school performance are undeveloped in the GCC and do not represent international best practices. They also fail to provide the right
incentives to match the objectives of education reform. Currently, inspection routines for schools in the GCC provide rewards for behavior and performance that do not match with the right goals and consequently hinder the progress of improving education in the region. Schools thus prioritize administrative performance at the expense of teacher quality and academic outcomes. A key factor behind the poor standard of performance measurement in GCC schools lies with the historical tendency to centralize the policymaking, monitoring, and regulation of schools to a single entity – the ministry of education. In this regard, there is a clear conflict of interest, as “you can’t have the same people who are responsible for improvement be the ones who are judging whether or not that improvement has actually happened.”

The GCC governments would be wise to follow international precedents set by academically high-achieving nations and separate the centers of responsibility for operating schools from those that should set policies and guidelines and monitor overall performance. Measures to improve teacher quality as well as supplying a curriculum that matches up with what the labour market demands will be futile without the establishment of an independent and transparent performance measurement and monitoring mechanism. Such an entity can ensure that schools are complying with their duties to administer the mandated curricular materials, that school employees are appropriately performing their duties and that the schools are well run. The transparent nature of these independent entities can ensure that the findings of their investigations are published, which should compel the relevant authorities and associated stakeholders to immediately take action so as to rectify the deficiencies that are identified.

For years, the GCC – with some specific countries in particular – has been globally recognized for being a pioneer in the Middle East region in terms of promoting modernization.

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and fostering development. However, these advances have not coincided with progress in human capital and labour force development. GCC leaders must now decide what the legacy left for future generations will look like. Oil wealth has attracted individuals from all over and has enabled the region’s transformation into a global business hub and target destination for world travellers. But what will happen when the wells run dry?

In order to be equipped to face long-term challenges, one must anticipate an environment unlike today’s. “Bahrain, Oman and Qatar will probably exhaust their oil resources within the next two decades.”\textsuperscript{102} Qatar can easily replace oil with their abundant reserves of natural gas but Bahrain and Oman are less fortunate than their regional counterparts in this regard. When the inevitable occurs and oil reserves no longer prove as valuable or available as they are now, the importance of having a skilled and educated workforce will never be more pronounced.

If decision-makers fail to take advantage of their privileged position as a resource power for the sake of improving the education system today, the region’s inhabitants will be left only with the extravagant hotels and tourist attractions that initially brought global recognition to the region – an unwanted reminder of what could have been.

The Arab world was once a hotbed of innovation and contributed greatly to fields such as maths, engineering, and medicine, but much time has passed and the region has since failed to replicate such feats. With education and skills development at the focal point of all present-day decisions on developing a national labour strategy, GCC leaders can ensure that their people will be left with a more substantial gift that will continue to add value for their respective country’s social and economic structures for many years to come.

Bibliography


