

QATAR UNIVERSITY

COLLEGE OF ARTS AND SCIENCES

QATARI YOUTH UNEMPLOYMENT: EVALUATING QATARI
GOVERNMENTAL INITIATIVES: QATARIZATION POLICY THROUGH
BEDAYA CENTER

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ABSTRACT

Youth unemployment in the MENA region has become a case of academic interest and debate. More specifically, youth unemployment in Qatar has become one of the most controversial challenges for the economic development of the state. However, there is still a lack of evaluation of the outcomes of the policies adopted to overcome these challenges and provide a better future for the economic development. This qualitative study evaluates the Qatarization Policy and its role in youth unemployment in the private sector. Accordingly, the study will review Qatar's policies toward Qatari youth unemployment in the private sector through Qatarization Policy only since Qatarization is the oldest and most broad governmental initiative to balance the fragmentation of the labor market in Qatar. This study also will look into role of Bedaya center in empowering youth skills and qualifications for the private sector.

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Chapter 1: Research Proposal

Introduction

The Qatari unemployment is basically low when compared to other countries in the Mena region. The unemployment is more concentrated in the private sector than the public sector. In fact, the private sector is depending on the foreign labor, on the other hands the domestic labor is concentrating public sector employment. The private sector requires high skills and qualifications. However, most of Qataris lack of skills and qualifications for the private sector vacancies. Accordingly, Qatar's government has launched initiatives for developing Qatari skills and qualifications for the private sector unemployment. Therefore, this paper is going to evaluate the governmental initiatives Qatarization policy through Bedaya center. Also the role of the center for developing skills and qualifications of Qatari youth for the private sector unemployment.

Research Questions

Main Question: What are the factors behind Qatari youth unemployment in the private sector, and does Qatarization provide an effective policy choice?

Sub-questions: What role does Qatarization play regarding labor market fragmentation?

Is the Qatari youth qualified to take part in the private sector? What is the weakness of the government initiatives toward Qatari youth unemployment? How effective is Bedaya Center as a case of Qatarization to overcome the obstacles and challenges of Qatari youth unemployment in the private sector?

Objective and Significance of the Study

The purpose of the study is to strength the understanding of the suitable governmental initiatives and policy to balance the fragmentation of the labor market in Qatar. Accordingly, the study will evaluate Qatar's policies toward Qatari youth unemployment in the private sector through Qatarization Policy only since Qatarization is the oldest and most broad governmental initiative to balance the fragmentation of the labor market in Qatar. The case study uses Bedaya Center, which is where the Qatari government initiated the policy as part of the Qatarization process. Finally, the thesis suggests recommendations for policymakers to enhance government initiatives to increase the share of Qataris in the private sector.

Problem Statement

Qatari unemployment, concentrated among young people, has reached 4.5 percent in 2004 and dropped dramatically to 1.7 percent in 2014 (Trading Economics, 2015). More specifically, the Qatari youth unemployment is concentrated in the private sector, in which the shares of nationals are small compared to foreign labor. Williams, Bhanugopan, and Fish (2011) emphasized that 90 percent of Qataris are working in the public sector while 9 percent of Qataris are working in the private sector. This fragmented labor market is a significant challenge to the development plans of the state, namely economic diversification.

Accordingly, the government adopted the policy of nationalization in the private sector, in which an agreed share of nationals employed in the private sector ensures the balance in the labor market. In fact, the Qatarization process dates back to the 1970s and

1980s; however, the outcome remains unseen. Therefore, the thesis will evaluate Qatar's policies toward Qatari youth unemployment in the private sector through Qatarization Policy only since Qatarization is the oldest and most broad government initiative to balance the fragmentation of the labor market in Qatar. The case study investigation of Bedaya Center provides a better understanding of this government initiative.

Literature Review

Unemployment is a global issue. In 2014, there are over 201 million unemployed people all over the world. Unemployment was expected to increase by 3 million in 2015, and by an additional 8 million in the next four years. In the case of the MENA region, in 2011, the unemployment rate increased to 11.6 percent from 10.8 percent, and it is predictable to remain at 11.7 percent throughout 2015. The Arab youth unemployment rate was 29.5 percent in 2014, and it increase to 29.8 percent in 2015 (International Labour Organization, 2015). The Gulf Cooperation Council (GCC) has the lowest joblessness rates in the world, but youth unemployment remains an issue in the GCC. In 2000-2010, the GCC generated about 8.5 million jobs; however, foreign workers populated the majority of jobs created. The youth unemployment in the GCC stands at 29.2 percent in Saudi Arabia, 28.2 percent in Bahrain, 23 percent in Oman, 12 percent in Kuwait, 24 percent in UAE, and it is lower than 3 percent in Qatar (Gulf Investment Corporation, n.d.).

The Qatari youth total 110,405 of the population, and unemployment occurs more among young people than other age groups. There is a high unemployment rate for first-time workers and job seekers in Qatar. Qatar's leaders considered the reliance on foreign

workers instead of Qatari youth is a serious problem. Qatar's government implemented the Qatarization program "to make Qatar more self-sufficient by providing training, qualification, and job opportunities for its national workforce" (Walker, 2016, para.6). The Qatar government funded a youth center to enhance the skills and qualifications of Qataris for the labor market demands. Therefore, this study will discuss Qatari youth unemployment and the efforts of Qatar's government and Bedaya Center as an NGO toward youth unemployment and empowerment. Despite this, Qatar's government programs, particularly Qatarization program toward Qatari youth, is rarely tackled in the literature. The next section addresses the case of youth unemployment from different perspectives.

In a study of youth unemployment in the MENA region, Dhillon (2009) noted the MENA region has the highest rate of unemployment, particularly youth. He found that the policymakers should make economic reforms to create sustainable jobs for youth. The results of Dhillon's study suggested principles for guiding future policies and programs for reducing unemployment among youth in the MENA region. Similarly, Forstenlechner and Rutledge (2011) agreed with Dhillon about the high rate of youth unemployment in the Arab countries. They examined the demographic imbalance created unemployment among nationals, particularly among youth in the GCC. They found that the GCC has the most rapid population growth rate from four million in 1950 to 40 million by 2005. In the case of Qatar, the national population is 5.7%, and the non-national population is 94.3% in the workforce. Therefore, the increasing number of foreign labor increased unemployment among national youth in the GCC countries.

However, Grinevica (2014) discusses how the long-term youth unemployment depends on the economic situation in the region. The Arab countries are unable to offer jobs because of their economic situation. Young people acquire less education or stay in school part-time. It is hard for youth to find an adequate job that corresponds to their qualifications. Therefore, the number of unemployed youth increased because of ignored transition from school to work and economic condition in the Arab countries. Likewise, Dhillon (2009) agreed with the Grinevica (2014) about the Arab countries inability to create jobs for youth, and the poor transition of young people from school to work in the MENA region. He found that the young people since the 1980s had faced a weakening welfare life course and unemployment. The Arab countries ignore the youth's transition from school to work.

Another study showed additional points about the labor market. Gonzalez (2008) identified the labor market challenges facing Qatari youth. First, the participation rate for Qatar's labor force is 75 percent, and most Qatari youths work in the public sector. Second, Gonzalez found that the primary challenge to youth employment is the domination of foreign workers. Non-Qatari males occupy 96 percent of the labor force while Qatari males occupy only 73 percent. The public sector employs most Qatari workers. Third, the education system does not produce Qatari youth with skills for the job market.

In the same way, Brewer (2007) and Stasz (2007) discuss the educational system in Qatar. One of the main challenges for Qatar labor market is Qatar's education system is not producing Qatari youth with skills for the job market. They examined Qatar's K-12

education system and surveyed several Qatari schools. They found that the Qatar's education system is not able to produce a qualified Qatari youth for the Job market. Forstenlechner and Rutledge (2011) stated that the states should make extensive reforms in the education system, and develop youth skills to work in the private sector.

Furthermore, Berrebi, Martorell, and Tanner (2009) highlighted the number of Qatari men who hold more than a secondary school diploma is 0.29 percent, and those without a secondary school diploma at 0.48 percent. Therefore, the Qatar leadership has implemented a strategy for improving the education system. In this aspect, Gonzalez (2008) notes that Qatar leadership has reformed the primary and secondary education systems. Qatar has opened some universities to offer several undergraduate degrees required for Qatar's labor market. In 2004, Qatar opened twelve independent schools, 21 in 2005, 13 in 2006, and 19 in August 2007. In 2015, 338 national and international schools operated in Qatar. The independent schools are teaching over 50 percent of Qatar's children.

Likewise, Baric, Vinko, Obadic, and Alka (2004) agreed with the previous researchers about the education system might reduce youth unemployment. Also, Berrebi, Martorell, Tanner (2009) found that Qataris literacy rate of 89% is superior to the regional average of 85.4%; however, it is still significantly behind countries outside the region with similar levels of per capita income. In this aspect, Qatar had invested highly in the education system to supply of qualified Qataris entering the labor market. Qatari students registered at Qatar University accounts for more than 90 percent of all Qataris attending four-year tertiary education institution. Correspondingly, Uddin (2013)

also emphasized that government should invest deeply in the education system to create a qualified youth for the job market. He found that the training and skills development created self-reliance for youth. This finding demonstrates that the education system could reduce unemployment among Qatari youth.

In a study of Qatar's labor market, Berrebi, Martorell, Tanner (2009) discuss the lack of qualified Qataris to lead professional jobs in the labor market. In their study, they found that the factors behind unemployment among Qataris tend to lack the educational and professional training required for obtaining jobs outside the government. Secondly, the waiting queue for government jobs is long. Qatar has a high economy, literacy, and education rates. However, the unemployment is concentrated among first-time workers, and seeking work for the first time. They showed that, in 2001, the unemployment rate among Qataris is approximately 12 percent to 50 percent. There is more than 22 percent of unemployed females and only 7 percent of unemployed males. There is a small number of Qataris, who are both qualified and willing to work in the country's private sector. Therefore, there is a high percent of unemployment among job seekers and first-time workers because of the lack of qualified Qatari youth for the labor market (Berrebi, Martorell, Tanner, 2009).

Similarly, Singh, Jones, Hall (2012) argue how to increase the proportion of youth engagement in private and entrepreneurial enterprises in the GCC. They discussed the strategy for enhancing the productivity of youth, and how to attract young people to the private sector. Besides, Toledo (2013) found the same result about the Emiratization process could potentially increase employment among nationals in the private sector.

Dhillon (2009) and Williams, Bhanugopan, Fish (2011) agreed that the private sector plays a significant role in reducing the unemployment rate among youth. Berrebi, Martorell, Tanner (2009) argue that in the private sector Qatari employees have to compete with foreign labor, and the jobs are more physically demanding than the public sector. He showed that 71 percent of Qatari employees in the government administration had more than five years on the job; however, only 31 percent of the Qataris employed in the private sector enjoy an equal length of job occupation.

In 2002, Qatar formally implemented the policy of automatic employment for Qataris secondary schools and universities graduates. According to Qatari Law 3 of 1962, Qatari nationals receive the first priority for a vacant position. If the position remains vacant; a non-Qatari Arab is next in line for the job offer, and followed by non-Arab foreigners. Williams, Bhanugopan, Fish (2011) stated that the strategy had intended for 20 percent of private sector jobs to be Qatarized; however, the plan goal was not achieved. In 2009, Qatar was second in terms concerning job creation for expatriates. A study by Vora (2014) about localization the Qatar labor market. She defined Qatarization process as a knowledge base economy that allows Qatar to diversify from petroleum revenue and reduce the state's reliance on foreign labor by introducing more Qataris to the job market. She found that an English education and gender integration could implement the Qatarization process. However, Williams, Bhanugopan, Fish (2011) argue that the Qatarization process has not achieved this optimistic goal. The Qatar petroleum has achieved only 28 percent Qatarization.

Also, Williams, Bhanugopan, Fish (2011) showed another point in explaining the issue of the localization human resource in Qatar. They argue the localization is a pressing economic and social issue in Qatar. They found that the Qataris culture focused more on prestige than performance. The most common strict cultural practices are women in the workforce, an education system that is not market-driven, an inequitable social contract, and distribution of oil and natural gas wealth in the GCC.

A similar study concerning the high unemployment rate for youth in the Middle East region completed by Choudhry, M. T., Marelli, E., and Signorelli, M. (2012) agreed with Dhillon (2009) and Forstenlechner and Rutledge (2011). Choudhry, Marelli, and Signorelli assess the impact of the financial crises on the youth unemployment rate. In this aspect, the financial crises had a significant impact on youth unemployment in the developed countries more than undeveloped countries. Similarly, Mohammed (2014) also agreed on the issue of high youth unemployment rate in the developed countries. However, Hoffman and Jamal (2012) found that the new generation was more likely unemployed in developed countries.

Gonzalez (2008) found that the Qatari females have made economic advances instead of Qatari males in current years. He stated that more than half of female Qataris are students or working. However, an unemployed Qatari female is a result of social segregation. Berrebi, Martorell, Tanner (2009) showed that 31 percent Qatari women have post-secondary schooling, however only 27 percent of Qatari men have post-secondary schooling. However, the number of unemployed females is higher than males because of high reservation salary, social norms, and favorites for a gender-segregated

work environment. This finding implies the high number of unemployed Qatari young females than Qatari males.

Overall, it appears that there was a high unemployment rate among youth in the MENA region. The reasons behind youth unemployment in the Mena region is mainly an economic outcome. The Middle East considered the second highest rate of youth unemployment. Within Qatar, the unemployment is concentrated among young people than other age groups. Qatari unemployment occurred in the private sector from the public sector. Despite the large quantity of literature that concerned youth unemployment in Qatar. There were several weaknesses in the discussed studies above. Most of the studies discussed above argue the case of young people in the MENA region, on the other hand, the nationalization process in the GCC countries did not receive attention in academic literature.

In general, most of the studies focus on the youth unemployment and the weakness of the private sector employment. Within Qatar, the Qatarization Policy has not received any interests in the academic works. There is a lack of informative studies that evaluate the process. Therefore, this study will fill the gap in studying Qatarization Policy obstacles in Qatar through understating unemployment in the private sector. The results of this study are more likely to enrich the understanding of the policies followed to overcome labor market fragmentation.

Method (Research Process)

A qualitative empirical research design will answer the research question for this study. The qualitative design allows the researcher to understand the underlying reasons for this policy choice and provide insights into the performance of the policy. The thesis will evaluate Qatar's policies toward Qatari youth unemployment in the private sector through Qatarization Policy only since Qatarization is the oldest and most broad governmental initiative to balance the fragmentation of the labor market in Qatar. Therefore, the researcher found the qualitative research design as the most suitable, in which it allows the researcher to analyze data from various sources, and within the appropriate framework.

This qualitative study used primary resources from interviews and secondary resources from books, articles, and reports. At first, the researcher selects the employees who work in the Bedaya Center as a major Qatarization initiative. The Bedaya Center's focus on developing Qatari youth skills and qualifications for the private sector employment, which is why the center uses this location for the study. The participants were interviewed in their workplace at Bedaya Center and Silatech headquarters during the daytime. Interviews conducted with 13 participants discovered an answer to the research question. The interviews consisted of 9 open-ended questions that asked the participants several questions concerning their concepts about the programme for unemployed Qatari youth, the center programme for developing youth skills and qualifications for the private sector employment, and limitations and strengths of the center. The open-ended questions chosen evaluated how these government policies are

successful in developing young people skills, as well reducing Qatari youth unemployment in the private sector.

The process of interviewing various subject experts contributes insight in different areas. Thus, individuals selected as participants could provide the significant information needed to answer the research questions. The participants represented the following four fields: career guidance and development, entrepreneurship development, education, employment. The sample included a career development advisor, an entrepreneurship advisor, a manager of the center, a director of the center, a CEO of Silatech youth non-profit organization, a senior operation program of Silatech, a director of employability of Silatech, a director of skill and assessment of Silatech, and a director of Qatar country operation of Silatech. The race and ethnicity varied among subjects. The sample includes the following distribution of ethnic groups: two Americans, four Qataris, two Jordanian, and one Somalian. All participants held a college degree; two participants held a Ph. D. with a concentration in economic development and three had Master's degrees (Business, Education, and Political Science). The participants ranged from 25-65 in age with a mean age of 30.

Telephone and e-mail communications gained access to the sample population. This communication informed participants of the interview that would last about one hour. The method of data collection included a survey completed by an interview with a set of predetermined questions that the researchers ask in the same wording and order. This process encourages employees for more participation, richer answer, and ability to clarify responses. At this time, the interviewer took notes on the data collected during the

interviews. There are several limitations of this study. One limitation of this process included a lack of answers to some of the questions. For instance, the employees of the Bedaya Center could not share the number of Qatari youth benefited from the Center's programme. They could share the total number of youths including Qataris and non-Qataris, but the study's focus was on the Qataris only. Some of the employees in the Bedaya Center refused to participate in the study.

The secondary data included policy documents that state the concerns and the application of the Qatarization process. Other sources include reports from think tanks, academics and policy institutions regarding unemployment in Qatar and the GCC in general. Furthermore, intellectual production from scholars that involved the socio-economic conditions of the region helped to conceptualize the case and define the central notions. The thesis analyzed the data from all sources to understand the main obstacles hindering Qatari youth employment in the private sector through Qatarization. Therefore, mixing both data sources will provide a comprehensive and deep understanding of the case study and strengthen the dimensions of the study to provide the best outcomes.

Thesis Outline

Chapter 1: Research proposal. This chapter is going to provide a framework for the study. This chapter will discuss the research question of the study: What are the role of Qatari governmental policies regarding the nationalization of the private sector known as Qatarization strategy. The purpose of this study is to evaluate Qatar's government policies toward Qatari youth unemployment in the private sector through Qatarization Policy. Bedaya Center was the location for this case study. After that, this chapter

emphasizes the problem statement of this study is the high rate of unemployment among Qatari youth in the private sector. Eventually, it will discuss the literature review of unemployment and previous discussions on youth unemployment in the Mena region and GCC countries, and how this study will fill the gap in study Qatarization Policy obstacles through understanding unemployment in the private sector.

Chapter 2: Contextual framework. This chapter will provide an introduction to the study focusing on the problems and rationality of this policy choice. Furthermore, the chapter aims to provide clear guidelines for the research to follow and precise approach to the study. Therefore, this chapter is going to define the rationales for choosing Qatarization, and the principle dimensions of Qatarization as defined by the Qatari laws. In general, this chapter would present an overview of Qatar labor market problems and how the government response to overcome labor market problems through Qatarization Policy.

Chapter 3: Qatari youth unemployment in the private sector. This chapter is going to compare the private sector and public sector, aiming to find the main differences that strength the national employment in the public sector from a policy perspective. Finding the main differences between both sectors will help in evaluating the suitability of Qatarization for the structure of Qatar's labor market. Accordingly, the second section of this research is going to link the outcomes of Qatarization with the increasing gap in national employment in both sectors.

Chapter 4: Qatarization Policy implementations challenges. This chapter will discuss the internal and external challenges that hinder Qatarization Policy success. The

first part of this chapter will argue the main internal obstacles include poor educational outcomes, lack of training, and cultural barriers. The second part of this chapter will discuss the external factor as the massive influx of foreign labor in Qatar. Finally, Chapter 4 will show how these factors are a problem for the implementation of Qatarization Policy, mainly with the lack of qualified nationals to fill private sector needs.

Chapter 5: Evaluate Qatari governmental initiatives: Bedaya Center as a case study. This chapter is going to evaluate the Qatari government initiatives toward Qatari youth unemployment in the private sector through the case of Bedaya Center. The first part of the chapter would present an overview of the center program and services for enhancing Qatari youth skills and qualifications for private sector employment. The second part of the chapter will evaluate the center through finding the limitations. Then it will assess the success of Qatarization Policy through Bedaya Center.

Chapter 6: Conclusion. This chapter will provide concluding remarks by linking all the study's chapters into a brief discussion. The conclusion will also list the results and call for recommendations of the study.

Chapter 2: CONTEXTUAL FRAMEWORK

The case of the labor market is very controversial. It arises many questions and approaches. The rapid economic growth of oil revenues need domestic labor, on the other hands, the GCC countries have a shortfall of skilled and qualified nationals. In fact, the GCC's labor market is mainly depending on foreign labor. This reliance foreign labor has segregated the labor market between domestic and foreign labor. Thus, the GCC countries have invested highly in human capital through localization policy to avoid reliance on foreign labor and increase the number of nationals in the labor market.

Therefore, this chapter will provide an introduction to the study focusing on the problems and rationality of this policy choice. Furthermore, the chapter aims to provide clear guidelines for the research to follow and precise approach to the study. Therefore, this chapter is going to define the rationales for choosing Qatarization, and the principle dimensions of Qatarization as defined by the Qatari laws. In general, this chapter would present an overview of Qatar labor market problems and how the government response to overcome labor market problems through Qatarization Policy.

Qatar's Labor Market

Labor market segmentation is an important historical process where political-economic powers promote the division of labor market into segregate submarkets. The different labor market distinguished by various labor market characteristics and behavioral rules (Reich, 1971). Dickens and Lang (1992) mentioned that the different labor market determines varying benefits and effect employment policies. In the case of Qatar, the differentiation proves that mainly when comparing compensations benefits,

salaries, rewards, and career development opportunities between Qataris and non-Qataris in the private and public sector. Dickens and Lang shows how Qatar's labor market segments into private and public sectors and between the national and foreign workers.

The lack of skilled Qataris had made the government imported foreign labor. The massive influx of foreign labor has segregated the labor market between Qataris and non-Qataris. The foreign labor and national labor are working in a detached job market. In a study done by Berrebi, Martorell, and Tanner (2009) showed that most members 61 percent of the workforce work for the private sector employers, nevertheless this is because 70 percent of non-Qataris, who represent 80 percent of the Qatar's total workforce are working in the private sector. However, only 4 percent of Qataris work in the purely private sector. However, Williams, Bhanugopan, and Fish (2011) showed an additional point that Qataris supply only 0.75 percent of the private labor, and foreign women occupy the domestic sector. This data implies that a significant number of foreign women work as a domestic servant. Whereas, the share of Qatari women earning a wage in the household sector is approximately zero.

More significantly, three-quarters of the Qatari labor force works in the public sector particularly in administration. In this regards, there is 85 percent of Qatari women work in public sector, particularly in education (Williams, Bhanugopan, and Fish, 2011). There is 64 percent of Qatari females are economically active in the labor force. In general, the high skilled government occupations held by Qataris, whereas female Qataris hold 58 percent. It is important to notice that almost all Qataris are working in the public sector and the high-skilled jobs occupied by Qatari women (The Ministry of

Development Planning and Statistics, 2015). Table 1 shows the share of Qataris in the government sector by type of occupations.

Table 1: Share of Males and Females Engaged in the Government Sector by Type of Occupation

Occupation	Qatari male	Qatari female
Legislators, senior officials, and managers	0.64	0.36
High skilled occupations	0.42	0.58
Medium and low skilled occupations	0.60	0.40

Source: Berrebi, Martorell, and Tanner, 2009.

Regarding education, Qataris are more educated than non-Qataris. Almost fifty-two percent of Qataris have a secondary school degree, in contrast to 39 percent of non-Qataris. However, several non-Qataris are unskilled laborers from poorer countries. The immigrant women are more educated than immigrant men, 31 percent of immigrant women have at least post-secondary education and only 20 percent immigrant men have a post-secondary education. In general, the Qatari and non-Qatari women have the same level of education, while the Qatari men are better educated than non-Qatari men. This study reflects the fact that the most foreign workers are working unskilled jobs that do not require any skills and qualifications. Furthermore, Qataris and non-Qataris have segregated labor market (Berrebi, Martorell, Tanner, 2009).

There is also a high number of well-educated non-Qataris, who work in the private sector. Williams, Bhanugopan, and Fish (2011) highlighted that 22 percent of

non-Qataris have some schooling beyond secondary school. There is a high presence of well-educated Western employees, who mostly work in the petroleum industry. They are working in the high skilled occupations. In fact, there are not enough high-quality nationals to meet the demand for high-skilled jobs. Although, the available Qataris choose not work in high skilled positions that need an intellectual and physical efforts. In fact, Qatari nationals preferred to work in the public sector because of more benefits, fewer work hours, less physical efforts. Overall, the Qataris are concentrated in the public sector mainly government sector and absence of Qataris in the private sector.

Demographic Imbalance

The national workforce is inefficient in meeting the demands of the labor market. The government has imported foreign workers to fill the gap in the labor market. This response has drastically changed the state demography. Firstly, Qatar's demographics trends characterized by three prominent patterns rapid population growth, population growth by migrant workers, and gender imbalance. Firstly, the population has grown very rapidly in the recent years. From 1986 until 2004, the population more than doubled in Qatar. In this regards, the annual population growth rate of over 4 percent in 2005, which is considered the highest in the world. Qatar's population consequently more than quintupled in a twenty-seven-year span, at an average rate of 6.2 percent yearly (Migration and the Gulf, 2010). According to the QNB report (2015) showed that the population grew by an estimated 10.1 percent in 2014 to 2.21m. Recently, Qatar Statistical Authority (QSA) estimated the total population of Qatar is 2,120,129 persons in 2015.

In fact, the number of Qataris in contrast to non-Qataris is very slight. In 2010, non-Qataris were estimated at 1,456,362 or 87.5 percent of the total resident population of 1,699,435. The Qatari population thus growth at a rate of 3.9 percent, whereas the non-Qatari population growth rate is 14.6 percent (QSA, 2015). In a study completed by Winckler (2015) examined the labor force by nationality and subdivision by gender. He found that the eighty-four percent of non-Qataris age 15 and above in the labor force compared to less than half of Qataris of the same age group. However, this discrepancy is not surprising, because most of the foreign workers came for job opportunities. Whereas, most Qataris who are older than 15 years of age are more likely to be students than are non-Qataris. There is a remarkable increase in the number of non-Qataris from the previous decades in Qatar.

Secondly, there is a high number of migrant workers as compared to Qataris. Qatar Monthly Statistics by QSA (2015) stated that the expatriates account for an estimated 86.3 percent of the population and 94.2 percent of the labor force. In a study done by Berrebi, Martorell, Tanner (2009) showed that the Qatar's birth rate is in the lowest quarter universally and among individuals age 15 and above. In 2010, there are more than four-fifths of the population residing with Qatar borders is non-Qatari-born. During May of 2015, the number of births in Qatari was 379, whereas the number of births in non-Qatari was 1,020 (Qatar Monthly Statistics, 2015). This report shows that the population of non-Qataris is more than the Qataris population.

Moreover, most non-Qataris migrate for job opportunities in Qatar. They come from poorer Asian countries that do not offer Qatar's economic opportunities. The

Indians constitute the largest workers group, then followed by Pakistanis, Filipinos, and Bangladeshis. Table 2 shows the percentage of the foreign workers in Qatar by country (Bel-Air, 2014).

Table 2: Foreign Workers in Qatar by Country of Citizenship (Selected Nationalities, 2013)

Country/ Region of Citizenship	Workers	%
India	452,578	31.2
Nepal	339,901	23.5
Philippines	165,447	11.4
Bangladesh	130,630	9.0
Arab countries	146,577	10.1
Egypt	72,487	5.0
Syria	18,474	1.3
Sudan	14,147	1.0
Lebanon	10,222	0.7
Jordan	8,341	0.6
Palestine	4,312	0.3
Total employed population 2013	1,449,234	100

Source: Bel-Air, 2014.

The third fact regarding Qatar’s population is men significantly outnumber women. Among individuals age 15 and above, men occupy more than 70 percent of the population. However, this discrepancy is not surprising; gender imbalance is a result of

the migrant workers, who tend to be male and come alone to Qatar (Migration and the Gulf, 2010). A Monthly Statistics Report by QSA (2015) noted that the male population is nearly 75 percent; whereas, the female population is 25 percent of the total population. It showed that the number of males doubled the female population.

Qatar's foreign population distorts demographics; men outnumber women by almost 1 to 5, and the population aged 15 and above reached 493 males for 100 women in 2013. Indeed, non-Qatari males comprise 77 percent of all non-Qataris, while the Qatari males comprise 13 percent of the male population. Non-Qatari males outnumber Qatari females by more than 22 to 1. In general, the lack of skilled Qataris in the labor market caused the government to implement foreign labor. As a result, foreign labor created a demographic and gender imbalance among the national population (Bel-Air, 2014).

Government Response: Qatarization Policy

The GCC countries have the highest rate of foreign labor universally. The rapid economic growth has made the GCC countries an attraction for foreign workers from all over the world. Most of the foreign workers dominated the private sector. On the other hand, the national workforce is concentrated in the public sector, mainly government occupations. There is a low rate of nationals working in the private sector in the GCC countries. Therefore, the GCC countries have implemented the localization process to increase the share of nationals in the private sector. Bhanugopan and Fish (2008) defined the localization is a “process in which locals officers increase their competencies, and consequently improve their performance, the main objective being to train and develop locals to enable them to replace expatriates with competency and efficiency” (p. 6).

Within Qatar, the state is the core engine and primary employer of the Qatari economy. Many researchers refer to Qatar economy as the “developmental country”, the government practices significant effect on employment practices over its direct interference in the labor market (Al Horr, 2011). More significantly, the country is accountable for the social welfare of its people ensuring there are chances for Qataris in the labor market at competitive wages and benefits. Regardless this guarantee, Qatar has launched a Qatarization Policy which imposes quotas requiring fifty percent participation of Qataris in the energy sector, twenty percent contribution of Qataris in the private and semi-private sector (Jaddaliyya Reports, 2015).

Qatarization as a process is defined as an “identification and development of quality, competent Qatari males and females to assumed permanent positions” (Al Horr, 2011, needs a page or paragraph number here). In other words, the Qatarization process aims to encourage the development of Qataris to a standard comparable to an international counterpart. The main purpose of this strategy is to ensure workforce participation of Qataris mainly through a quota system. As mentioned by Kamrava (2009) the strategy planned a quota of 50 percent Qataris in key positions in the hydrocarbon sector, and 100 percent of all non-specialist positions in the government sector, and 20 percent of private sector jobs to be Qatarized. In general, this strategy might increase the share of nationals in the labor market with a particular emphasis on the private sector (Al Horr, 2011).

Laws that Impact Qatarization Policy

Three core laws relate to Qatarization process. The laws are Labor Law No. 14, this law targets private sector and mixed; 2009 Human Resource Administration Law No. 8, this law targets the pensions and public sector; Law No. 24 of 2002 targeting all Qataris. Nearly, all companies formed under Articles 68 as well the branches recognized in Qatar apply Labor Law No. 14 that details employment performs and relationships in the both private and public sectors (Jaddaliyya Reports, 2015).

The first law is the Labor Law No. 8, which targets the pension and public sector. This law includes two Article, Article 14 highlights that Qataris take priority to receive any civil service job, after that favor goes to the children of a female Qatari national married to a non-Qatari, supposes of Qatari nationals, GCC citizens, Arabs then all others. Article 169 includes the end of services award for Qatari workers. The award should amount to 1-month salary for the first five years, 1.5-month salary for the next five years, and 2-month salary for all further years, and end of services. This award is different from non-Qataris (Jaddaliyya Reports, 2015).

The second Law No. 24 in 2002 as edited by Law No 33 of 2004, this law includes Article 10, which determines the pension of Qataris in public services to five percent of the last salary multiplied by the years of service. The third law is No. 14 that is targeting Qatari employees in both private and public sectors. The law includes three Article 23, Articles 26, and Article 27. As mentioned in Article 23 a non-Qatari is hired only when there is no Qatari specified for the work. Article 26 the Minister of Civil Service Affairs and Housing regulates the amount of Qatari and non-Qatari hired in

mixed sectors, also. Then Article 27 requires companies that hire non-Qataris to conduct parallel training for Qataris or employ them as an assistant so they can gain knowledge (Jaddaliyya Reports, 2015).

The Reason of Qatarization

The national workforce is still in a procedure of progress. The Qatar labor market cannot yet contest in the global market. In fact, the fast economic development from oil and gas revenues accompanies the lack of skilled national workforce. Thus, the Qatar's government had to import foreign workers to fill the gap in the labor market, as well teach and supervise Qataris. Although the number of foreign workers had increased, on the other hands the Qatari employees have been slow in making development. That means that government needs a skilled and qualified Qatari national workforce to fill the labor market. Thus, the government has implemented Qatarization Policy to decrease reliance on foreign workers in the labor market (AlSubaiey, 2011).

In November of 2005, the GCC Secretary General, Abdul Rahman Al-Attiyah, spoke of the following caution. He noted a possible consequence concerning the lack of nationals in the labor market and increase in the number of foreign workers. "The GCC countries need to look at the massive presence of foreign workers basically as a national security issue, and not a merely as an economic matter" (Toumi, 2005, p. ?). This security concern has led the GCC countries to plan for nationalization procedures to secure employment for more nationals in all sectors (Roper, & Barria, 2014).

More importantly, in 1962, the first localization process was formulated according to Qatari Labor Law No. 3. This law specified that Qatari nationals should receive

priority to fill vacant positions in the workforce (Brewer, 2007). In 1970, the government found that only 16 percent of the active population were Qataris. On the other hand, foreign workers mostly occupied the private sector. The government implemented the Qatarization Policy with the attempt to increase the share of nationals in the labor market. In general, the main reasons of Qatarization process were to reduce reliance on foreign labor and increase the proportion of nationals in the labor market.

Conclusion

The main problem of Qatar's labor market is the reliance on foreign labor. This dependence on foreign labor has formed population imbalance. In fact, the number of non-Qataris is double than Qataris. The non-national consisted of 80 percent of the total workforce. Consequently, Qatar's government has implemented Qatarization Policy to overcome labor market problems. The main reasons behind Qatarization Policy are reliance on foreign labor, security threat of foreign labor, and increase the share of nationals in the labor market, especially private sector employment. In the end, Qatar's labor market has been segregated and is dominated by foreign labor; whereas, the number of domestic labor is relatively small when compared to the foreign labor.

Chapter 3: QATARI YOUTH UNEMPLOYMENT IN THE PRIVATE SECTOR

The Mena region has the highest dominant government wage bill in the world as a percentage of GDP, 9.8 percent of GDP compared to a global average of 5.4 percent. This dominance reflects that government employment in the Mena region is high, and the public sector wages are higher than the private sector. In the GCC countries, the states provide more benefits, job security, and less physical efforts for nationals in the public sector. This reliance on the public sector generates unemployment in the private sector. Within Qatar, foreign labor dominates the private sector; while domestic labor dominates the public sector.

Chapter 3 compares the private sector and public sector to find the main differences that strengthen national employment in the public sector from a policy perspective. Finding the main differences between both sectors will help in evaluating the suitability of Qatarization for the structure of Qatar's labor market. The second section will argue the case of Qatari youth unemployment in the private sector. Accordingly, the final section of this research is going to link the outcomes of Qatarization Policy with the increasing gap in national employment in both sectors.

Employment in the Public Sector

GCC countries have used oil and gas revenues to fund employment programs for nationals as a means of supporting welfare for their populations. To preserve the status quo for their monarchies, the GCC states provide every national a job with higher wages and benefits from the revenues of hydrocarbon sector (Chemingui, Roe, 2008). Osoian

and Zaharie (2014), define the public sector as a part of the economy concerned with providing various government services and is under direct government control. The public sector requires low skill levels but offers high benefits without needful demanding physical labor. In the case of Qatar, almost 99 percent of non-Qataris are working in the private sector, whereas nearly 91 percent of Qataris are working in the public sector particularly government sector (Gupta, 2014). That means most of the Qataris are working in the public sector, mainly in government occupations.

There are several factors for favoring public sector among the private sector employment. The public sector provides more benefits, security, and less physical efforts. One study completed by Gonzalez, Karoly, Constant, Salem, and Goldman (2008) interviewed several Qataris about favoring the public sector among the private sector. They found that most of the Qataris said the public sector offered a salary based on the level of education and many benefits. For instance, a retirement pension and an interest-free mortgage to build a house on a government provided a plot of land. The second reason was job security. The Qataris who lose their government occupations retain their benefits and salary until they find an equivalent government job. Also the short working hours, as well many breaks for a national and religious holiday in the public sector. The final factor was the public sector jobs is more prestige and visible for young Qataris.

More specifically, the public sector employment is providing more security for Qatari employees. This sector provides a stable income for Qataris; they could get a loan from the bank for land and mortgage benefits (Stasz, 2007). As noted by the Law No.8 of 2009 on human resources management, most of the government employees have between

20 and 40 percent of their interest-free housing loan excused. The government also provide a housing allowance for only those working in the public sector (Meehan, 2015). This Law shows that the public sector employment is more secured that the private sector employment.

The private sector occupations are harder to get than the public sector. Qatari graduates have guaranteed jobs in the public sector, but Qatari graduates have to compete with foreign labor for jobs in the private sector. The researchers found that the Qataris stayed more years in the public sector occupations than the private sector (Berrebi, Martorell, and Tanner, 2009). Table 3 presents the difference in tenure of Qatari employees in the private and public sector. Qataris stayed in the public sector occupations longer because it is more secure and has more benefits than the private sector.

Table 3: Share of Qatari Employees by Tenure and Sector

	Four years or less on the job	Five years or more on the job
Government administration	0.29	0.71
Government establishment	0.61	0.39
Mixed sector	0.53	0.47
Private sector	0.69	0.31
All sector combined	0.39	0.61

Source: Berrebi, Martorell, and Tanner, 2009.

The public sector has applied laws to secure job unemployment for Qataris. As mentioned by Law no 24 of 2002 on retirement and pensions, if a Qatari's civil job is made redundant, responsibility for the employee is shifted to the Ministry of Civil Service Affairs and Housing. Employees assigned to the Central Service List continue to receive a sizeable share of his income. This procedure continues until the retirement age for Qatari employees (Meezan, 2015). On the other hand, there is no comparable obligatory unemployment security for the employees in the private sector.

Similarly, the public sector lacks the power to punish Qatari employees. In the case of employee performance, if the manager is unfulfilled by an employee's poor performance, he does not have the authority to punish a Qatari employee. The ministries ask the employee not to show up for work, and the salary continues. In other circumstances, if the public sector has no need for Qatari employees, they will be transferred to the Ministry of Civil Service Affairs. The employee will receive a full salary including all allowances for six months (Meezan, 2015). Overall, the public sector employment is more attractive for Qataris, because more benefits, security, and less physical efforts than the private sector.

Employment in the Private Sector

Recently, Qatar's economy has increased sharply; there were many large private companies and projects launched. The private sector is a part of the national economy that is not under direct government control and operates by private individuals or groups. Private sector usually operates as a means or enterprise for profit, and the country does not control the private sector. The private sector is looking for high qualified and skilled

employees. However, Qatar has a lack of qualified, skilled Qataris to fulfill the private sector employment. Therefore, the country has imported foreign labor to work in the private sector. In fact, an estimated 99 percent of non-Qataris are working in the private sector, whereas nearly 91 percent of Qataris are working in the public sector (Osoian, & Zaharie, 2014).

Several factors make Qataris favor the private sector over the public sector, such as better benefits, fewer working hours, more holiday days, less physical demands, and more job security. Initially, a significant influence on Qataris employment in the private sector is that employers favor the expatriates among Qataris. Gonzalez, Karoly, Constant, Salem, and Goldman (2008) have interviewed private employers about favoring the expatriates among Qataris. In their result, they found that expatriates are cost-effective than Qataris for several reasons, Qataris expect to work in short hours and paid a high salary as the public sector. Secondly, Qataris need an extensive English language or specific training to fill in the job. The third reason is Qataris leave the company to work for another company, as compared the foreign workers cannot leave the company without permission or sponsor. Hence, a small number of Qataris work in the private sector, and in opposition, most Qataris are concentrated in the public sector.

Qatari Youth Unemployment in the Private Sector

The unemployment as a market disappointment in that the obtainable positions in the economy are not well matched the workers, who are willing to take on work, or there is a lack of information about the accessibility of workers or jobs. Qatari unemployment compared to other countries in the Mena region is low. Young people, who are first-time

workers and seekers, typically make up the unemployed. Correspondingly, unemployment is concentrated in the private sector as a small number of Qataris work in the private sector. On the other hand, almost 90 percent of Qataris are working in the public sector. In general, the Qatari unemployment is concentrated among young people, particularly in the private sector.

Notably, the unemployment is concentrated among young people in Qatar. According to Figure 1, the Qatari youth unemployment fluctuates between 1.9 percent in 1992 to 1.7 in 2014. In fact, unemployment affects Qatari youth more than any other age group. Youth may take months and sometimes years for securing their first job. In the labor force survey 2015, they found that there was a long search period for a job among young Qataris as shown in Figure 2. However, in 2015, the unemployment rate has not changed. In a study done by QSA (2015) highlighted that the number of Qataris seeking first-time work was 711 unemployed Qataris, whereas the unemployment number of previous employed Qataris only 53 Qataris (Table 4) (Ministry of Development Planning and Statistics,2015).

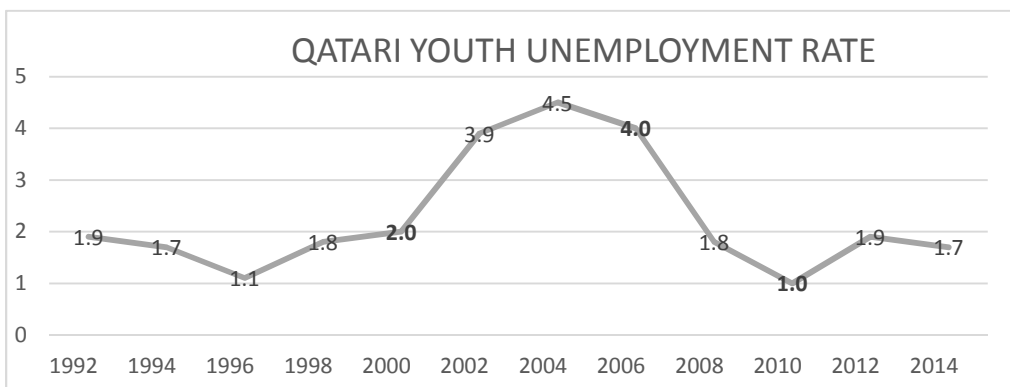


Figure 1: Qatari youth unemployment

Source: world Bank (2015).

Table 4: Unemployment Rates by Nationality, Gender, and Year, 2007-2013.

	2007	2008	2009	2011	2012	2013
Qatari male youth (15-24)	4.6	3.8	4.5	2.4	3.2	1.1
Qatari female youth (15-24)	20.4	11.5	10.9	17.1	18.6	12.3
Qatari male total (15+)	1.7	1.6	1.6	1.7	1.3	0.7
Qatari female total (15+)	6	3.7	3.4	8	6.4	3.3
Non-Qatari male total (15+)	0.13	0.1	0.1	0.1	0.1	0.1
Non-Qatari female total (15+)	1.7	1.2	1.5	2.4	2.1	1.2

Source: (Sayre, Benmansour, Constant, 2015).

The Qatari unemployment concentrates in the private sector. Several factors generate national unemployment in the private sector. Initially, Qatari graduates depend on the public sector for employment. The waiting line for a public service job is relatively long since the public sector has more benefits, security, and less physical efforts. The Silatech-Gallup Poll (2009) found a preference for working in the private or public sectors. The study found that 60 to 80 Qataris had favored the public among private sector occupations. This finding reflects the fact that a legacy for public sector being the engine of job creation for Qataris (Kabbani, 2012).

Secondly, unemployed Qataris are unwilling to work in the private sector. One study on the private sector employment published by the Ministry of Development Planning and Statistics (QSA) found that of 389 of the total 764 unemployed Qataris said that they had no interest in working outside the public sector. They found that the reasons behind unwilling to work in the private sector were low salary, hours of work, the timing of work, and days of work. Figure 3 and Table 6 show the percent and number of unemployed Qataris, and reasons for not motivating to work in the private sector.

Table 5: Total of Qatari Unemployed Persons with Secondary Education Not Willing to Work in the Private Sector by Reasons

Reasons for not willing to work in the private sector	Total
Total persons	177
Total repetitions	482
Low wage	112
Hours of work	65
Timing of work	69
Days of work	108
Lack of retirement and benefits	108

Source: (QSA, 2015).

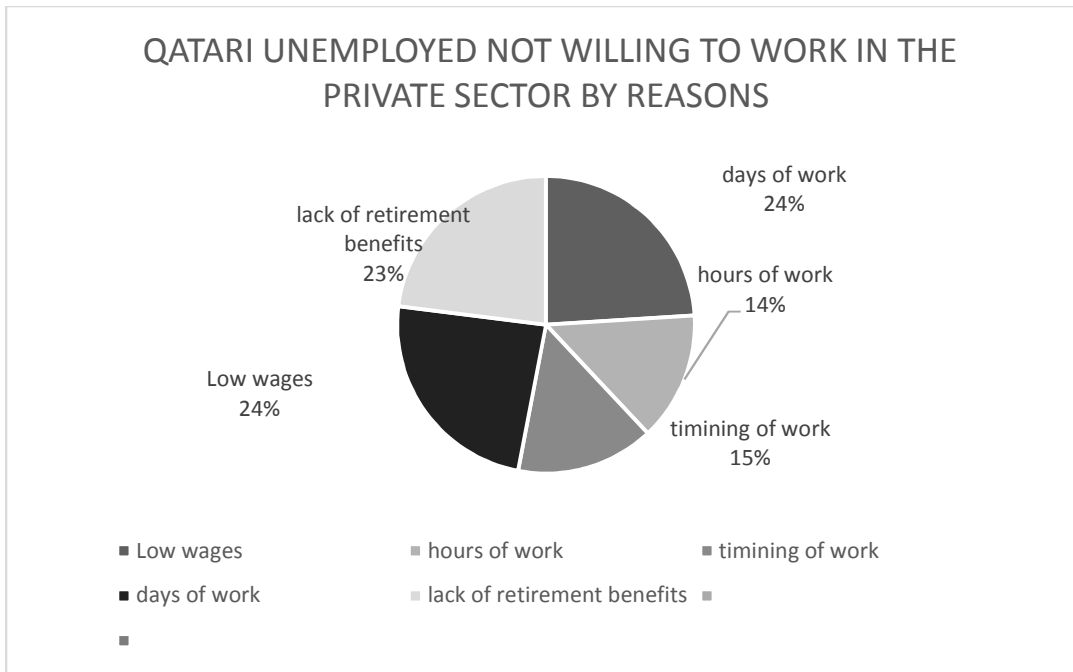


Figure 2: Total of Qatari Unemployed Persons with Secondary Education Not Willing to Work in the Private Sector by Reasons

Source: (QSA, 2015).

More importantly, unemployed Qataris do not have adequate skills and degree to work in the private sector. The private employers are more interested in employees with English proficiency, computer skills, engineering degrees, finance or accounting, marketing or public relations training. As noted by Said (2013) stated that Qatari graduates in 2004 and 2005 were two-thirds chose a literature fields, and only a third chose their secondary school major in science. That means there are numerous vacancies in science and technology, but very few Qataris with a major in the science subjects.

Another important point declared by Al-Waqfi and Al-faki (2015) Qatari women is more involving in the private sector. Within 12 years, the number of Qatari women has improved by more than six times, it has increased over the same period from 10,851 to 30,256. However, by 2013, the number of Qatari women decreased dramatically from 89.1 percent in 2001 to 68.2 percent in the public sector. On the other hand, the percent of Qatari women employed in the private sector has sharply increased more than six times in 12 years from 2.1 percent in 2001 to 14.7 percent in 2013 (Sarah, 2015). This study shows that Qatari females are more interested in private sector work than Qatari males. In general, unemployment centers in the private sector. The young people are choosing to work in public sector instead of private sector. This reliance on public sector employment is producing unemployment among Qatari youth.

Conclusion

This chapter analyzed the main differences between the public and private sector employment. The Qatari unemployment rate compared to other countries in the Mena region is small. However, the unemployment is concentrated among young people than other age groups. The chapter also presented that most of the Qataris are working in the public sector; on the other hand, the non-Qataris are working in the purely private sector. This reliance on public sector employment is generating unemployment among Qatari youth. The unemployment in the private sector is not from economic outcomes, but it is mainly from a shortfall of skilled and qualified Qataris.

Chapter 4: QATARIZATION POLICY IMPLEMENTATION CHALLENGES

The private sector is mainly depending on the foreign labor. This reliance on foreign labor, because there is a lack of skilled and qualified Qataris in the labor market. Accordingly, Qatar has invested highly in the government initiatives in particular Qatarization Policy. This policy intended to increase the share of Qataris in the labor market. It also aims to develop the skills and qualification of Qatari workforce to compete in the labor market. However, the policymakers have ignored the internal and external obstacles that influence the process of Qatarization Policy implementation achievement.

Therefore, this chapter will discuss the internal and external obstacles that hinder Qatarization Policy success. The first part of this chapter will argue the main internal obstacles are poor educational outcomes, lack of training, and cultural barriers. The second part will discuss the external factor the massive influx of foreign labor in Qatar. Then it would show how these factors considered as a problem for the implementation of Qatarization Policy, mainly with the lack of qualified nationals to fulfil private sector needs. Overall, the government did not consider the internal and external factors that could hinder or create success the policy.

Internal Factors: Weak Educational Outcomes

This section will discuss the internal and external obstacles toward Qatarization Policy success. The main internal obstacles are poor educational outcomes, lack of training, and cultural barriers. The external obstacle is the massive influx of foreign labor.

This study demonstrates how these internal and external factors are problematic in the implementation of the Qatarization Policy because of the lack of qualified nationals to fill private sector needs.

Initially, education is the core of the Qatarization Policy. It is no surprise that a poorly based education strategy fails in some features. In the case of schools, the system still has not reached international standard, as well remains unable of producing an adequate labor force. Sachs and Warner (1997a) showed that the education system has become increasingly independent of the economy since its establishment. Therefore, there has been a propensity for the education system to produce educational attainments in literature and science fields.

Qatar's reliance on natural resources attributes to this phenomenon. Sachs and Warner (1997b) completed a study on natural resource abundance and economic growth found that dependence on the hydrocarbon sector could hinder development in the division of labor because such production is not labor-intensive. They stated that "greater the natural resource endowment, the higher is the demand for non-tradable goods, and consequently, the smaller is the allocation of labor and capital to the manufacturing sector. Thus, a young people incurs the costs of education only if he or she expects to be employed in the manufacturing sector" (Sachs & Warner, 1997, p. ??). In contrast to Singapore, Japan, and Korea, they do not have hydrocarbon sector revenues. As a result, they have moved to manufacturing that require more skills and educated employees.

Although the public sector occupations provide higher wages and benefits, most Qataris leave education and work in non-tradable sectors as stated by Sachs and Warner

(1997). "...since the price and hence market wage in that sector is above the marginal value product of labor in manufacturing" (missing page or paragraph number). It is not surprising that most Qatari men do not pursue tertiary degrees. Instead, they complete a secondary education before employment. This lack of a secondary education has a significant influence on the workforce's capacity to supply highly skilled workers. Lately, Al Horr (2011) argued that the education system is to blame for not providing workers within the different sectors, particularly the petroleum sector, lies with the education system. It did not produce a qualified national workforce with an adequate level of general and technical skills. As a result, the overall creation of the Qatari workforce is under-utilized in the country (Al Horr, 2011).

It is important to ask if the Qatar's education system is preparing Qataris for the private sector needs. In fact, Qataris are not gaining the type of education needed to compete in the private sector. The World Bank Report (2008) indicates that 19.1 percent of Qataris are enrolled in science and engineering fields; whereas, 70 percent are enrolled in social sciences and humanities fields. In fact, it became a problem for Qatarization Policy that requires Qatari graduates in science and technology to train them for the private sector needs. There is a drop in enrollment within all science and mathematics programs, which reaches a decline of 77 percent for biology to a decrease of 100 percent for physics in Qatar University (Qatar University, 2015)

Lack of Training

Secondly, training is an important element for success in the Qatarization strategy. An extensive training program should complement education. However, the

Qatarization strategy does not include these two components. In fact, the lack of training and education foundation have hindered the progress of Qatari workers competence and performance (Al-Subaiey, 2011). Jolo (2008) notes that vocational and technical education and on the job training are key elements in meeting the obligations of a constantly changing work environment. Both macroeconomic analysis Becker (1975) and macroeconomic studies (Romer 1986, Lucas, 1988) have emphasized on the significant of human resources education and training for raising productivity and the economic growth of the country.

Jolo (2008) completed a study on the effectiveness of training in enhancing Qataris workforce in the Oil and gas industry. Jolo found that most Qataris agreed that training was effective in developing their general skills (93 percent), specific skills 88 percent, know-how skills 83 percent, multi-tasks skills 83 percent, solving job-related problems skills 67 percent, managing complex skills 83 percent, and job positions 57 percent. These findings show that the respondents agreed on the effectiveness of training on their skills and qualifications. Moreover, they indicated that the effectiveness of the teaching staff at 81 percent and the facilities at 69 percent. Jolo's results imply that training is a core element in enhancing a Qatari workforce with technical skills for the oil and gas sector, which is the primary sector in Qatar's labor market.

Language is one factor that hinders the training programme. The training programs mostly train with the English language. In fact, English has become the first language in most of Qatar's work environments. As mentioned by Al Subaiey (2011) most of the university graduates speak English but also consider who cannot speak it.

They have to spend time and effort to learn the English language. This language barrier limits the transfer of language and diffusion of knowledge of the expatriate foreign trainer to the Qatari trainee.

Furthermore, Jolo (2008) showed another obstacle facing Qataris in their training programs. There was a variation among respondents related to personal or demographic variables. Jolo's findings report that 27 percent of the respondents indicated that one obstacle was in proceeding with their training program as a lack of incentive, 41 percent said that they do not have any promotions when completing a training programme. Other factors included inefficient training facilities at 18 percent, inefficient training context at 13 percent, and workers with very little motivation and inefficient training teaching staff at 10 percent. These findings reflect the importance of financial rewards in encouraging the Qataris to obtain new skills (Ibid, 2008).

Cultural Barriers

The policymakers have ignored the broader historical, political, and social framework, which builds gender relations and Qatari culture. Despite the societal changes, there is still variances of chance in education and work between genders in Qatar. For example, some majors are available to only one gender based on acceptable social standards within Qatar's society (Al Subaiey, 2011). For instance, the Bachelor of Electrical Engineering in Qatar University is available for males, not females (Qatar University, 2015). Moreover, numerous Qatari females are unwilling to work in jobs that require them to spend long hours away from their families or employment in a mixed gender work environment (Stasz, Eide, and Martorell, 2008).

Similarly, Williams, Bhanugopan, and Fish (2011) found that a common obstacle to localization through GCC countries, which is a culture that focused more on prestige than performance. For example, strict cultural practices of women in the workforce. However, the new Qatari organizations ensure women equality in the workforce, but there are cultural barriers that may take longer to change. Stasz (2007) argues that there is a growing aspiration among young females, whereas there is also a cultural backlash tends to blame women contribution for several social challenges including an increasing divorce rate (Nainar, 2009).

Correspondingly, interviews conducted by Stasz, Eide and Martorell (2007) with Qatari employers on the post-secondary study found significant information about employer's perspectives of Qatari women in the workforce. In their study, some employers said that the skepticism concerning women's capability to balance family and work tasks. Most employers offered an equal chance for both genders. However, many employers indicated that specific positions were:

...not suitable for women, that women tended to ask for more time off for family reasons that some women refused to work in mixed-gender environments and in jobs that required them to spend long hours at work and away from their families. (Felder, Vuollo, 2008, p 204).

This finding shows that cultural and social barriers play a dominant role in the women's employment.

Besides the gender issues, culture also affects the selection of study and work. In a study completed by Devlin and Jewson (1995) addressed that "Qatar's industrial

development has been achieved as a result of large scale inflows of technically-competent expatriate labor, due to a lack of technically competent Qataris” (missing page or paragraph number). Culturally, the physical labor occupations are less prestigious and simply theoretical fields, as they demand physical efforts. In general, Qatari workers do not desire physical work. However, before the oil boom, Qataris worked in hard physical occupations such as pearl diving (Al Subaiey, 2011). This perspective implies that Qatari workers view the physical occupations as non-prestigious jobs.

External Factor: Huge Influx of Foreign Labor

It is important to mention that the Qatar’s government neglected the massive influx of foreign labor. The foreign labor is dominating the labor market to the open policies for temporary immigration. Figure 6 presents the percent of population growth from 2012 until 2016 (Al Subaiey, 2011). Al Bawaba (2009) highlighted that Qatar was the second only to the KSA in job creation for expatriates in 2009. In fact, the demographic changes have directed to imbalances between the national and non-nationals population. It has also led to tension between foreign residents and locals in work ethics and cultures. Foreign workers dominate the private sector occupations. They are well trained and skilled in the technology and science fields. However, Qataris lack of skills and qualifications for the private sector demands.

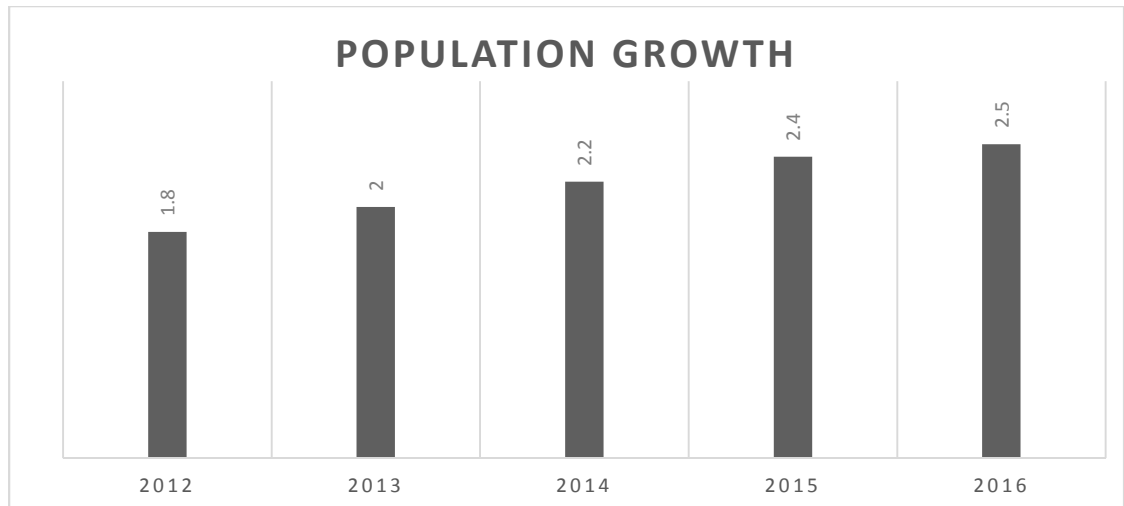


Figure 3. Population Growth from 2012 until 2016

Source: World Bank 2015.

More importantly, according to Dr. Khalifa an economics professor at Qatar University, the Qatar government did not consider the importing the foreign labor could have a negative influence on society. Alkuwari (2008) found that the effects of foreign workers on society are discrimination, the harm of culture, and over-dependence on the non-nationals.

The implementation of Qatarization could be problematic in some sector than others. In the case of oil-based industries involve technical skills, which most Qataris lack. However, training programs focus only on the technical features. These programs only include aspects of maintenance and production operation. It did not cover technology transfer, which is implemented mainly by vendor-training (Jolo, 2008).

Skills Mismatch of Nationals on Qatarization Policy

This section will discuss the shortfall of skilled and qualified Qataris to fulfill the private sector vacancies. In fact, this lack of skilled Qataris has an implication on the Qatarization Policy success. Initially, Qatar does have not a systematic approach to implementing Qatarization Policy. The main instrument for implementation has been setting quotas. In this context, the country hired nationals to fill the quota regardless of the candidate's skill to fulfill the job responsibility. As a result, increasing overhead costs without gaining the results and potentially compromise the quality of the corporation's work. This shortfall is not exclusive to Qatar alone; it takes place throughout the GCC countries. However, Kuwait implemented the localization through a combined approach; the government enforces quotas, as well a wage subsidy program for nationals working in the private sector. This approach may vary depending on the education level and family status; however, it is competitive with the public sector wages. This approach has resulted in positive benefits (Jaddaliyya reports, 2015).

According to Kamrave (2009), the strategy's intent was for 20 percent of the private sector jobs to be Qatarized, but this was not achieved. The goals were determined to be impractical, and were dropped. In this context, several organizations are hopeful about their development in the Qatarization Policy. Recently, Qatargas indicated that it was expecting to meet its target of 50 percent in implementing Qatarization in 2012. The CEO of Qatargas indicated that the attrition rate for Qataris was under 2 percent. Qatar National Bank reported a similar percentage in implementing Qatarization. In 2008, it had achieved 49 percent of Qatarization. This low attrition rate was the result of careful

monitoring of Qataris such as, training, development programs, and career progression (Williams, Bhanugopan, and Fish, 2010).

Conclusion

Chapter 4 explained the primary internal and external challenges to the success of the Qatarization Policy. The main obstacles are poor educational outcomes, lack of training, cultural barriers, and an enormous arrival of expatriates. Most of the challenges stem from the policy was set as a goal, without considering the internal and external obstacles that could either enhance or develop the policy success. Viewing Qatarization as a process to increase the share of Qataris in the labor market directs the importance of quantity rather than quality. This view has led to the poor implementation of the Qatarization Policy and loss of resources. In the end, the government did not consider the internal and external factors that could either hinder or progress Qatarization success.

Chapter 5: EVALUATE QATARI GOVERNMENTAL INITIATIVES: BEDAYA CENTER AS A CASE STUDY

Qatar has considered the significance of investing in young people to have a strong, developed economy. It has become vital that all Qatari youth obtain skills, qualifications, and knowledge of the labor market demands. Qatar's government has launched several NGOs to help the youth develop skills and qualifications for the private sector demands. The purpose of these NGOs is to match the skills of Qataris with the labor market demands and reduce reliance on the foreign labor. This aim of this chapter to assess Qatarization Policy over Bedaya Center, a youth NGOs.

This chapter evaluates the Qatari government initiatives to decrease Qatari youth unemployment in the private sector through the case of Bedaya Center. The first part of the chapter presents an overview of the Center's program and services for enhancing Qatari youth skills and qualifications for private sector employment. The second part of the chapter evaluates strengths and weakness of the center. Finally, an assessment of the success of Qatarization Policy through Bedaya Center is noted.

Non- profit Organization; Bedaya Center

The other initiative done by the government for career development and entrepreneurship is Bedaya Center. There are several reasons for choosing Bedaya Center as a case study. First, there are limited youth non-profit organizations in Qatar that concentrated on the youth development. Secondly, this center focuses on developing Qatari youth for the private sector employment. Thirdly, the center is one of most active and productive center than others. Silatech and Qatar Development Bank established

Bedaya Center in September 2011 as a joint initiative to develop the skills within Qatari youth. The aim of the center is to provide services for youth that develop their skills and qualification for the private sector employment and business sector.

Moreover, the Center helps Qatari youth to work in the private sector through developing their skills to match the labor market demands. In this attempt, the services inform Qatari graduates about their career opportunities in the labor market demands. As Al Khalifa, Chairman of Bedaya Center highlighted that the center does this by “developing and supporting young entrepreneurs to succeed with a business idea and also helping young people to go for career options that match their personality” (Bedaya Chairman’s word, 2015, p. 2). In general, the Center prepares Qatari youth for private sector job vacancies and the business environment.

Bedaya Center Programme and Services

The services of Bedaya Center comprised of entrepreneurship, career development, and training workshops. Initially, the entrepreneurship services is to help youth evaluate their business ideas over personality assessment, business opportunity recognition, and finding their business niche (Bedaya, 2015).

The center has a professional business advisors for entrepreneurship services. They help youth to evaluate the business ideas through idea generation, business options recognition, and finding youth niche. After that, they learn youth how to design a business plan includes market analysis, legal and registration, operational plan, marketing strategy, and costing. Then they teach how to promote effectively for the business plan through social media. The advisors will support youth in funding the right funding

channels. The final step is the center advisors and partners will advise youth about incubation period and growth (Bedaya, 2015).

One study completed by Al-Subaiey, Al-AlThani, and Al Muftah (2013) focused on home-based business, which is a growing phenomenon in Qatar. Interviews conducted with Bedaya, Ruda, and Social Development Center provide career and entrepreneurial guidance in Qatar. They found that Bedaya Center played a dominant role in the growth in popularity of a home-based industry. They also showed how Bedaya raises awareness of entrepreneurship among Qatari youth. The study further showed a sudden increase of home-based businesses in Qatar and a vast number of Qatari entrepreneurs in home-based business. In general, the study raises the awareness of the home-based business in Qatar as well the role of the Bedaya Center in developing Qatari entrepreneurs in this business (Al-Subaiey, Al-AlThani, & Al Muftah, 2013).

Secondly, the Bedaya Center provides career development services for youth. The career guidance includes several steps. The first step is to know the personalities of the youth through career interests, ambitions, and skills. Then the advisors support the youth as they explore different alternative job interests through job shadowing, internships, volunteering, and part-time jobs. This stage narrows down the youth's career choices (Bedaya Center, 2015). This stage shows the young people what job responsibility is and the work environment (Bedaya Center, 2015). In an interview with Abdin (Abdin, R., personal interview, November 11, 2015), ¹Career Development Advisor, she highlighted

¹ Personal interview, Ola Abdin, 11 November, 2015.

the job shadowing is a process that helps young people know the adequate career that matches their personality and skills.

The third step, take a decision, allows the advisors to evaluate the different alternatives the youth have explored, then make an informed decision and fill the action plan. In this stage, the youth chooses a future path career. In the final stage, the advisors help the young people develop skills by attending workshops, events, and courses. Then they teach the youth how to market themselves by developing a professional image in a network and by researching employers. That means the young people will choose a career in this stage (Bedaya Center, 2015).

The center also organizes several skills workshops for both career development and entrepreneurship for Qatari youth. Over 600 youth joined and benefited from the guidance and training of various aspects of personal development and business (Yaish, B., personal interview, November 10, 2015). ²The training aims to support Qatari youth opening their own business and contemplating a career to grow their abilities and talents for their future (Qatar is Booming, 2015). Al Suwaidi (Al Suwaidi, R., personal interview, November 11, 2015)³, Manager of Bedaya Center, emphasized that “With the training programs we offer, we aim to give young Qataris the best chance to succeed in life in whatever direction they may choose, whether as an entrepreneur running their own business or following their chosen career path”.

² Personal interview, Baheya Yaish, 10 November, 2015.

³ Personal interview Reem Al Suwaidi, 11 November, 2015.

An Evaluation of Bedaya Center: Limitations of the Center

This section evaluates the Qatarization Policy through the Bedaya Center. This evaluation shows how successful the center is in enhancing Qatari youth skills and qualification for the private sector demands. As discovered in the interview with Abdin (Abdin, R., personal interview, November 11, 2015)⁴, Career Development Advisor, the access to Qatari men is harder than Qatari women. She indicated that the number of Qatari women who attend the training, workshops, and career guidance was higher than Qatari men. Moreover, the Qatari women are more motivated in Bedaya's programme, and showed a commitment to attend the sessions and training. However, the Qatari men showed less obligation in attending the programme. As a result, the center is facing gender imbalance, but the Qatari women outnumber the men.

Similarly, the study found that the Qatari males were more likely to drop the university and work in military occupations. The Qatari women have more awareness about Bedaya's programme of career guidance and entrepreneurship. Thus, the number of Qatari men are less than Qatari women attending the center. As mentioned by Al Naimi (Al Naimi, M., personal interview, November 10, 2015)⁵, CEO of Silatech, the government should set a quota system for Qatari men, who enter the military each year, this process will enforce Qatari youth to enroll in the university. In general, the Qatari women are more likely interested in the Center's programme and training than Qatari men.

⁴ Personal interview, Ola Abdin, 11 November, 2015.

⁵ Personal interview, Mohammed Al Naimi, 10 November, 2015.

Another critical weakness of the center, the advisors faced difficulties to reach Qatari students in schools, particularly independent schools. In fact, the time of the independent schools is very tight. Also, the administration of the school is highly restricted toward time. Abdin (Abdin, R., personal interview, November 11, 2015)⁶, Career Development Advisor, said that it is very hard to arrange workshops and training for students in schools, as well the teachers were not awareness about our programme services. Moreover, the human resource of the center is limited. They are only four employees, so everyone is responsible for more than two programmes. Yasmen Hassan (2015, personal interview, November 11)⁷, Entrepreneurship Development Manager, highlighted that “it is very difficult to innovations new programs because there is no time, as well there is no employees to do new programme in the center”.

Moreover, most of the training programs and workshops of the Bedaya Center were trained with the English language. In fact, most Qataris lack proficiency in the English language, so it is hard to communicate with the Qatari youth. Some of courses and programmes need specific skills and quality to enroll in the courses; for example, the entrepreneurship programs. Yasmen Hassan (2015, personal interview, November 11)⁸, Manager of Entrepreneurship Programs, said that most Qatari students lack of the English language makes it hard to deliver the information in the workshops and training. In general, the weakness of the Bedaya Center includes hard access to Qatari youth men, the

⁶ Personal interview, Ola Abdin, 11 November, 2015.

⁷ Personal interview, Yasmeen Hassan, 11 November, 2015.

⁸ Personal interview, Yasmeen Hassan, 11 November, 2015.

gender imbalance in the Center, time management in schools, and the lack of skills and quality of Qatari youth.

Lately, Bedaya Center's achievements in career development have benefited nearly 2,000 Qatari youth. However, this is a small number when compared to the total number of Qatari youth. The center did not reach a large number of Qatari youth. There are five agreements with several education institutions and organizations. It had reached out to 39 independent schools and two international schools (The Peninsula Qatar Daily Newspaper, 2015). These agreements include a small number of schools when compared to the total number of nearly 338 schools in Qatar. This percentage reflects the fact that the center did not reach the possible number of Qatari students.

More significantly, the center has also held 25 workshops for the young people in Qatar and complete an independent schools counselor career guidance and training programme in corporation with Hamad Bin Khalifa University. On the other hands, the participation of Qatari youth was little. Most of participants were not Qatari youth and older ages (Rachel, A., personal interview, 10 November, 2015)⁹. This is clear that the attendance of center workshops and training were not Qataris and older people.

Most Qatari graduates take the Tamheed Assessment for career development and guidance. This study found that the graduates did not follow the results of the assessment in the career future. For example, some of Qatari's graduates found through the Tamheed assessment that they should work as an engineer. However, this study found that they work in other fields within the public sector. This finding implies that the Tamheed

⁹ Personal interview, Rachel Awad, 10 November, 2015.

assessment did not affect the Qatari youth's career choice and development (Bryce, T., personal interview, 10 November, 2015)¹⁰.

Conclusion

In the end, Chapter 5 showed the Qatar's government initiative Bedaya Center toward Qatari youth. This chapter evaluated Qatarization Policy through Bedaya Center as a case study. The results of this chapter showed that Bedaya Center as a governmental initiative is weak. A small number of Qatari youth benefit from the Center's services. Similarly, the Qatari youth who participated in the Center's activities to improve their skills for private sector ended up working in public sector occupations. In the end, this evaluation found that the governmental initiatives is weak and does not produce skilled Qatari youth for the private sector demands.

Conclusion

This study evaluates the governmental initiatives of Qatarization Policy through the Bedaya Center toward Qatari youth unemployment in the private sector. In the results, this study found that the Qatarization Policy did not successfully enhance Qatari's skills and qualifications for the private sector demands. Most Qataris lack the skills for employment in the private sector. There is a high rate of Qatari youth unemployment in the private sector. In fact, private sector unemployment is concentrated among young people more than any other age group, particularly among first-time workers and job seekers. Foreign labor dominates the private sector, and almost 99 percent of expatriates are working in the private sector. On the other hand, domestic labor works in the public

¹⁰ Tracy Bryce, personal interview, 10 November, 2015.

sector. One estimation is that 99 percent of public sector employees are Qataris. The government repeats the policy every year without gaining results. Qatarization Policy does not match the Qatari youth with the private sector vacancies.

More importantly, the initial goals of Qatarization Policy have not been achieved. In fact, the government has no primary instrument for measuring the success of the Qatarization Policy, the only guide was by setting a quota for the number of nationals in various occupations and critical positions. This policy focuses on the quantity rather than the quality of Qatari's employment. Accordingly, Qatar hired nationals to fill the quota regardless of the candidate's skills to fulfill the job responsibility. On the other hands, this process is increasing overhead costs without gaining the results and corporation with the quality of the company.

In fact, the Qatarization Policy's objectives have not been met. The policy's intent was that 20 percent of the private sector jobs were to be Qatarized, remains unachieved. These goals were determined to be impractical and dropped as the measure of success. In this regard, several organizations are hopeful about their development in the Qatarization Policy. Lately, Qatargas indicated that it expected to meet its target of 50 percent Qatarization in 2012. The CEO of Qatargas indicated that the attrition rate for Qataris was under 2 percent. This low attrition rate became attributed to the very careful monitoring of Qataris through training, development programs, and career progression. Also, Qatar National Bank reported a similar percentage in implementing Qatarization, in 2008, it had achieved 49 percent of Qatarization.

The results of this study found that the implementation of the Qatarization Policy through the Bedaya Center is weak. This study found that the Center did not reach its goals. Most Qatari youth who trained and took advisor sessions in the Center did not work in the private sector vacancies or start up business. They are mainly working in the public sector occupations. The Center has reached a small number of Qatari graduates to match their skills with the private sector. It has benefited only 2000 Qatari youth, which is small when compared to all young people in Qatar. Another finding is the Qatari women are more motivated in the Center's services than Qatari males. Women attend more workshops, training, and career guidance than men. This difference has generated gender imbalance in the center. The study also found that the center faced difficulty in reaching Qatari students in independent schools, the time is very tight, and administration of schools is highly restricted.

Another important point discovered that human resources of the Bedaya Center are very limited. It is hard to expand and increase the services of the Center. In fact, the programmes are taught in the English language; whereas, most Qataris lack proficiency in the English language. In general, the Bedaya Center has proven that the Qatarization Policy is ineffective in the Center. The main limitations of the Center include the difficult access to Qatari men, lack of human resources, management of schools, lack of English proficiency of Qatari youth, and gender imbalance.

This study further found that one of the reasons behind this failure of the Qatarization Policy lies with the education system. The education system does not produce Qatari young people with adequate skills and qualifications for the private sector

demands. The education curriculums, teachers, and field of youth study are major factors in the failure of the Qatarization Policy. Most Qataris enroll in art studies rather than science and mathematics, which is what the private sector needs. Qatar's education system is not generating a qualified and trained Qataris ready for the Qatarization Policy. Most private employers need people with the science and technology knowledge, which most Qataris have no specialization.

Moreover, this study also found the potential obstacles of the Qatarization long-term objectives. Initially, the employment of Qataris for all corporations involves targeted plans through word of mouth, internship chances for the Qatari young people, and partnerships with universities to attract students, as well upcoming graduates. The main sector is the oil and gas sector in providing sponsorship and funded scholarships Qatari young people. The smaller companies provided benefits for Qataris, but it is not frequent or widespread. It is clear that the oil and gas sector implemented the Qatarization plan more than the smaller companies did. This differentiation has led to increased unemployment in small private sector companies.

The incentives for Qataris in the hydrocarbon sector is more than other industries. This incentive variation created a challenge for small companies to compete with the competitive wages and salaries offered by the oil and gas sector companies. A further challenge for small companies is that larger companies were much better equipped to carry out the Qatarization plan. The larger companies have a strategy, knowledgeable staff, and Qatarization objectives. However, the smaller companies tended to have a more informal human resource department. Another finding is that more governmental

involvement by the government in the organization's portfolio, the further the implementation of the Qatarization Policy became in the organization.

This study suggests that employment for youth is incomplete and vague. The government initiatives must focus on quality implementation and evaluation to secure continuous development. Therefore, this study suggests that the policy makers should consider the following to avoid youth unemployment and the government initiative's success. First, the government should start from schools where students learn about their choices and their place in the labor market. In this regard, the companies and educational institutions should work together to provide alignment between labor market demands and education by shifting from academic to vocational training. This process will prepare Qatari students with skills and qualifications for the labor market demands.

It is important to focus on early education through public and private sector partnership. The state should start training students in schools about the career prospects through a combination of leadership programs, community services, and internships. The corporation between employers and education institutions could provide a useful knowledge-sharing platform. In fact, the early career development education in secondary school could advance the quality of government initiatives.

Second, the government should establish a committee to strictly monitor and evaluate the quota system of Qatarization. This committee will ensure the quality, rather than the quantity of national workforce. Also, the training programs must ensure that nationals develop the skills and qualifications they need to compete in the labor market.

This process of a proper education and vocational training will decrease dependence on expatriates in the long term.

Third, everyone involved in the process of youth employment should align the strategies. This alignment is critical to guarantee harmonization of procedures and regulations. This alignment provides sufficient coordination to meet the objective of Qatar national vision 2030, which is human development, particularly among youth. For instance, educational institutions, administrative, universities, corporations, and human resources departments can work in better harmony with each other. This arrangement will provide employment flexibility and quality training.

More importantly, the government should identify the type of skills needed in each company not the number of Qataris in the labor market. The government initiatives should not be created as a convenient solution to correct the imbalance in the labor market. It should focus more on the developing the skills of Qataris.

Also, the non-profit organizations for youth should focus more on motivations Qatari males. The youth center should provide a motivation workshops and training for Qatari males to pursue their university degree and develop their skills and qualifications. The government should implement a quota setting for military to reduce the number of Qatari males. It would help to shift the Qatari males from military occupation to pursue tertiary education. This new quota will help reduce the gender imbalance in the labor market. The schools, universities, and youth centers must work together to develop youth skills and qualifications.

Finally, the study suggests that private sector employers should provide more security and benefits to attract the Qataris. It also should provide a training program to learn skills and qualifications to replace nationals with expatriates. This training would help increase the number of Qataris in the private sector and reduce the reliance on expatriates. Overall, these recommendations could enhance Qatari youth skills for the private sector and reduce reliance on the foreign workers.

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Appendix

This interview is conducted to evaluate Bedaya center programme and services:

1. Who is the main target age group of the center?
2. What are the main programme of the Bedaya center?
3. What are the main objectives of the center?
4. Who is the most participant gender in Bedaya workshops?
5. Who many Qatari youth benefited from the center programme?
6. What do you think about the implications of the Bedaya programme on Qatari youth?
7. What do you think the main weakness of the center programme?
8. What do you think the main strengths of the center programme?
9. Do you have any suggestions for improving the center programme?