Why is Arab Development Unsustainable!

Omar Razzaz

Three Questions Arab Societies Have no Answers to!

- What is the resource/budget envelop for our country?
- How much individual freedoms/conformity do we desire?
- How much equity/equality do we aspire for?
What is the resource/budget envelop for our country?
How much individual freedoms/conformity do we desire?
What you think about each as a way of governing this country

Having a democratic political system

- **Jordan**: 65.6% Very good, 24.6% Fairly good, 0.8% Bad, 0.8% Very bad
- **KSA**: 44.6% Very good, 41.6% Fairly good, 6.9% Bad, 3.9% Very bad
- **Qatar**: 71.5% Very good, 24.5% Fairly good, 2.9% Bad, 1.5% Very bad
- **Sweden**: 71.5% Very good, 24.5% Fairly good, 2.9% Bad, 1.5% Very bad
- **Egypt**: 69.3% Very good, 29.5% Fairly good, 2.9% Bad, 1.9% Very bad
Here is a list of qualities that children can be encouraged to learn at home. Which, if any, do you consider to be especially important:

- Obedience

<table>
<thead>
<tr>
<th>Country</th>
<th>Jordan</th>
<th>KSA</th>
<th>Qatar</th>
<th>Sweden</th>
<th>Egypt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mentioned</td>
<td>63.7%</td>
<td>66.6%</td>
<td>46.9%</td>
<td>12.2%</td>
<td>44.3%</td>
</tr>
<tr>
<td>Not mentioned</td>
<td>36.3%</td>
<td>33.4%</td>
<td>53.1%</td>
<td>87.8%</td>
<td>55.7%</td>
</tr>
</tbody>
</table>

Changes in Wealth in Developing Countries by Type of Asset, 1995-2005

- Natural capital
- Produced capital
- Intangible capital
Sectoral Share of FDI and Jobs

- Real Estate: 33% (FDI) 5% (Jobs)
- Mining: 30% (FDI) 7% (Jobs)
- Manufacturing: 20% (FDI) 13% (Jobs)
- Tourism: 55% (FDI) 14% (Jobs)
- Other Services: 5% (FDI) 5% (Jobs)

Source: UNDP, ILO “Rethinking Economic Growth: Towards Productive and Inclusive Arab Societies, 2012"
How much equity/equality do we aspire for?

The difference between Freedom *From* and Freedom *To*

Erich Fromm: Escape from Freedom
Labor Market Participation

Opinion about entrepreneurs
(percent of population with favorable opinion of entrepreneurs)

post – uprising data

- There is a high support for entrepreneurs in GCC, but support has fallen in many countries to below Africa levels.
- High variations within countries (regression analysis not shown here)
  - The Youth, the uneducated, the poor tend to have a worse impression of entrepreneurs
  - On the other hand, women, more educated, older, richer people, business owners, tend to favor entrepreneurs
Perceptions of corruption in business are high for many countries.

Source: United National Conference on Trade and Development, World Development Indicators, national accounts.
عدد السكان في سن العمل في الأردن بالمقارنة مع غيره من البلدان
مقارنة مع الدول الأخرى، بواقعة (2009).

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