Women, labour market nationalization policies and human resource development in the Arab Gulf states

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Growing levels of national unemployment constitute one of the Arab Gulf’s key domestic policy challenges and not least because the majority of new jobs will need to be created in the skilled private sector. We demonstrate that while female nationals obtain proportionately more of the vocationally orientated, tertiary level qualifications that this sector requires, structural issues and cultural attitudes continue to act as barriers. Based on the findings of interviews with policymakers in Saudi Arabia and the United Arab Emirates, we contend that while incumbent labour nationalization policies have led to marginal increases in female participation rates, more systemic labour market reforms will be needed in order to better capitalize on the ‘valuable human resource asset’ that they represent.

Keywords: labour nationalization; gender economics; education and human resource development; Gulf Cooperation Council; labour market policy

Introduction

There is now a growing realization in the Arab Gulf states, which comprise the Gulf Cooperation Council [GCC: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates (UAE)], that no longer can all new labour market entrants be absorbed into their respective public sectors, especially not the most coveted, and least productive bureaucratic echelons (e.g. World Bank 2004a). This is evidenced by rising the levels of unemployment – almost one in five nationals aged between 15 and 29 years (Gallup 2009, 19) – and by the fact that all states are now pursuing labour nationalization policies. These policies encompass direct labour market intervention, such as reserving certain job categories for nationals, and indirect intervention by way of human resource development (HRD), for instance, the provision of market-orientated vocational training programmes. For more detail and critique of the Saudization process, see Looney (2004) and Al-Dosary and Rahman (2005), likewise for the Emiratization process, consult Rees, Mamman and Braik (2007) and Davidson (2008b).

The labour market restructuring now underway is giving rise to many cultural, economic, social and political challenges, especially for women (e.g. World Bank 2004b; Brooks 2006). The process is driven both by the need to move from a

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commodity-dependent allocative state economic model to a more diversified and knowledge-based one (e.g. Beblawi and Luciani 1987; Davidson 2008a, 178) and in order for these states to increase the competitiveness of their non-oil sectors as they integrate more deeply into the global economy. Neither are gender neutral processes (e.g. Sassen 1998; Young 2000; Munck 2004, 81), and it is a gendered analysis of these labour market reforms and nationalization policies, which constitute the focus of this paper.

Forstenlechner and Rutledge (2010) argue that the overarching goal of such policies, indeed their raison d’être, is to ‘encourage’ more nationals to take up private sector employment. Various factors complicate this however. First, the overwhelming majority of nationals consider this sector unattractive in terms of pay and working hours as well, in some way, being ‘culturally inappropriate’ (e.g. Harry 2007). In tandem, many private sector employers consider nationals to be more costly, harder to manage and less vocationally motivated than comparably experienced non-national employees (e.g. Al-Ali 2008; Forstenlechner et al. forthcoming). Another factor is this cohort’s relative human capital value (Becker 1964) vis-à-vis that of the incumbent non-national private sector employees. It has been argued that pathological deficiencies in many of the GCC’s educational sectors (e.g. Minnis 2006; Muysken and Nour 2006) coupled with the way in which the state has traditionally allocated jobs irrespective of merit and subject specialization (e.g. Davidson 2008a; Salih 2010, 177) have resulted in a tendency for citizens to opt for academic subjects that are not aligned to the needs of the market (e.g. religious studies in favour of the sciences). The interplay, therefore, between the need to place more nationals in the private sector and the upgrading of their human resource capital, is both of contemporary relevance (for instance, radical and systemic changes are now taking place in the educational systems of Qatar and the UAE) and is an area of region-specific HRD that deserves further study (Metcalfe 2007, 55). The aim of this paper is to contribute to this field by presenting evidence that highlights the valuable, but as yet, underutilized human capital resource that national women now increasingly represent. In order to do this, we pose two research questions (RQs):

RQ1. To what extent can the higher rates of female unemployment be explained by this cohort’s educational attainment relative to that of their male counterparts?
RQ2. What impact have nationalization policies had on Female Labour Force Participation (FLFP) rates, and to what degree, can they be considered gender-aware?

Broadly speaking, this paper is divided into two parts, the first focuses on RQ1 (a contextual and empirical analysis of labour market and educational attainment trends), the second concentrates on RQ2 (a discussion based on the findings of a series of ‘expert’ interviews on the subject). It starts, therefore, by providing a sketch of regional labour market characteristics and educational outcomes that augment the gender-delineated empirical evidence that we have collated and present. It then outlines our interview research methods, semi-structured interviews with senior officials directly involved with the Emiratization and Saudization processes who were considered to have ‘insider information’ and moves on to discuss the findings. This covers the impact of nationalization policies and other ‘interrelated’ factors on female participation rates and the extent to which policy formulation and implementation can be considered adequately gender-aware (information not readily available in the public domain).
**Background: a gendered analysis of labour markets and educational outcomes**

In the early stages of the region’s economic development, governments accepted that their ability to capitalize on their new found resource wealth and expediently upgrade their economic and social infrastructures hinged on the importation of non-national labour. Such a policy undoubtedly afforded benefits: a rapid transformation of society from subsistence levels to ones of considerable affluence (e.g. Hourani 1991; Davidson 2009; UNDP 2009). However, during this period, and so as not to dilute their hold on power, ruling elites chose to provide their citizenries with a range of generous welfare benefits, in lieu of active political participation. Forstenlechner and Rutledge (2010, 38) argue that the principal transmission mechanism of this ‘social contract’ has been the ‘provision of a very well remunerated and undemanding public sector job’ (see also World Bank 2004b, 207; Davidson 2008a, 179). The (unwitting) consequence of which is today’s highly distorted and segmented labour market: almost three quarters of all employed nationals work for the government, as their reservation wage is uncompetitive for private sector operators to meet (see Table 1).

The overwhelming preference for public sector employment was recently captured in a regionwide survey (Gallup 2009, 22), despite the pollsters adding the caveat ‘assuming pay and working conditions are similar’: 67% of young nationals still wanted, above all else, a government job (just 9% would prefer to run their own business). Moreover, it has been suggested that many nationals will hold out for such jobs – thus remaining ‘unemployed’ in the interim – rather than consider the alternative, because ‘needing to apply’ for a private sector job would suggest that the given individual had insufficient ‘connections’ (Harry 2007, 135; Salih 2010, 173). Forstenlechner et al. (forthcoming) argue that the impact of such connections (in Arabic: *wasta* – the ability to use family or tribal affiliations to gain unmerited favour) ‘cannot be understated’. While *wasta* may help secure a government job, it reduces considerably the willingness of private sector employers (both non-national and national) to recruit from this cohort.

<table>
<thead>
<tr>
<th>National workforce (as % of total workforce)</th>
<th>National unemployment (as % of total national workforce)</th>
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<tbody>
<tr>
<td>Total</td>
<td>Public sector</td>
</tr>
<tr>
<td>------</td>
<td>---------------</td>
</tr>
<tr>
<td>Bahrain</td>
<td>36.1</td>
</tr>
<tr>
<td>Kuwait</td>
<td>16.9</td>
</tr>
<tr>
<td>Oman</td>
<td>28.7</td>
</tr>
<tr>
<td>Qatar</td>
<td>44.8</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>50.5</td>
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<tr>
<td>United Arab Emirates</td>
<td>10.4</td>
</tr>
<tr>
<td>GCC</td>
<td>38.3</td>
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</tbody>
</table>

Sources: Authors’ calculations based on data from Rutledge (2009) and GCC government national labour force surveys (personal communication).

Since then mid-1990s, the systemic inefficiencies that are an inevitable consequence of providing public sector jobs by default, as well as the difficulty of servicing large wage bills during times of low oil prices, have become increasingly apparent (e.g. Davidson 2008b; Rutledge 2009). Exacerbating this is the region’s well-documented demographic pyramid, which will result in ever larger numbers of nationals wanting to enter the workforce in the coming decade or so (e.g. Fasano and Goyal 2004). Yet neither the attractiveness of the public sector nor the rapid increase in the number of nationals now seeking to enter the workforce explains why women are three times more likely to be unemployed (see Table 1). Leaving aside the issue of relative educational attainment levels – to be addressed below – it is likely that various socio-cultural factors have a significant bearing (e.g. Adam 2003; Nelson 2004; Farrell 2008; Metcalfe 2008).

Gender and unemployment

Alongside practical constraints such as limited geographic mobility, which is acute in Saudi Arabia (Baud and Mahgoub 2001), even if a given woman in pursual of her career aims would be willing to accept employment in a mixed gender environment (forbidden only in Saudi Arabia), the ‘stigma’ attached to working in such environments may yet deter her (as was established in a recent survey of Qatari women – see Felder and Vuollo 2008). According to Metcalfe (2008, 89), an important factor limiting women’s career progression in the region is the ‘recruitment and HR practices of private sector organisations’. Indeed, many Emirati women have complained of the difficulty in advancing beyond entry-level positions (Nelson 2004), and their dissatisfaction with being considered by some as ‘window dressing’ (Farrell 2008) – hired only to meet the given bank’s nationalization quota requirements, being side-lined from decision-making process and not being offered any training or career advancement opportunities. There is also evidence to suggest that private sector employers tend to avoid recruiting national women in the first place (a) because of the associated socio-cultural sensibilities and (b) because of the assumed, or actual, infrastructural costs (e.g. possibly having to segregate office space) (Forstenlechner et al. forthcoming).

Although Table 2 does show that the share of women in the national labour force has grown in all states (from 22.1% to 27.8% between 1996 and 2004), the rate of growth has been relatively slow (see also Karoly 2010, 31). Data released by the

Table 2. National women as a percentage of total national workforce, 1996–2004.

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</tr>
</thead>
<tbody>
<tr>
<td>Bahrain</td>
<td>19.3</td>
<td>19.3</td>
<td>23.7</td>
<td>24.5</td>
<td>25.0</td>
<td>25.8</td>
<td>26.7</td>
<td>27.5</td>
<td>28.1</td>
</tr>
<tr>
<td>Kuwait</td>
<td>32.9</td>
<td>33.7</td>
<td>33.8</td>
<td>34.5</td>
<td>35.0</td>
<td>35.7</td>
<td>37.3</td>
<td>38.2</td>
<td>40.0</td>
</tr>
<tr>
<td>Oman</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>21.0</td>
<td>22.1</td>
<td>22.8</td>
<td>23.9</td>
<td>24.5</td>
<td>24.5</td>
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<tr>
<td>Qatar</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>40.0</td>
<td>40.8</td>
<td>42.1</td>
<td>43.0</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>14.6</td>
<td>14.5</td>
<td>14.5</td>
<td>14.8</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>11.8</td>
<td>12.0</td>
<td>12.5</td>
<td>12.8</td>
<td>13.2</td>
<td>13.7</td>
<td>13.9</td>
<td>14.7</td>
<td>15.4</td>
</tr>
<tr>
<td>GCC</td>
<td>22.1</td>
<td>22.4</td>
<td>23.6</td>
<td>24.2</td>
<td>24.8</td>
<td>25.4</td>
<td>26.2</td>
<td>27.0</td>
<td>27.8</td>
</tr>
</tbody>
</table>

Source: Authors’ calculations based on unpublished data from the GCC Secretariat (personal communication).
UAE this year (Abu Dhabi Statistics Centre 2010) show women as a percentage of the total national labour force was continuing its incremental increase – 19.3%, 20.4% and 21.1% for the years 2006, 2007 and 2008, respectively. Nonetheless, a survey of UAE national graduates (HCT 2008) reveals that fewer women were able to find employment than were their male counterparts. Interestingly (and with implications for the ultimate success or otherwise of nationalization goals) of the women who had entered the workforce, 28% had taken up ‘real’ private sector employment compared to just 8% of the men. It should be noted that in the regional context, many ‘private’ sector entities are partially or wholly state owned and are thus best considered as ‘quasi’-private sector companies as opposed to ‘real’ private sector ones (Davidson 2008a, 208). Salary discrimination was also evidenced in the same survey (HCT 2008). Of all those who reported earning less than US $4000 per month, the majority were women (52%), while of all those who reported earning more than US$4000 per month, just 23% were women. If the findings of this survey are broadly reflective of the GCC as a whole, it suggests that female nationals (a) are less likely to find employment, (b) are more likely to take up private sector employment and (c) will earn significantly less than their male counterparts.

Gender and education

Data presented in this section indicate that women have more tertiary level qualifications, more often (where ‘permitted’) opt for vocationally oriented specializations and generally achieve higher grades than do their male counterparts (see also Benard 2006, 39; Gonzalez et al. 2008; Karoly 2010).

With regard to tertiary-level qualifications, Figure 1 shows that across the GCC, the majority of nationals who attend university are women and that this cohort’s enrolment rates are consistently higher over time. While it has been suggested that as more males are able to travel overseas to study at university (UNDP 2006), the implication being that overall the ratio may actually be closer to parity, in the UAE almost half of all Emirati scholarship holders registered at overseas institutions, were women (Nelson 2004, 8; Kirdar 2010, 529). We contend that as many male citizens are not required to complete tertiary education in order to gain entry into their country’s armed forces or security services (historically, at least, ‘closed’ to women), the data presented in Figure 1 are broadly representative of overall attainment ratios (see also Benard 2006, 39; Krause 2009; Abu Dhabi Statistics Centre 2010, 227; Kelly and Breslin 2010, 8)

With respect to subject choice, Table 3 provides some data specific to our focal countries. For example, in the UAE, women constitute a clear majority of the nationals that take vocationally orientated (e.g. 75% of those enrolled on information technology courses and 77% of those enrolled on science courses are women), with the sole exception of engineering. In Saudi Arabia, the differences are not so pronounced, but in key subjects such as business and economics and medicine and pharmacology, the female-to-male ratios are 1.2:1 and 1.5:1, respectively.

With regard to the female cohort achieving comparatively higher grades, a range of evidence exists. For instance, in Bahrain, according to the UNDP (2006), of the 20 schools whose students achieved the highest average scores, 19 were girls’ schools. More recently Karoly (2010, 46–48) finds similar evidence for all GCC states: at eighth grade, girls outperformed boys in mathematics and science, with the discrepancy being statistically significant in five of the six states. Of the 3435
nationals who graduated from the UAE’s 14 Higher Colleges of Technology during the academic year 2006/2007, 223 achieved a ‘distinction’ grade, of which 136 were female nationals, 39 of the 56 who achieved a ‘distinction with honours’ grade were

Table 3. National tertiary level enrolment by (‘vocationally orientated’) subject.

<table>
<thead>
<tr>
<th>Subject</th>
<th>United Arab Emirates (UAE University and the Higher Colleges of Technology)</th>
<th>Saudi Arabia (King Abdul Aziz University)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Females as a % of all nationals</td>
<td>Female-to-male ratio</td>
</tr>
<tr>
<td>Business and economics</td>
<td>70</td>
<td>1.4:1</td>
</tr>
<tr>
<td>Education (including teacher training)</td>
<td>97</td>
<td>1:0</td>
</tr>
<tr>
<td>Engineering</td>
<td>32</td>
<td>1.3:1</td>
</tr>
<tr>
<td>Information technology</td>
<td>75</td>
<td>5.5:1</td>
</tr>
<tr>
<td>Medicine and pharmacology</td>
<td>71</td>
<td>2.4:1</td>
</tr>
<tr>
<td>Sciences (including health sciences)</td>
<td>77</td>
<td>3.9:1</td>
</tr>
</tbody>
</table>

Source: Authors’ calculations based on data from the UAE University for the academic year 2008/2009 (personal communication), data from the Higher Colleges of Technology for the academic year 2007/2008 (HCT 2008) and data from King Abdul Aziz University for the academic year 2008/2009 (personal communication).
female nationals and 22 of the 35 who achieved a ‘distinction with highest honours’ grade were female nationals (HCT 2008).

Despite such impressive educational achievements, however, male national support for female family members’ education does not necessarily correlate with the support for their employment subsequently, particularly if the only vacancies are private sector ones (e.g. Farrell 2008; Donn and Issan 2007, 176). And while national women may outperform their male counterparts, the quality of regional education compared to that obtained by many of the incumbent non-national employees is thought to be relatively poor, despite several decade’s worth of high budgetary allocations (e.g. Attwood 2010). For instance, it was reported that of all UAE nationals entering the main state-run university in 2009, just 6% were able to do so without first requiring a remedial foundation year (UAE Ministry of Education 2010). Consequently, the region’s educational sectors are not considered to have adequately prepared nationals to compete effectively against non-nationals in the ‘productive sectors’ (e.g. Minnis 2006; Muysken and Nour 2006; Romani 2008; EIU 2009).

In fairness, policymakers now recognize such weaknesses and the current round of reforms are far more systemic in nature. And while regional governments have stressed that reforms that include a far greater emphasis on critical thinking as opposed to learning by rote, will not alter the Gulf’s ‘traditional values’ and ‘cultural norms’, but will act only to reduce unemployment and foster a ‘knowledge-based’ economy (e.g. Government of Abu Dhabi 2009), it is hard to see how one can occur without the other (Bains 2009). Inevitably such transformations will give rise to a range of gender and HRD issues (e.g. Davidson 2008a, 209; Romani 2008). Only recently, for instance, have women been ‘allowed’ to study the full range of subjects at some state-run universities (in Saudi Arabia, women were recently ‘permitted’ to study law, and in Qatar, in 2008, women were finally ‘permitted’ to enrol in the subjects of architecture and electrical and chemical engineering).

Of even greater potential import, the American and European universities that have recently been attracted to set up satellite campuses in the region (e.g. New York University and Paris-Sorbonne University), by way of generous subsidies from the given host government, all operated mixed-gender classes and faculty and exposed all enrolled nationals to more gender-neutral academic discourses. And while having a good quality, market-orientated qualification will not, in of itself however, render the ‘pull’ of the public sector redundant (a point raised by many of those interviewed), it will act to make the given national candidate more attractive to the private sector and more competitive vis-à-vis similarly experienced and qualified non-nationals. The analysis thus far clearly indicates that the female cohort’s relative educational attainment levels – all things being equal – makes them more employable, and thus, the educational factor does not explain why they are more likely to find themselves unemployed (for regional idiosyncratic reasons, virtually no nationals engage in the ‘unskilled’ private sector).

Research methods

Like Salih (2010, 175), our decision to adopt a qualitative approach was based on the complexity and ‘interconnectedness’ among the various factors (i.e. structural issues, socio-cultural factors and the relative national/non-national human capital levels). The paucity of standardized time series data on regional labour markets and
educational attainment rates have previously been documented (e.g. Rutledge 2009),
as have the difficulties of conducting gendered research in relation to HRD and
labour market reform in light of globalization (e.g. Swan, Stead and Elliott 2009;
Metcalfe and Rees 2010). Prior to conducting a series of targeted interviews
nonetheless, we first wanted to determine gender-delineated labour market and
educational attainment patterns (as outlined above). We felt that having this
empirical evidence prior to conducting our interviews, would enable us to pose
questions in a more direct and less conditional manner (see Appendix 1 for the
protocol interview questions and interviewee demographics).

We elected to conduct a small number of ‘expert’ semi-structured interviews with
policymakers (18 in total), who by virtue of their position were considered to have
‘insider information’ on the extent to which both pre-existing and planned policies
might be gender-aware (it happens to be the case that very little documentation on
the region’s labour nationalization policies is published by the institutions that are
charged with their implementation). A semi-structured interview format was chosen
as this method tends to (a) result in additional insights being garnered and (b) is
thought to be more contextually appropriate for this region (Robson 1993). Many of
those who agreed to be interviewed did so on condition of anonymity and not
uncommon for senior officials in this region (see, for instance, Gonzalez et al. 2008),
and therefore, some of the quotes in the discussion that follows are not directly
referenced. In addressing RQ2 (below), we draw heavily on the results of our
interview findings.

Discussion of results: women, regional policymakers and HRD planning

It is apparent that educational reform, along with policy initiatives that seek to
normalize (in the eyes of society) the role of nationals, particularly women,
pursuing a private sector career path, is considered to be as much a part of the
labour nationalization process as are the direct market intervention measures.
Indeed, the utility of imposing quotas and reserving certain jobs to be exclusively
staffed by nationals is now being critically re-examined. With respect to
competitiveness, such top-down measures, as one interviewee puts it, are ‘solving
one problem by making another one’ (see also Davidson 2008b). This section sets
out by considering the extent to which interviewees felt that structural, socio-
cultural and HRD factors influenced national FLFP and wittingly, or otherwise,
may thus influence policy formulation. It then considers the degree to which extant
policies have impacted upon participation rates and can be considered ‘gender-
aware’.

Many interviewees felt that labour markets and indeed labour nationalization
implementation bodies tended to be influenced by the Arab Gulf’s ‘social and
cultural norms’. Several Saudi interviewees felt that ‘efforts to incorporate women
into the labour market shouldn’t be done without considering the Islamic code of
conduct’. One stated that Saudi society in general was still ‘debating the need for
national females to take on full time work’ and in his or her view, society on the
whole was only in favour of a ‘relatively limited role for national females in the
workforce’ (M, senior manager, Saudi Arabia). Metcalfe (2008, 91) highlights a
prevailing regional cultural trait that of Qiwama (‘protection’) that ‘requires men’ to
‘protect’ a woman’s honour. Harry (2007, 138) adds that there is also considered
to be less Aib (‘shame’) attached to women working in the public sector than there is
to those in the private sector (see also Felder and Vuollo 2008). Taken together, this often results in women either ‘not being permitted’ or not being willing to take up employment in mixed-gender environments (only in Saudi Arabia are mixed-gender environments actually prohibited by law). Indeed, a key public sector ‘pull’ factor for this cohort was the greater likelihood of it providing gender-segregated employment opportunities.

Many interviewees felt that working conditions and practices in the private constituted a major obstacle to greater levels of national FLFP. Practical issues such as crèches, flexible working hours and length of maternity leave were all mentioned. Nonetheless, it was pointed out that

until a decade ago female employment options in the UAE were limited to a small number of socially acceptable (public sector) professions ... in the 1980s or early 1990s Emirati females would not have been seen working (in mixed gender environments such as) banks (M, director of research, UAE).

In the UAE, ‘most girls who you currently see attending university have, if not illiterate mothers, certainly illiterate grandmothers’ (F, senior ministry official, UAE).

Lack of geographic mobility was also considered to be a major obstacle for both prospective female employees and private sector employers. For example, it was stated that ‘cultural and social barriers prevent women from maximising their networking and development opportunities as geographical mobility, which is key to professional advancement, is often curtailed’ (F, director, UAE). This problem is far more pronounced in Saudi Arabia where women are, as yet, not permitted to drive. Interestingly, none of the interviewees in Saudi Arabia advocated the continuation of this law. It was argued that not only did it severely limit female employment options but that it was economically costly as it ‘would either resulted in [women] not being able to work and the [government’s] investment in their education not being put to productive use, or it would require [women] to hire a non-national to drive them to and from work’ (M, senior manager, Saudi Arabia).

While many authors consider the overhauling of regional education systems to be the key to reducing national unemployment (e.g. Minnis 2006; Muysken and Nour 2006), for the female cohort, such reform would need to be accompanied by also addressing the array of cultural barriers. Moreover, and for all nationals, the structural issues would also need to be simultaneously addressed. As alluded to at the outset, the ‘allocative state model’ has resulted in a situation whereby many nationals have little incentive to study hard or choose a demanding subject (e.g. Salih 2010). It was indeed the view of several interviewees that obtaining more qualifications, even high quality vocationally orientated ones, would not necessarily, in of themselves, change sectoral preferences. A major policy challenge therefore was somehow incentivizing nationals into the private sector without rendering it uncompetitive either for incumbent operators or in terms of attracting foreign direct investment (vital for facilitating the ‘transfer’ technical skills that are precursors for a knowledge-based economy). As stated, too much emphasis on top-down policies may act to damage the region’s ‘business friendly’ reputation.

Yet the ‘social contract’ per se – a politically sensitive subject (e.g. Harry 2007; Forstenlechner and Rutledge 2010) – was not seen as a major issue as the mechanisms by which oil wealth could be distributed were thought to be many. It was pointed out that Saudi and Emirati authorities could ‘simply’ shift some of the
‘wealth’ to the ‘topping up of [national] private sector salaries’ (something that the
Kuwaiti government is reportedly now doing). Indeed, in both of our focal countries,
it was stated that in many quasi-private sector companies this was effectively already
taking place. Nonetheless, to incentivize ‘certain cohorts of youth’ several
interviewees felt that proportionally more of this wealth should be given to nationals
who had either achieved better academic qualifications or were working in more
demanding areas.

Turning to the degree to which existing policy can be considered adequately
gender-aware, it was widely acknowledged that to date, neither the Saudization
nor Emiratization processes were sufficiently gender focused. However, it was
noteworthy that the majority of policymakers considered this to be a shortcoming
that needed addressing. Not least because many of the newly graduating national
women were considered – it has to be said particularly by the UAE-based
interviewees – to be the most suitable candidates for the ‘skilled’ private sector. It was
argued, for example, that ‘considering the youthful nature of the population and the
fact that more than 70% of university graduates and job seekers are female . . . a
gendered nationalisation approach needs to be adopted’ (M, senior manager, UAE).
Nonetheless, with regard to labour nationalization bodies monitoring the effects of
the initiatives and policies deployed on levels of female participation, it is evident
that neither Saudi Arabia nor the UAE, as yet, do this adequately. Neither does
either monitor or evaluate the consequences of policies in a gender-sensitive way
satisfactorily.

One interviewee stated that ‘only by focusing more on the valuable human
resource asset that well educated national females, particularly the younger
generation [increasingly represent.] will the GCC be able to meet their respective
labour nationalisation targets.’ If it were not for gender biases within society, one
interviewee reasoned, then labour nationalization policies ‘would soon succeed in
accomplishing their main goal of placing more nationals in private sector as “women
are [disproportionately] the qualified ones”’ (F, senior ministry official, UAE).
Nelson (2004, 8) reports, for instance, that the National Human Resource
Development and Employment Authority (the UAE’s principal labour nationaliza-
tion body) considers women to ‘hold the key to the success of the Emiratization
policy.’

In human capital terms, therefore, if women are making more of the educational
services provided by the state and are thus better placed to engage with the
‘knowledge economy’, it would logically follow that policymakers focus more
explicitly on the barriers this cohort face and be more gender-aware in future labour
market regulation and policy formulation. Indeed, many interviewees felt that there
were significant economic costs arising from not incorporating more educated
women into the labour force. In particular, it was argued that low female
participation rates meant that the returns from considerable government investment
in education were being lost. One stated that the GCC economies would lose out if
‘so much of this cohort continues to be excluded from the productive workforce’
(F, minister, UAE). It was further argued that ‘losing any factor of production
negatively affects the level of production, and if that factor is human resources – in
a region already lacking manpower both in quantity and quality – then the loss is
compounded further’ (M, director, Saudi Arabia). On the other hand, one
interviewee felt that as yet, there was ‘no clear economic role for national females’
and consequently ‘well intentioned initiatives often reaped poor results’ (M, senior
manager, Saudi Arabia), while several others cautioned that while progress was being made if ‘pushed too quickly it could backfire’.

In terms of existing labour laws and regulations, many of the UAE-based interviewees felt that what was in place, if enforced and implemented to the letter, was adequate. As one UAE minister put it, ‘we don’t need to reinvent the wheel, we just need to push it’. One UAE-based interviewee felt that there was a need to ‘educate the executers of the law’, primarily ‘the men who work in labour offices’, about the ‘importance of employing women in the economy in order for them to be more motivated to enforce laws and regulations regarding female employees’. During the past decade, for instance, all states have implemented or upgraded pre-existing, employment-related gender equality laws (see Kelly and Breslin 2010 for extensive coverage on this). With respect to such equality laws, however, in practice, while some are ambiguous and others are contradicted by pre-existing legislature, there is a tendency for employers, particularly private sector ones, to simply sidestep such laws (see also Kirdar 2010, 518).

Bahrain has had to instigate ‘positive discrimination’ in an effort to incentivize more private sector companies to recruit from this cohort. The Bahraini Labour Law was amended in 2008 and allowed businesses to count each new female employee as ‘two Bahrainis’, enabling them to more easily meet their nationalization quota targets (Ahmed 2010, 74). In the UAE’s banking sector – the first industry to have Emiratization quotas placed upon it and one of the only instances where data is available on the direct impact of such policies on female employment rates – by 2008, of all non-menial banking employees, 31% were Emirati. Of these, 67% were women (Al-Ali 2008). In this instance, labour nationalization has been instrumental in creating employment opportunities for women.

Political reforms that have seen women in many GCC states appointed to senior positions can broadly be seen as part of this process to normalize the role of women in the workplace. In the UAE, while only one woman was elected to the Federal National Council in 2007 shortly afterwards another eight were appointed, this represents one-fifth of the total, and in Krause’s (2009, 10) words: ‘instantly swept the UAE up to a ranking of having one of the highest representations of female parliamentarians in the world’. Indeed, according to Metcalfe (2008, 89), as of 2008, Oman had more women in ministerial positions than did either the UK or the USA.

To normalize the notion of a ‘private sector’ career path, will also take a considerable amount of political will. One interviewee pointed out that “‘ruling elites” can play an important role in changing society’s mindset’. Perhaps, the most viable root is by way of state owned, but commercial run entities (e.g. Davidson 2009; Forstenlechner and Rutledge 2010). Such businesses, being closely aligned to the state, (a) are, in the eyes of society, more likely to be acceptable for women to pursue a career with and (b) have the financial strength to afford this cohort job security, flexible working hours, adequate maternity leave and equal opportunities for training (see, for instance, Felder and Vuollo 2008, 27; Dajani 2010; Kelly and Breslin 2010).

**Limitations of the study**

As with many exploratory studies, our scope has been limited – interviews were only conducted in two of the six GCC states, as these are the countries in which the
authors reside and were more easily able to secure interviews. However, Saudi Arabia and the UAE are the GCC’s two largest economies and most populous states. Additionally, they are at opposite ends of the World Economic Forum’s Global Gender Gap Index – 6th regionally, 129th globally and first regionally, 103rd globally, respectively (Hausmann, Tyson and Zahidi 2010) – and the UNDP’s Gender Empowerment Measure index – 106th globally and 6th regionally, 25th globally and first regionally (UNDP 2009). Therefore, the situation for national women in the other states is likely to fall between these two poles. Another limitation is that it remains hard to assess the impact of labour nationalization policies per se on the gradual increase in female labour participation, as so many other factors have some bearing (in instances, however, such as the UAE’s banking sector, such policies clearly have positively impacted on the numbers of this cohort employed).

Conclusion
As Attwood (2010) puts it, Saudi Arabia’s rulers are acutely aware that ‘human capital is now both their most vital asset and biggest headache’, the same is no less true for the UAE and the other GCC states. With respect to our two focal countries, it seems highly likely that Saudi Arabia will lag the UAE in terms of increasing the female-to-male ratio in the national workforce due to the pronounced curtailment of geographic mobility in the United Kingdom and also its laws prohibiting mixed-gender work environments. In addressing RQ1, it is clear that the average national woman’s human capital cannot explain why they are disproportionately more likely find themselves unemployed vis-à-vis their male counterparts. Indeed, the data provided in this paper alongside the interview evidence add to the contention that on a level playing field, this cohort would more often than not be the preferred candidate for the skilled private sector (see also Karoly 2010, 3).

It has been argued that by adopting proactive nationalization strategies, private sector entities will be more likely to retain and secure lucrative government contracts (Forstenlechner and Rutledge 2010). It follows therefore that in the coming period more and more national women will be sought by those operating in this sector – as, qualification- and subjectwise, they will tend to have the best skill sets (see also Benard 2006, 39). This is likely to have considerable gendered implications for HRM practices and processes. With regard to RQ2 therefore, overall, interviewees felt that nationalization policies in conjunction with recent amendments to labour laws and this cohort’s educational attainment levels were now acting to increase their labour force participation rates. It was nonetheless acknowledged that more needed to be done in terms of making policy more gender-aware and ensuring that all operators in the skilled private sector were adhering to the various gender-equality laws.

Acknowledgements
We would like to thank GERPA and CAWTAR for funding this research.

References


Appendix 1. Interviewee profile list and interview protocol

Eighteen interviews were conducted in 2008 with the following individuals:

<table>
<thead>
<tr>
<th>Gender</th>
<th>Position/profession</th>
<th>Organization</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>M</td>
<td>Deputy minister</td>
<td>Ministry of Labour</td>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>M</td>
<td>Senior ministry official</td>
<td>Ministry of Labour</td>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>M</td>
<td>Director</td>
<td>Labour nationalization body</td>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>M</td>
<td>Senior manager</td>
<td>Labour nationalization body</td>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>M</td>
<td>Senior manager</td>
<td>Labour nationalization body</td>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>M</td>
<td>Director</td>
<td>Chamber of Commerce (Jeddah)</td>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>F</td>
<td>Senior manager</td>
<td>Chamber of Commerce (Jeddah)</td>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>M</td>
<td>Director</td>
<td>Chamber of Commerce (Riyadh)</td>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>M</td>
<td>Senior manager</td>
<td>Chamber of Commerce (Riyadh)</td>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>M</td>
<td>Senior manager</td>
<td>Chamber of Commerce (Riyadh)</td>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>F</td>
<td>Minister</td>
<td>States minister</td>
<td>UAE</td>
</tr>
<tr>
<td>F</td>
<td>Minister</td>
<td>Ministry of Social Affairs</td>
<td>UAE</td>
</tr>
<tr>
<td>M</td>
<td>Deputy minister</td>
<td>Ministry of Economy</td>
<td>UAE</td>
</tr>
<tr>
<td>F</td>
<td>Senior ministry official</td>
<td>Ministry Council Affairs</td>
<td>UAE</td>
</tr>
<tr>
<td>F</td>
<td>Senior ministry official</td>
<td>Office of His Highness (HH)</td>
<td>UAE</td>
</tr>
<tr>
<td>M</td>
<td>Senior manager</td>
<td>Labour nationalization body</td>
<td>UAE</td>
</tr>
<tr>
<td>M</td>
<td>Director of research</td>
<td>Labour nationalization body</td>
<td>UAE</td>
</tr>
<tr>
<td>F</td>
<td>Director</td>
<td>Abu Dhabi Businesswomen Council</td>
<td>UAE</td>
</tr>
</tbody>
</table>

While not evident from the following protocol questions, references to the labour market were indicated to primarily mean the private sector labour market and references to women were indited to mean nationals.

FLFP and socio-cultural factors are as follows:

(a) *In your opinion, do social and cultural obstacles to increased female labour force participation outweigh any legal or institutional obstacles?*

(b) *Do you think there are specific obstacles to increasing female participation in the labour force that could be dealt with by reforms to labour legislation? (For instance, allowing part time or flexible working hours and the provision of crèche and day care facilities for children.)*

HRD and structural issues are as follows:

(a) *What do you think are the economic implications of the under-utilization of females in the workforce for future economic development? (Evidence indicates that female labour force participation is comparatively low.)*

(b) *In what ways are you trying to mitigate the cost of losing competitiveness as a result of the labour nationalization policy?*

(c) *To what extent do you agree that increasing the participation rates of recently graduated females is one way to do this? (Evidence indicates that women attain higher educational attainment levels than their male counterparts, along with better grades.)*

The extent to which nationalization policies are gender-aware:

(a) *Would you say that increased female participation rates are a result of labour nationalization strategies? (Then ask has this been an unintentional consequence or part of a premeditated strategy?)*

(b) *Will more emphasis be placed on labour nationalization in the coming period? (Then ask what will be the implications for FLFP?)*

(c) *In your opinion, in what ways can labour nationalization policies be reformed in order to be more gender-aware?*
(d) To what extent do you follow up and monitor the effects of the nationalization policy on FLFP?
(e) Are women well represented on key decision-making committees related to the nationalization policy?
(f) Are you aware of any impending labour regulation reforms or nationalization polices that are being formulated with women in mind?