



RESILIENCE SERIES YOUTH EMPLOYMENT IN PALESTINE

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"Under protracted occupation and with limited economic opportunity, youth resilience is being steadily eroded unless we act now to bolster and maintain that resilience."



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EXECUTIVE SUMMARY

Young people (aged 15 – 29¹) in Palestine, 30% of the population,² are disempowered, disenfranchised, and disenchanting with the current status quo.

With high unemployment and low participation rates, especially for women, Palestine's growing youth population can be seen as a demographic threat or a missed opportunity. If properly invested in, declining fertility combined with a large youth population can provide a demographic dividend, leading to real socio-economic and political growth. Unemployment has repeatedly been noted as the largest barrier to youth empowerment, standing at approximately 40%, with 33% of young men and almost 60% of young women unemployed. In Gaza, 60% of youth are unemployed, the highest unemployment rate in the world.³

Without the full participation of young women and men, Palestine will not reach its full economic potential, the marginalised will continue to face increasing intersecting vulnerabilities, and their resilience will continue to be eroded. Even under the strictures of occupation, with the right investment, youth can be the engine of economic growth in Palestine. For this reason, this report forwards a transformative resilience-based approach⁴ to youth economic empowerment, grounded in principles of youth and community ownership, flexibility, and transparency, with a focus on long-term sustainable change. Youth must be included at every step of the

process. While this report does provide an analysis of the current situation, identifying gaps in current programming, the focus remains on practical solutions that will lead to transformative change in the sector of youth employment, including entrepreneurship and vocational work.

Under protracted occupation and with limited economic opportunity, youth resilience is being steadily eroded unless we act now to bolster and maintain that resilience, working beyond simple approaches of coping or adapting. Through our approach, we seek to transform the lives of Palestinian youth for the better, helping them to overcome challenges, reduce vulnerabilities, and become empowered.

RECOMMENDATIONS

Utilising our transformative resilience approach, UNDP/PAPP recommends immediate action to end the youth unemployment crisis, and instead bolster youth resilience to better cope, adapt, and ultimately transform from the current situation.

1. End the occupation, end the blockade of Gaza, and revisit the Paris Protocol, in order to regain Palestinian economic sovereignty

2. Establish a cross-cutting national youth strategy, which targets unemployment through the lens of transformative resilience and is responsive to the challenges of occupation

3. Dismantle internal systemic barriers, which constrain access to support services, finance, and markets

4. Rebalance the economic structure in Palestine, by focusing on self-sufficiency and reducing economic dependency on Israel

5. Invest in and encourage inclusive and sustainable economic growth, in partnership with the Ministry of National Economy, with a focus on youth and women

6. Reintegrate the Palestinian labour force within global and regional markets, in areas of expertise through the capacity development of youth to fulfill labour demand

7. Encourage local and foreign investment in Palestine in high-return and under-served industries, especially the productive and labour-intensive sectors

8. Reduce gender-based segregation in the labour market by encouraging employers to hire youth, especially female youth

9. Provide youth with demand-driven employability, entrepreneurship, and life skilling to reduce the gap between traditional education and the labour force

10. Increase expenditure on the education sector, embedding in a focus on quality education rather than quantity

11. Create a culture of enterprise in Palestine, starting with young people

12. Encourage youth to consider entering non-traditional fields, in particular the vocational sector by increasing investment in Vocational Education and advocating to youth on its high employability potential.

INTRODUCTION

Young people (aged 15 – 29) in Palestine, 30% of the population,⁵ are disempowered, disenfranchised, and disenchanting with the current status quo.

With high unemployment rates and low political representation, youth do not feel their voices are heard or that they have agency over their own lives. This is worsened by an overwhelming sense of insecurity under occupation, and an identity crisis as their land continues to be fragmented, especially for those living in Jerusalem. Youth vulnerabilities are increasing, while their resilience is eroding amid increased uncertainty and instability. Limited economic opportunity, and the resulting fiscal uncertainty, means that youth livelihoods are deteriorating, and unhealthy coping mechanisms, psychological issues, and gender-based violence are on the rise. As a whole, youth are not afforded equitable access to opportunities.

With such high unemployment and low participation, especially for women, Palestine's growing youth population can be seen as a demographic threat or a missed opportunity. Both the West Bank and Gaza have extremely high fertility rates, suggesting that this rapid population growth will continue.⁶ As can be seen by the population pyramid (left) from mid-2016,⁷ Palestine already faces a youth bulge. According to a recent UNFPA study *Palestine 2030*, the population will increase by a million by 2030 and more than double by 2050.⁸ This is a daunting prospect; an increasing youth population could be seen as causing stress on already underdeveloped infrastructure and social services, or it could be seen as a real opportunity for socio-economic and political growth, through targeted investment in youth development and empowerment.

Under protracted occupation, the Palestinian economy is constrained in much the same way as the Palestinian people.

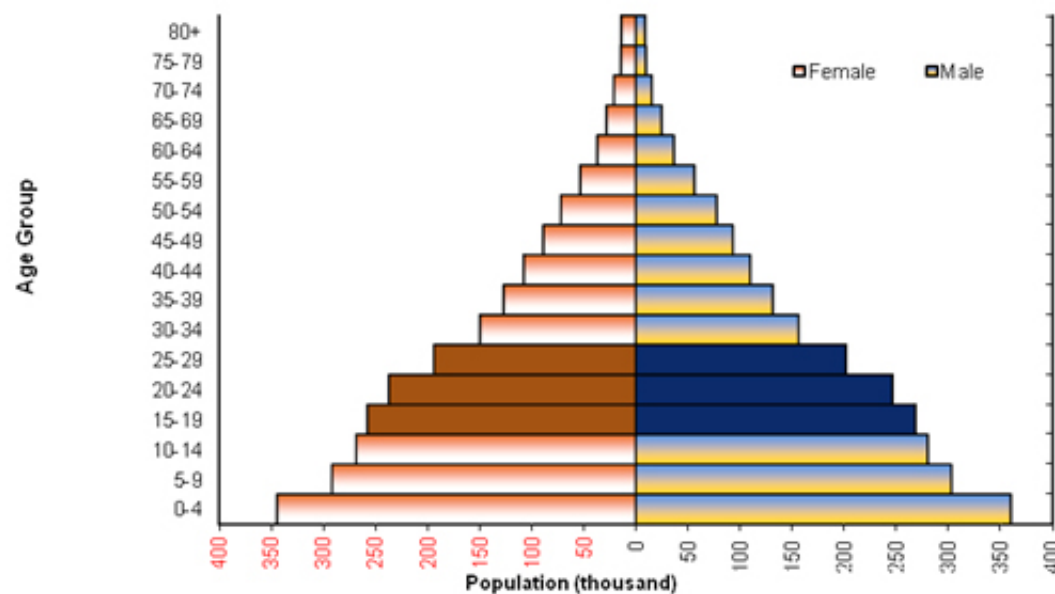
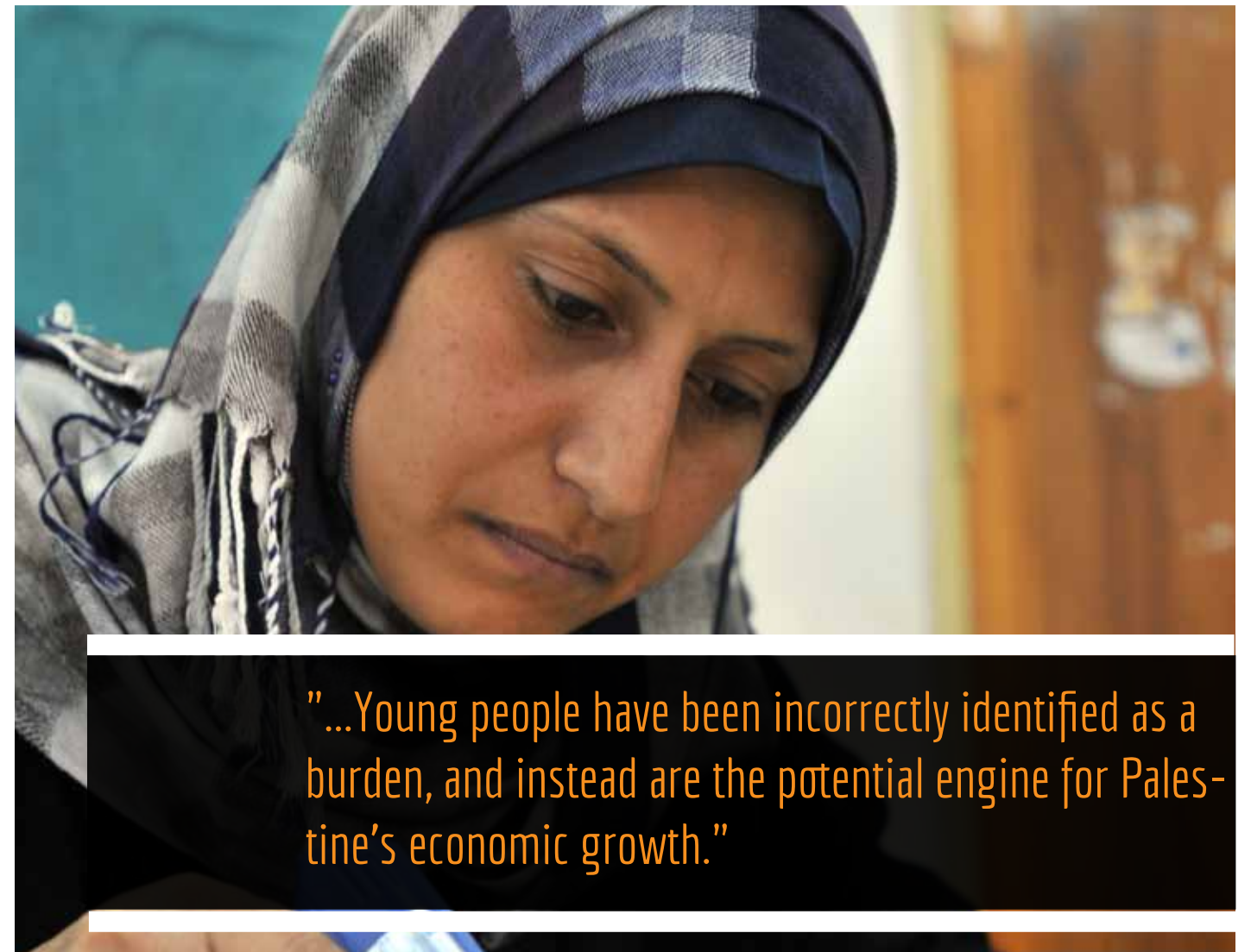


Fig 1: The Palestinian population pyramid, demonstrating the youth bulge. Source: PCBS

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This has led to poor economic performance, limited potential for trade, lack of sectoral diversity, dwindling productive sectors, and too many graduates to absorb into the current labour force. Currently, youth unemployment stands at approximately 40%, with 33% of young men and almost 60% of young women unemployed. In Gaza, 60% of youth are unemployed, the highest unemployment rate in the world.⁹ Youth are known to face widespread under-employment, although there is a lack of accurate data. Refugee youth have even higher unemployment rates and higher fertility rates. This report considers the vast

employment challenge for youth in a country with an unsustainable and constrained economy, a growing youth population, and limited economic opportunity.

In this report, we suggest that young people have been incorrectly identified as a burden, and instead are the potential engine for Palestine's economic growth. After a problem analysis on the current situation, identifying the root causes rather than merely the symptoms, we provide some achievable solutions to the vast youth unemployment challenge in Palestine.

WHY YOUTH?



With a growing youth demographic, already one-third of the population, young people can be seen as a demographic threat or an opportunity. “Although a rapidly increasing youth population can cause extreme stress on already under-developed infrastructure (education, health, social services, urban infrastructure, housing, and access to economic opportunity), a large youth population can also be seen as a “missed opportunity.”¹⁰ While hypotheses suggest that high proportions of youth in a state, especially under conditions of economic stagnation, can increase the risk of domestic armed conflict,¹¹ or could lead to both disillusionment and communal unrest, others have suggested that “increasing numbers of young people and declining fertility has the potential to reap a demographic dividend.”¹² A young population would mean low numbers of dependents on the state and a high percentage of active earners, driving economic growth.

If population growth continues as projected, the active age population (aged 15+) will grow from 2.9 million in 2015 to 7.2 million in 2050,¹³ which would require a similar level of economic growth to accommodate a labour force 2.5 times larger than at present. This means that the number of jobs that need to be created per year will increase from 58,000 to 72,000 in 2030, where they will level off at 76,000.¹⁴ Gaza’s higher fertility rate means that the labour force will grow much higher than that in the West Bank.

If measures are not taken to accommodate the new entrants to the labour force over the next 15 years, this could be socio-economically disastrous. However, if measures are taken to build the resilience of Palestinian youth through proper investment and support, this would lead to real, sustainable socio-economic development. Without the full participation of young women and men, Palestine cannot reach its full economic potential, the marginalised will continue to face increasing intersecting vulnerabilities, and their resilience will continue to be eroded. Even under the strictures of occupation, with the right investment, youth can be the engine of economic growth in Palestine.

PROBLEM ANALYSIS

Young women and men in Palestine face a multitude of complex problems that together constrain their economic participation. Externally, the Israeli occupation limits freedom of movement, places limitations on the economy, and exposes young people to violence. Internally, the fragmentation of the land and the national consciousness, loss of identity, limited socio-economic and political opportunity, and a patriarchal culture all constrain youth potential. These challenges contribute to the erosion of youth capacities to better cope, adapt, and transform. In short, youth resilience is being eroded. While there are further challenges faced by youth, this report will focus specifically on the economic resilience of youth, including the root causes of their economic problems, the effects, and potential resilience-based solutions.

The latest labour force statistics demonstrate overall unemployment increased to 26.6% in the first quarter of 2016.¹⁵ Youth are the most detrimentally affected, with youth unemployment rates reaching 39% in the West Bank, close to 60% in Gaza, and 51% of university graduates are unemployed.¹⁶ Overall labour force participation rates have stagnated at 45.8%, with female participation particularly concerning at approximately 19%.¹⁷

As can be seen from Figure 2 (left), youth unemployment is much higher than overall unemployment. This is due to interconnected economic and social factors, under which youth are discriminated against in the labour market. Youth face challenges on both the supply and demand side. On the demand side, the Palestinian economy is itself constrained by Israeli restrictions on economic growth, limiting the amount

of available jobs to youth. Moreover, employers often underestimate youth potential and prefer not to hire young people due to a number of social factors. On the supply side, youth lack a clear understanding of the sectors within the labour market that require human capital or skilled workers and thus tend to erroneously focus on over-saturated sectors within the labour market. Furthermore, there is a significant skills gap between traditional university education and the labour force, meaning that youth are not yet prepared with suitable skills for the current market. There is an overemphasis on university education among Palestinian society, with limited focus on much-needed vocational training, where some sectors have close to 100% employability. The curriculum at universities requires review to better meet the needs of the labour force. Finally, there is a paucity of demand and supply verified data, through which it would be possible to analyse the highest-potential and most labour intensive economic sectors that could drive growth and employment.

The International Labour Organization (ILO) has stressed that future employment is one of the biggest concerns facing Palestinian youth. The key factors they have identified as contributing to high and persistent unemployment in the oPt are: restrictions on imports and exports (particularly impacting job creation in Gaza), restrictions on labour mobility and capital reallocation between the West Bank and the Gaza Strip, low private sector investment in non-construction related industries, high reservation wages, and the small size of most enterprises.¹⁸

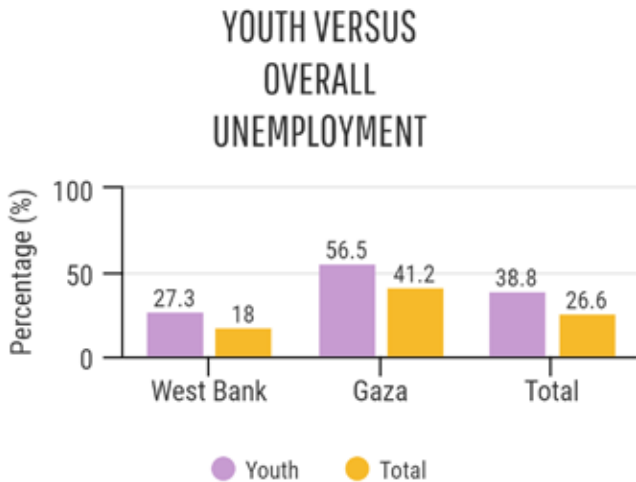


Fig 2: Youth versus Overall Unemployment in Palestine

WHAT IS THE PARIS PROTOCOL?

The 1993 Paris Protocol is an agreement signed between Israel and Palestine that created a "customs union" between the two countries

The 5-year temporary agreement was meant to expire when a permanent political solution was reached

The two countries were supposed to decide economic policy together in 'Joint Committees'

In reality, Palestine has no say, leaving Israel to dictate fiscal, trade and tax policy at the expense of the Palestinian economy

24 years later the Paris Protocol is still in effect

Poor Economic Performance

With Palestine now in its 50th year of Israeli occupation, the economy is subject to repeated shocks, is dependent on donor aid, and livelihood opportunities are limited, particularly under the effects of the restrictive 1993 Paris Protocol. The lack of real economic sovereignty means that the Palestinian government is consistently limited by the binds of the occupation. This is worsened by the difficulty in building economic resilience in Palestine, defined as the policy-induced ability of an economy to withstand or recover from the effects of shocks.¹⁹ Bolstering economic resilience is a critical intervention to improve Palestine’s economic performance. While poor economic performance alone does not necessarily create unemployment, rapid population growth paired with slow economic growth means that insufficient jobs are created to absorb new entrants into the labour market – namely, youth.

Economic Sovereignty

Since the 1993 Oslo Accords, the Palestinian economy has faced a series of ongoing shocks: the division of the West Bank and the 1994 signing of the Paris Protocol of Economic Relations (PER); the First and Second Intifadas; and the siege of Gaza and resultant three wars. This, combined with freedom of movement restrictions, limited access to basic services and resources, restrictions on investment and trade, and poor access to finance, has created an unsustainable economy artificially propped up by donor aid. In essence, Palestine’s economic sovereignty has been undermined. The Palestinian Ministry of National Economy (MoNE) provides four main expla-

nations for the poor performance of the Palestinian economy: border closures, the withholding of tax revenues, labour flow reductions to Israel, and dependency on Israel.²⁰ This is exacerbated by the difficulties in encouraging foreign or local investment into Palestine, due to the unstable political situation. Even so, the Palestinian economy has demonstrated some level of resilience, with real GDP growth and the continuing functionality of its institutions.

Labour flow reductions have led to a smaller number of Palestinians being able to commute to Israel for work due to increased movement and security restrictions. An International Monetary Fund (IMF) report from August 2016 notes that GDP growth in the West Bank and Gaza is “insufficient to reduce unemployment and boost per capita incomes.”²¹ In short, poor economic performance has eroded the availability of jobs, seriously impacting young people new to the job market.

Land Fragmentation

Poor economic performance is worsened

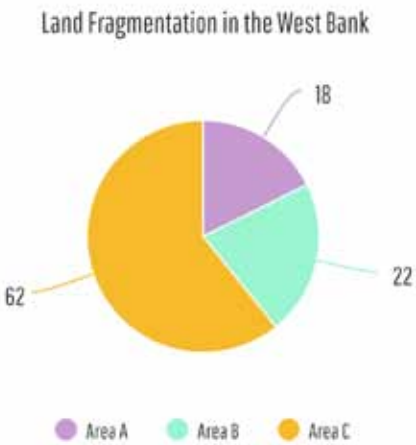


Fig 3: Land Fragmentation under Oslo

by the fragmentation of Palestine into the West Bank (further split into Areas A, B, and C), East Jerusalem, and Gaza. Currently, Area A amounts to approximately 18%, B ~22%, and C ~62%. Spatial inequalities caused by the splintering of the land have led to excessive, widespread, and ongoing inequities, where citizens within each of the 3 zones have different rights, experiences, and opportunities.

This is especially so for young people whose development hinges on the political and socio-economic situation around them, and their access to opportunities in all areas. It also means that young people in areas where freedom of movement is

particularly restricted are unable to travel to other parts of the country, interact with a diversity of their peers, or even experience all that their country has to offer. This spatial fragmentation has also led to a breakdown in social and economic cohesion among different areas in the oPt.

Critically, the fragmentation of Palestine has created a fundamentally dependent and unsustainable economy with limited potential for sustainable economic growth. The inability of the State of Palestine to exercise control over huge swathes of its own land is particularly detrimental to its economic integrity and resilience.



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Economic Structure

The economy is currently structurally unbalanced. The critical weakness lies in the lack of sectoral diversity as well as the lack of a labour-intensive industrial base to absorb large numbers of new labour market entrants (youth). A vast percentage of the state budget is funneled into paying salaries in the bloated public sector, which is essentially unproductive. In contrast, there is almost no national investment in the productive sectors that could help fuel an expansion of the labour market and inclusive economic growth. For example, since the establishment of the Palestinian Authority

in 1994, budget allocation to the agricultural sector has not exceeded 1%, of which 85% goes to staff salaries in the Ministry of Agriculture.²² Instead, the highest sectoral concentration within the labour market is 35% in services, with over 70% of employed women working in this sector.²³

Under the current economic structure, the State of Palestine has created economic monopolies – a phenomenon that has caused most economic power to be concentrated in the hands of a small group of Palestinian elites and damaged the ability to maintain an equitable economy.²⁴ The monopoly system has created an economic imbalance that limits the inclusion of marginalised or vulnerable groups in the economy, including youth. This has fuelled unequal economic growth in Palestine’s different geographic areas, primarily in the Ramallah “bubble,” a state of affairs that is worsened by limited social or economic mobility due to the culture of nepotism, or *wasta*.²⁵

This uneven and exclusive growth is most demonstrable in the breakdown of economic sectors, which can be seen from Figures 4, 5, and 6. As the economy is distorted towards the services sector at 35%, there is under-investment in the productive sectors, particularly agriculture and manufacturing. Resultantly, the contribution of these sectors to real GDP is unreasonably low, considering their potential to be drivers of economic growth. From Figure 5, it is demonstrable that there has been a significant contraction in real value added in agriculture, forestry, and fishing, construction, and wholesale and retail trade in the West Bank and Gaza.²⁶ In contrast to the services sector, these are areas that have the potential not only to have high value

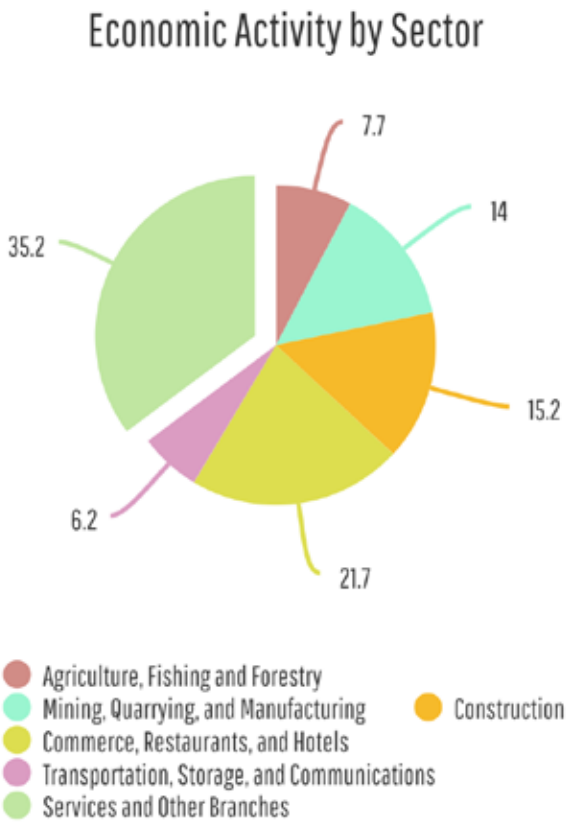


Fig. 4: Economic Activity by Sector across Palestine

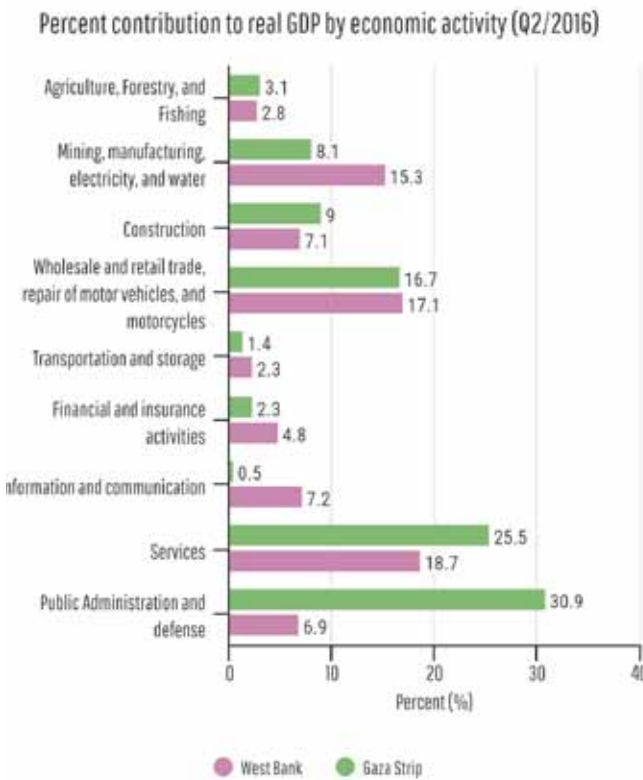


Fig. 5: Percent contribution to real GDP by economic activity (Q2/2016). Source: UNSCO Socio-Economic Report, Q2/2016

addition to GDP, but also to absorb a large amount of labour capacity (particularly low-skilled labour), to reduce unemployment. The decline in agriculture is especially detrimental towards women, who have traditionally worked in the agriculture sector. The concentration in the services sector is unable to create enough jobs for unemployed youth.

Culture of Dependence

With donor aid dropping, “the likelihood of an even steeper decline in donors’ budget support could compromise the already fragile fiscal situation, adding pressures for deeper spending cuts or additional arrears. This could exacerbate social ten-

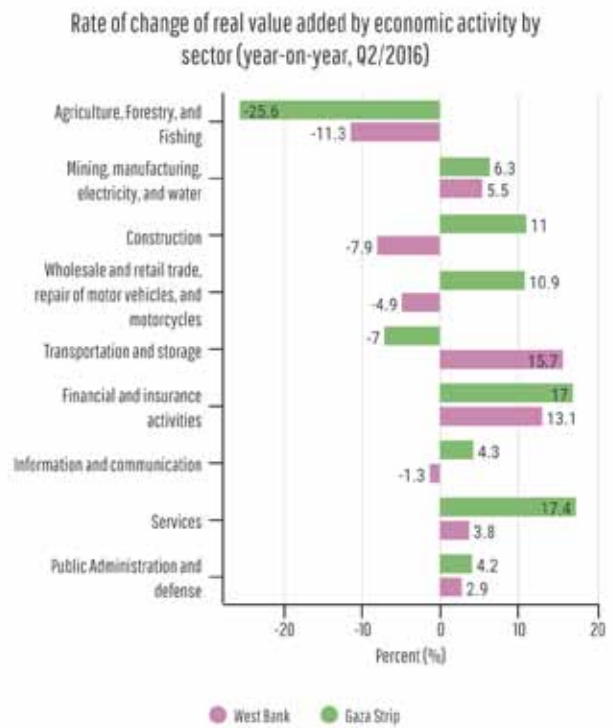


Fig. 6: Rate of change of real value added by economic activity. Source: UNSCO Socio-Economic Report Q2/2016

sions, compounding the risk of escalating violence or difficulties in containing spending, resulting in a vicious cycle of political and fiscal risks.”²⁷ Over-dependence on international aid has created a culture of dependence, even among youth. This is particularly due to the proliferation of ineffective assistance, including training and skilling programmes. These often fail to actually achieve their goals by not paying close enough attention to the needs of youth, and are in many ways, detrimental. This is due to the fact that this caused unrealistic expectations among youth that these hand-outs will continue. In short, many youth expect help and do not always try as hard as they otherwise might to create solutions for themselves.²⁸

SYSTEMIC BARRIERS

Systemic barriers to gainful youth employment are extensive. Externally, the occupation and all its associated restrictions is the biggest systemic barrier. Internally, challenges include the lack of a comprehensive national youth strategy, limited representation of youth (especially young women), informal political structures, a lack of dedicated youth-friendly services, and competition (instead of cooperation) among NGOs. Out of these, access barriers are the largest constraint on youth accessing gainful employment, in particular curtailed access to necessary finance, services, and local, regional, and international markets. Affordable access to business development support services are critical to all groups wishing to begin their own enterprises, but especially for young people who may not already have experience. At present, only those who are naturally skilled entrepreneurs or those with well-connected families or friends succeed in starting their own businesses. Without the ability to gain proper education and training, access to mentors, or financial/business knowledge, young people are discouraged before they even start.

It is difficult for young people in any part of the world to begin their own businesses. However, the overly bureaucratic, complex, and expensive process of starting a business in Palestine is a huge deterrent for youth entrepreneurship. The cumbersome 11-stage process (see Figure 7) of starting a business²⁹ has meant that Palestine ranks 140th out of 190 countries for ease of doing business.³⁰ In contrast, Israel ranks 52nd. Although Palestine's ranking for starting a business or dealing with constructions permits has increased, its posi-

tion has actually decreased by 9 points for accessing credit. This is prohibitive when seeking to fuel economic opportunity and growth. Even many microfinance schemes are inaccessible to young people because they lack collateral (physical or social) or would fail stringent background requirements.

At the same time, youth face a lack of access to national and international markets. On the national level, markets are made in-

”Without the ability to gain proper education and training, access to mentors, or financial/business knowledge, young people are discouraged before they even start.”

accessible by security restrictions imposed by the occupation and consumer preference for imports. International markets are also made inaccessible through a mixture of foreign import regulations including Israeli or Jordanian registration, extensive border checks despite the customs union with Israel, technological requirements, as well as costs and non-tariff barriers.³¹ Furthermore, international competition and the binds of the Paris Protocol means that it is difficult for Palestinian products to compete favourably at the global level. Despite these challenges, there is much scope for internal economic regulation to improve the situation for youth employment.



Fig. 7 The 11-stage process of doing business in Palestine

GENDER INEQUALITY



"Gender-based segregation in the labour force excludes both women and men from certain professions."

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While all Palestinians are oppressed under the Israeli occupation, the occupation and the patriarchy intersect to create a situation where women face a ‘double oppression.’ Together, this has resulted in a “Palestinian society [that] is more conservative today than 20 years ago, creating additional obstacles to women and their economic empowerment.”³² While patriarchy impacts both women and men differently, men are undeniably privileged across the political, economic, and socio-cultural spheres.

Under traditional social norms, men are seen as providers and women as care-givers within the traditional familial paradigm. Due to this, women’s participation in the labour force is at 19%, one of the lowest in the Arab world.³³ Women face both vertical and horizontal gender-based segregation in the labour market (see Figure 5). Under these gendered structures, women are unable or unlikely to enter certain sectors, and unable or unlikely to be promoted over a certain level of management in the areas they can enter.³⁴ Bearing in mind that both youth and women are disadvantaged in society, it follows that young women are doubly disadvantaged. Palestine will be unable to take full advantage of its human capital, if half of its potential labour force is unable to productively contribute to society. Reducing gender-based segregation will lead to increased productivity and diversity in the workforce, as women’s participation increases.

Inequality of opportunity between young women and men creates an imbalanced society and economy. Gender-based segregation in the labour force excludes both women and men from certain professions. It remains extremely difficult to overcome these gendered barriers. This is detrimental

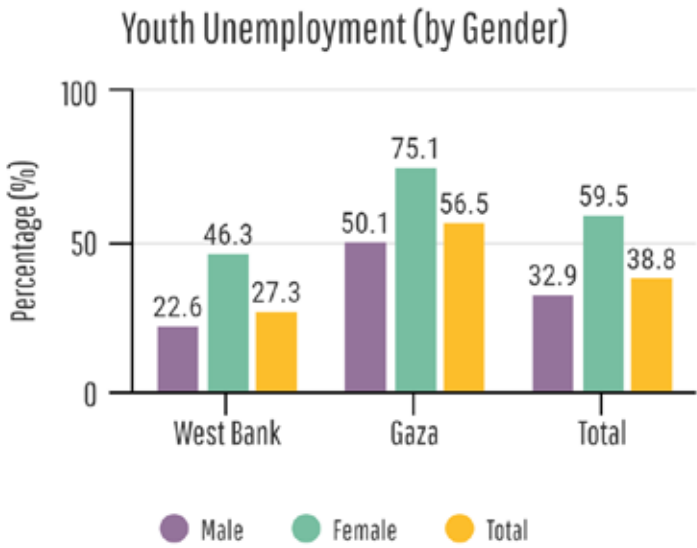


Fig 8: Youth unemployment by gender in the West Bank, Gaza, and in total

tal to both young women and men by limiting their professional opportunities.³⁵ Moreover, “many women in Palestine participate in the informal labour market, unrecorded by the Ministry of Labour, unprotected by labour laws, and at risk from exploitation by employers or family members.”³⁶ Many women, particularly in the agricultural sector, work for their families and are essentially unpaid and lack any kind of financial autonomy.³⁷

Horizontally, “women with degrees tend to dominate a few occupations, including as office clerks, teaching and associate teaching professionals, as well as skilled and subsistence agricultural workers.”³⁸ For women joining the Palestinian workforce, horizontal segregation is compounded by

vertical segregation, which “refers to the difference in earnings between men and women arising from women’s inferior position within the labour market.”³⁹ Global phenomena such as the gender pay gap are also very much prevalent in Palestine, with the average daily wage for men being 30% higher than that of women (NIS 105.8 and NIS 80.9, respectively),⁴⁰ which creates further disparity between women and men. As such, their employment is restricted both by expectations of employers and by career paths considered most socially acceptable for women. Eroding resilience also means that young women and men are less equipped to transcend these socially-imposed barriers, and transform themselves beyond the social norms.

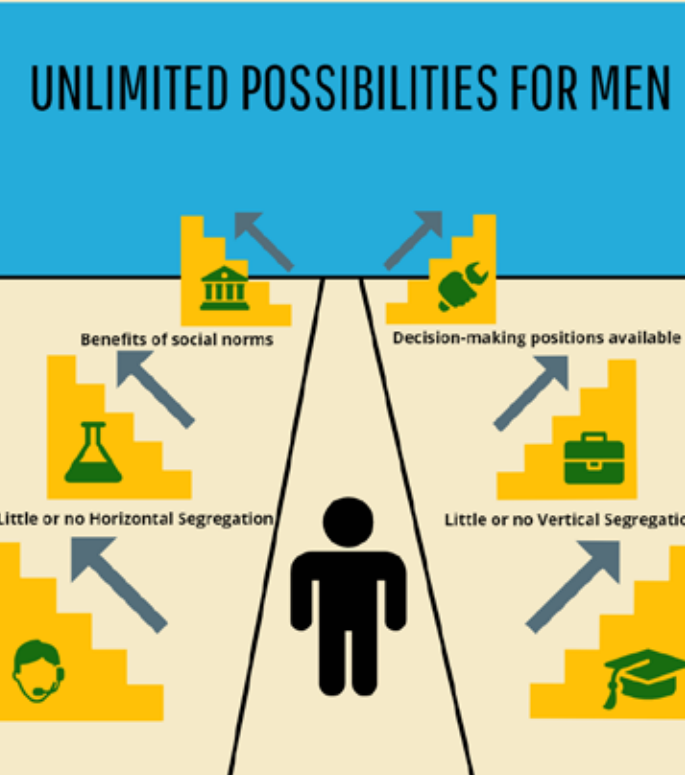


Fig. 9: Unlimited possibilities for men in the labour market (vertically and horizontally). Adapted from Sharek Youth Forum Gender Strategy 2016 - 2021



Fig. 10: Limited possibilities for women in the labour market (vertically and horizontally). Adapted from Sharek Youth Forum Gender Strategy 2016 - 2021

VULNERABLE YOUTH GROUPS



While all young people are vulnerable to unemployment, there are certain groups of vulnerable youth that are harder hit due to other complex factors. These include: refugee youth (who suffer extremely high rates of unemployment, poverty, and food insecurity), youth in poverty (for whom underemployment and poverty may be a self-reinforcing cycle); Bedouin youth (isolated and stigmatised, they often find it difficult to find or even access employment); spatially vulnerable youth (for whom spatial dislocation is a key driver for unemployment, especially those living in Area C, the Gaza Strip, East Jerusalem and Area X, Hebron H2, and Seam Zones); school drop outs (who often struggle to find decent work, bearing in mind Palestine’s extremely educated population); the disabled (who are often stigmatised by society, and for whom many work places and types of work are literally and societally inaccessible in Palestine); and ex-detainees (who are stigmatised by society and struggle to reintegrate). Finally, young women (from all of these social groups and in general) face extremely high rates of unemployment and low participation in the labour force, due to a combination of economic and social factors (see ‘Gender Inequality’ above).

EDUCATION AND TRAINING

In comparison to global trends, access to education in Palestine is extremely high, with 96% overall literacy and almost 100% youth literacy. Strikingly, women are more highly educated than men in Palestine, with 13% holding a university degree compared to 9% of men.⁴¹ However, this does not translate to gainful employment and women’s participation in the labour force is only 19%.

While on paper, Palestinian young people are highly educated and well-trained, there is a mismatch between the current labour supply and private sector demand. Despite promising enrolment and literacy rates, education is not an indicator of economic prosperity and 55% of young graduates are unemployed. Only 22.6% of young Palestinians have completed the labour market transition to stable or satisfactory employment, the majority of whom are men. Nearly half have not started the transition, and 31.8% remain “in transition.”⁴²

“Education is not an indicator of economic prosperity”

Paradoxically, the higher the education level, the lower the employment possibilities, particularly for women due to the limited opportunities within the labour market. At the same time, the private sector complains of a lack of skilled young people that can meet market needs. It is clear that interventions in the education sector must focus on quality, rather than the number of years of education. The

current curriculum focuses very much on rote learning, rather than active learning or critical thinking. While there are critical interventions to be made in the education sector in Palestine, in the meantime, it is necessary to focus on the appropriate training and skilling of youth to enter the labour market or begin their own enterprises.⁴³

Employment

At present, the skills provided by traditional university education are not fulfilling the needs of the Palestinian market, demonstrable by the fact 1 in 4 university graduates is unemployed. Courses have been found to be overly theoretical, and lacking in practical experience. Private sector employers have repeatedly complained of the fact that they do not have access to a highly competent and skilled work force. At the same time, young people struggle to find jobs, despite spending both money and time in education. It is critical to bridge this gap between education and the labour force, by providing targeted life and employment skills, connecting young people with the private sector, and creating practical opportunities for training.

Entrepreneurship

Few youth have access to comprehensive entrepreneurship training (including business principles, business strategy, marketing and branding, financing, etc) and soft skills (such as taking initiative, organisation, decision-making, and leadership). Even more important is the provision of clear information on internal Palestinian protocols

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and processes for the establishment of a business. All of these skills are required for young people to take advantage of gaps in the market, establish their own enterprises, and become economically empowered.

Vocational Training

While vocational fields offer the highest rates of graduate employment, few youth are willing to go into Technical Vocation Education and Training (TVET). This is largely because of a social stigma that sees TVET as less prestigious than traditional university education. Many youth also lack quality information on potential majors,

their employment rates, and cost. Further barriers can include the cost of transportation, effective training kits, and tools for assessing interest and skill among youth. Gender-based segregation is particularly pronounced in vocational fields. These barriers must be overcome to take advantage of the full potential of the market, particularly because TVET graduates have higher rates of employment.

EFFECTS

POVERTY & FOOD INSECURITY

Widespread unemployment and limited economic opportunity for almost 40% of young people has led to increased levels of poverty and food insecurity. More than a quarter of youth suffered from poverty in 2011, 19.2% in the West Bank and 40.9% in Gaza.⁴⁴ Following the 2014 conflict in Gaza, the number of youth in poverty has dramatically increased. More than 27% of households (including youth) suffer from food insecurity and spend more than half of their income on food. This forces families to make sacrifices, such as eating less often and spending less on other needs, such as education and healthcare.⁴⁵ Furthermore, poverty and food insecurity can increase the vulnerability of young people and families to repeated shocks, and by extension, this can lead to eroding resilience. If the current generation of Palestinian young people is worse off than their parent's generation, it is likely that the next generation will be even worse off still.

Youth in poverty are particularly disempowered, lacking in autonomy, decision-making power, and a deteriorated standard of living. Poor young women are disadvantaged further due to the intersection of wealth and gender. Investing in youth employment will have a direct positive impact on overall poverty and food insecurity.

EXPLOITATION

With such widespread desperation for decent work, youth, already vulnerable, are susceptible to being exploited in the private sector. 60% of youth work without a contract in the Palestinian labour market, meaning that their labour rights are seldom upheld. This is worsened by the prevalence of widespread informal economies, which directly impact a greater proportion of young women. Educating young people on their rights under Palestinian labour law will help them become advocates to end exploitation in the labour force. In parallel, a 2015 Human Rights Watch report discovered that hundreds of Palestinian children are exploited on Israeli settlement farms in the West Bank, under the minimum employment age of 15.⁴⁶ All of the children and adults interviewed said they took the work "due to a lack of alternative jobs and because of the dire economic conditions faced by their families."⁴⁷

According to the International Labour Organisation (ILO), decent work entails "productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men."⁴⁸ Enforcing labour rights and ensuring decent work for all will lead to happier, healthier, and safer workers, a direct route to greater productivity in all industries.

DISENFRANCHISEMENT

Young people in Palestine are faced with compounded challenges, including occupation, economic inequality, and a democratic deficit, which have led to disenfranchisement from mainstream politics. Although 63.8% of youth in a recent survey would rather maintain the Palestinian Authority than dissolve it,⁴⁹ this dichotomy fails to reflect any opinions that lie in between these two extremes. Analysts have said the survey fails to reflect the reality on the ground, and that the fear of the ensuing chaos were the PA to dissolve is important to note. Furthermore, a vast percentage of youth have a vested economic interest in this outcome, considering that nearly "one million Palestinians [are] financially dependent on the PA."⁵⁰ Furthermore, a power chasm between youth and politicians and security forces has led to increasing distrust. Only 30% of youth expressed a great deal or quite a lot of confidence in state security forces, 30% said the same for police, and 39% for the courts.⁵¹

DOUBLE OPPRESSION OF WOMEN

Within the occupied Palestinian territory, occupation and patriarchy intersect to create a uniquely complex situation, often termed a 'double oppression' for women.⁵² As in the rest of society, women are oppressed by the violent mechanisms and loss of freedom by the occupation, which at the same time perpetuates patriarchal conservatism within the society; the impact being that it is particularly difficult for gender equality to advance.⁵³ Widespread unemployment is extremely damaging to both young women and men, who are bound by social patriarchal norms. Within the traditional family paradigm, unemployed young men who are unable to fulfill their socially-imposed gender role of providing for their families are seen as inadequate, leading to dysfunctional marital and familial relationships, feelings of unworthiness, and heightened psychological concerns. Together, these can contribute to violence, especially gender-based violence, as well as unsafe and unhealthy coping mechanisms. In the face of oppression and societal restrictions, traditional patriarchal values are compounded and heightened. This has created a form of double oppression for Palestine caused by the occupation and patriarchy.⁵⁴ In tandem, young women suffer from marital and familial violence, early marriage, and even more limited economic opportunity. This is because young women are often unable to travel long distances or through checkpoints for work, and are both vertically and horizontally constrained within the labour force.

The limited potential for economic growth thus has far-reaching consequences beyond the negative impact of poor livelihoods. The resultingly high unemployment rate has led to increased migration (causing internal brain drain), early marriage among young women, and increased risky behaviours including drug use, violence, and radicalisation. Furthermore, it causes greater incidence of poverty and food insecurity in the country as a whole. Together, all of these factors are detrimental to the lives of young Palestinians. Without overcoming these barriers, it will be possible to achieve equitable employment and entrepreneurship opportunities for both young women and men.

UNHEALTHY CHOICES

The psychological impact of living under occupation, in combination with deteriorating livelihoods, poverty, and food insecurity, mean that young people often turn to unhealthy coping mechanisms. Recent studies have pointed to the prevalence of substance use and abuse in Palestine, including alcohol, tobacco, and drugs.⁵⁵ While health risk activities are relatively low, they are substantially higher for male rather than female youth.⁵⁶ Tobacco use among youth is extremely high, while alcohol and drug usage is relatively low.⁵⁷ However, alcohol and drug use is much higher in occupied Jerusalem, where there is easier access to Israel. Interestingly, youth believe that high levels of stress, worry, and politically motivated violence are reasons for increasing drug use.⁵⁸

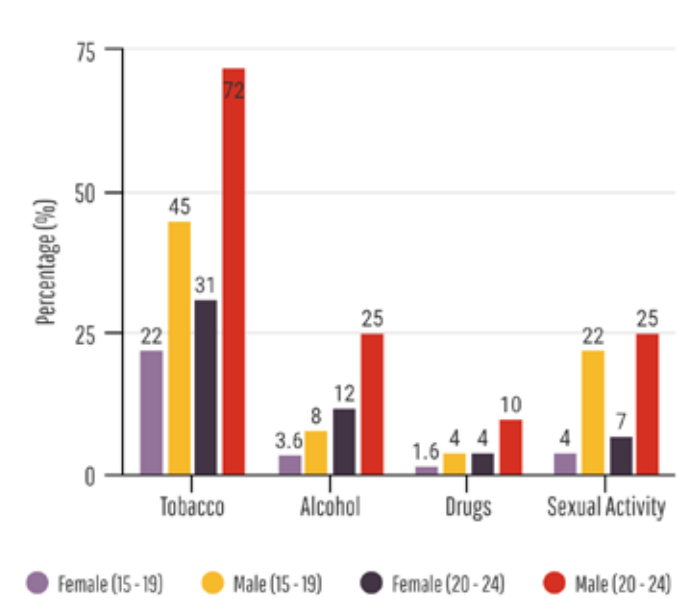
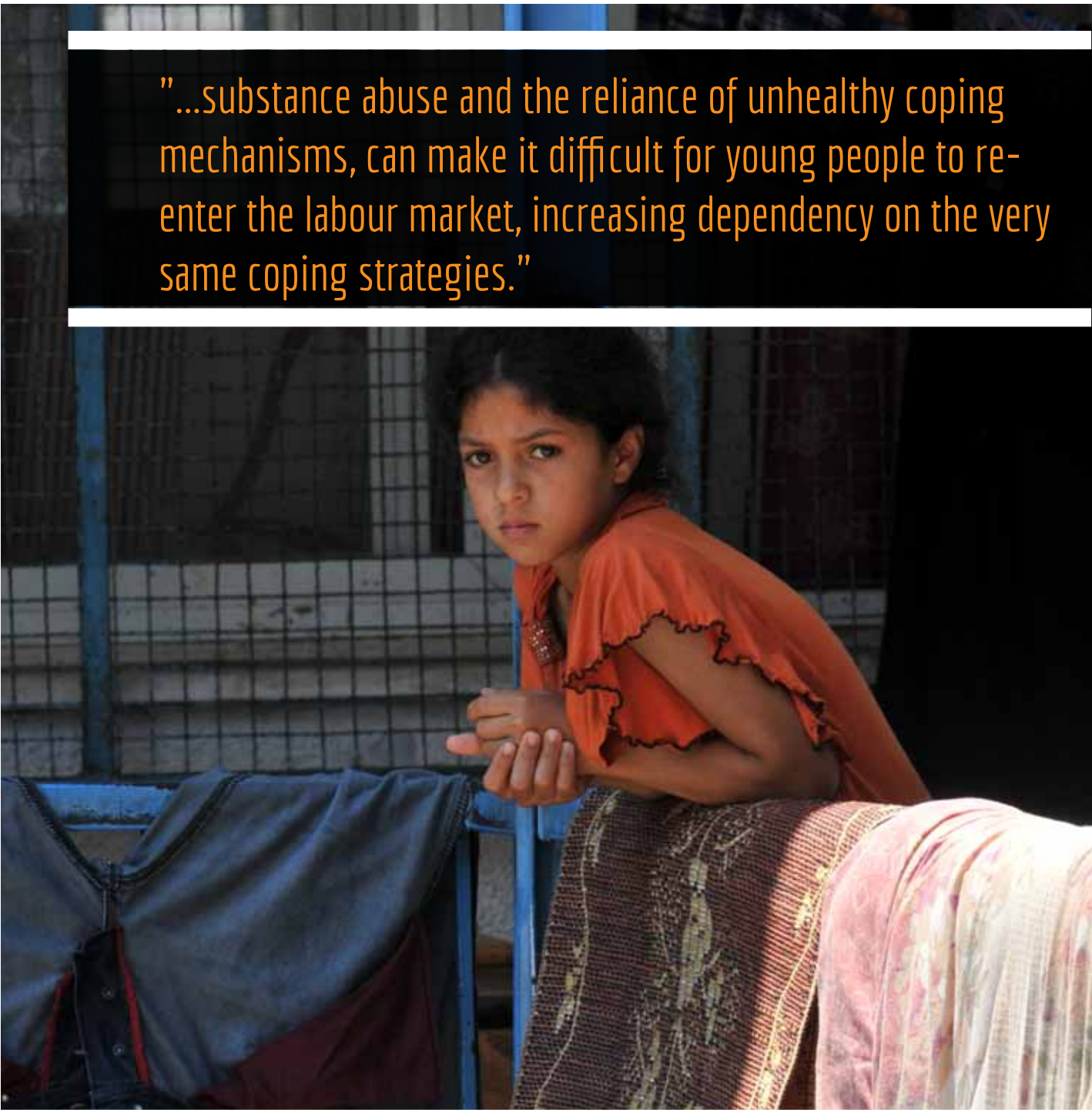


Fig. 11: Substance use and abuse in Palestine. Source: Prevalence and Patterns of Health Risk Behaviours of Palestinian Youth, Rand Labor and Population

It is thus not surprising that young people in Gaza, having experienced 10 years of blockade and collapsing living standards, are demonstrating high levels of addiction to Tramadol, an opioid painkiller, which has been said to affect between 50% and 80% of the adult population.⁵⁹ There is a clear need for further studies to be done in this area, as there is still limited available data due to the social stigma surrounding substance use and abuse. This can often lead to a downward spiral, where substance abuse and the reliance of unhealthy coping mechanisms, can make it difficult for young people to re-enter the labour market, increasing dependency on the very same coping strategies. Psychosocial support to overcome this vicious cycle and re-enter the labour force is critical.

A further known coping mechanism is unprotected sex, which can lead to STDs, HIV/AIDS, and unwanted pregnancies. While extramarital sexual activity is relatively low,⁶⁰ there is once again a lack of sufficient data due to the social taboo around the subject matter. Again, East Jerusalem shows higher risk levels. While HIV/AIDS and STD prevalence remains limited throughout Palestine, the lack of sexual education will most likely lead to increased incidence of these communicable diseases. Importantly, a lack of sexual education and understanding of protection against unwanted pregnancy leads to higher fertility rates and resultant population growth. With a rapidly growing population comes more complex development needs, impacting, among other factors, economic development. It is thus critical to consider how social factors



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link to the likelihood of unemployment, on both an individual level (unhealthy coping mechanisms) and on a wider social level (population growth and its impact on the socio-economic and political milieu).

TRANSFORMATIVE RESILIENCE:

A NEW APPROACH

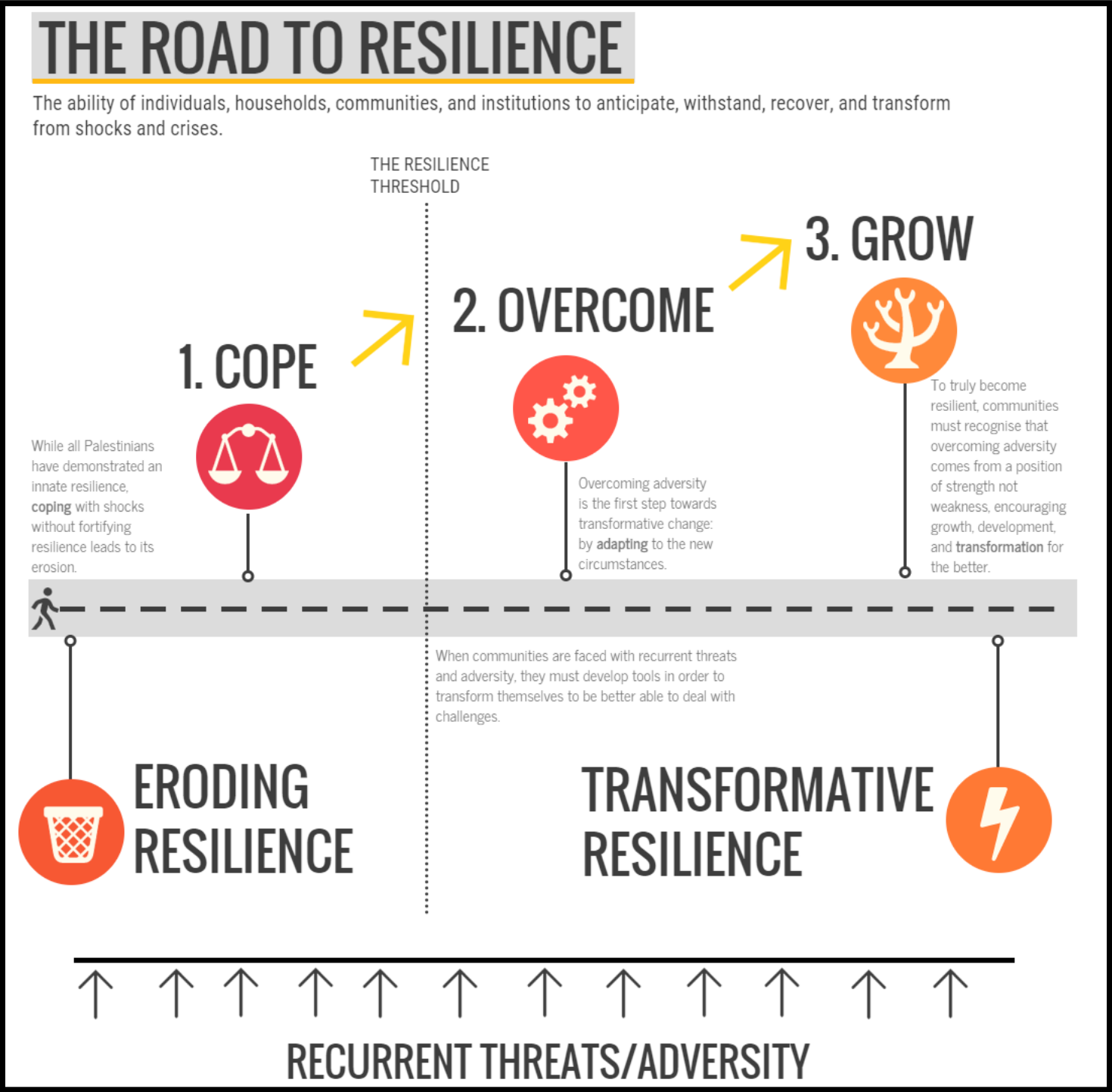


Fig. 12: The Transformative Resilience Framework. Source: UNDP/PAPP'S Guide to Transformative Resilience

Grounded in the new Transformative Resilience Framework⁶¹, for the remainder of this document we seek to consider practical solutions to solve the youth unemployment crisis in Palestine. We seek not to impose a new mode of “being resilient” on young people, but instead, will try to provide the support necessary to 1) prevent this resilience from being eroded, and 2) strengthen this resilience further. Our approach is grounded in the notion that developing resilience is a process, and it is how you get there that is important, rather than the arrival at an artificial threshold.

Based on the Transformative Resilience Framework, the below figure lays out the three critical stages, while also recognising that this is a simplification and in reality there are myriad stages in between. “When resilience is limited to learning to “cope” with the challenges at hand, this leads to eroding resilience over time. This is because individuals and communities are forced to repeatedly absorb shocks, but without mitigating measures to offset their repercussions. To manage adversity successfully, one must begin by “overcoming” the hardships, i.e. adapting to the changing circumstances. Finally, to truly become resilient, communities must “grow” from the experiences of hardship, and strengthen themselves to become better able to deal with future challenges. In a nutshell, they must transform.”⁶² Our approach encourages a focus on dealing with the root causes of a problem, rather than merely the symptoms. A flexible approach is a resilient approach. Only by pushing boundaries and taking risks can new and innovative solutions be found. This must be taken hand-in-hand with a long-term commitment to change, and a willingness to accept that mistakes will undoubtedly be made that

must be learned from to really move forward.

RESILIENCE-BASED SOLUTIONS

Youth employment is an investment in a better future for Palestine, for improving livelihoods for the entire population, and for tackling the symptoms of high unemployment, such as poverty, crime, and extremism. Employed, productive, and happy youth will contribute to a strong, resilient, and empowered Palestine, one more determined to confront the occupation. The below solutions are divided into macro-level economic solutions, followed by targeted demand and supply solutions. These solutions are grounded in the Transformative Resilience Framework, and thus seek not to provide simple developmental approaches to youth unemployment, but to go beyond these to be transformative. They are thus by nature innovative and do not fit a standard development model that may be forwarded in another development context.

Palestine's Economic Sovereignty

While Palestine remains under occupation, there will continue to be limitations on economic development, which will in turn curtail youth employment possibilities. Ultimately, international actors must advocate to end the constraints on the Palestinian economy, by restoring economic sovereignty to the State of Palestine, ending the economic blockade of Gaza, and revising the Paris Protocol for Economic Relations (PER). The current limitations of the PER are detrimental

tal to the entire Palestinian population, but especially for young people, whose future rests on inclusive and sustainable economic development. There must be better enforcement of the terms of the deal that allow Palestinians equal decision-making power within the PER, and sections that are detrimental to the Palestinian economy urgently need renegotiation. The development of Palestinian economic resilience is paramount.

While the need for continued advocacy to tackle external factors is a given, the resilience-based solutions laid out below focus on measures that can be taken by the government and the international community, which are responsive to the current situation. Our approach is embedded in the dismantling of both supply and demand barriers to youth employment. It is critical to both reduce barriers to gainful work (supply side) as well as improve access to opportunities (demand side).

Establish a Cross-Cutting National Youth Strategy

Due to the complex economic situation in combination with staggering unemployment rates, it is critical for the State of Palestine to establish a cross-cutting national youth strategy, aiming towards an empowered and resilient youth population. This strategy must not adhere to development models forwarded in other countries of similar economic stature, but instead must respond specifically and holistically to the challenges that young Palestinians face under occupation. Most critically, it must be grounded in transformative resilience, remain flexible and open to changing circumstances, include both male and female youth voices in its conceptualisation.

In effect, the strategy must take a cohesive approach to tackling youth problems, including socio-economic, political, cultural, and psychological areas. Together, all of these areas intersect with unemployment, and thus must be taken into account for this strategy to actually tackle the root causes of unemployment, which are not merely economic, but also social and political. Equally, the strategy must also take a closer look at the educational system in Palestine, and develop strategies for helping education prepare youth for the labour market more effectively. Before proceeding

"Our approach is embedded in the dismantling of both supply and demand barriers to youth employment. It is critical to both reduce barriers to gainful work (supply side) as well as improve access to opportunities (demand side)."

with this strategy, the government must hold national dialogues with young people from each of the 16 Palestinian governorates (and include input from young people in Israeli-annexed Jerusalem), including youth organisations, to ascertain youth needs and priorities for the future.

The strategy must strive for social cohesion, but at the same time address the differing situations of Palestine's territorially-

fragmented areas, with a focus specifically on Area C, East Jerusalem, and the Gaza Strip, where youth are most vulnerable. Including an awareness of the differences between these areas would not undermine Palestine's unification, but instead enhance its future cohesion by taking into account and redressing differentials between areas. The strategy must reflect evidence-based labour market assessments, to gain a clear understanding of where young women and men are highly concentrated in the labour market already, where there are labour supply gaps, and where there is limited demand for youth. This would help to provide young people with new opportunities to access the labour market, while at the same time limiting the number of youth forced to work within the Israeli labour market or Israeli settlements in the West Bank. Labour-intensive and high-value added fields must have priority for young people, and employers could be provided with tax breaks or subsidies for hiring a certain percentage of young people within their companies. By establishing a national strategy, the government can set up oversight mechanisms to help reduce duplication in service provision, learn from best practices in some areas, and export them to other sectors. Youth organisations working closely on the ground should inform this strategy with clear evidence they have garnered through their work directly with young people. Youth representatives must also be involved in the process to ensure that the strategy confronts the challenges that youth care about most.

Through the development of a responsive and holistic youth strategy, it will be possible to build youth resilience, increase youth employment, and overall youth empowerment across Palestine. The strategy must

take into account the uniquely complex challenges faced by Palestinian youth under occupation.

"Through the development of a responsive and holistic youth strategy, it will be possible to build youth resilience, increase youth employment, and overall youth empowerment across Palestine."

Local Economic Development

Embedding local economic development into the Palestinian economic development strategy is indispensable, especially to the integration of young people into the labour market. This requires a strenuous community mapping process to gain information on each community area's comparative advantage in terms of business development as well as potential human capital. This must also take into account traditional expertise, environment, location, natural resources etc.

This will help to prevent communities from relocating to traditional business centres (such as Ramallah) and ensure decentralised and equitable growth in all areas, with access to decent work. It will also reduce limitations related to movement, natural resources, markets, and knowledge within certain localities and create a more inclusive labour market.

Dismantle Systemic Barriers

While external factors from the occupation impact economic development on a large scale, there are several measures that the State of Palestine can take to dismantle critical access barriers that limit youth employment and entrepreneurship. These include improved access to support services, finance, markets, and experts.

Reduce Bureaucracy

The State of Palestine must focus on simplifying the confusing and long-winded bureaucratic procedures that are required to start a business. Due to the instability of the Palestinian context, it is critical to create incentives for local and foreign investment, with the Palestinian diaspora a potentially lucrative source. Simplifying the process can be achieved by going digital, reducing the number of stages and the amount of time needed, and decreasing prohibitively high costs. Breaking down barriers to entrepreneurship would incentivise young people to start their own businesses, and ultimately create jobs needed to absorb youth labour.

The Palestinian Investment Promotion Agency (PIPA) should focus on encouraging investment into high-value added and high labour absorptive sectors, namely industry and agriculture, which would be profitable to investors and beneficial to Palestine. Critically, they should also focus on connecting entrepreneurial young people with potential investors.

Access to Support Services

Improved access to support services that provide career counselling, aid in navigating the bureaucratic process of establishing a business, and provide linkages to the pri-

vate sector, are critical to increased access to gainful employment. The Higher Council for Youth and Sport (HCYS) should oversee provision of service to limit duplication and ensure access and affordability across Palestine. It should also undertake a review of needed services, to ascertain best practices and gaps.

The HCYS should work with the Ministry of Education to establish better career guidance from Middle School onwards, based on a real analysis of gaps in the labour market. At the same, youth must have affordable access to training, coaching, networking, marketing, research, innovation, and legal services. These services are particularly critical for youth that are considering beginning their own enterprises, to boost their chance of success.

"Reaching out to Palestinians in the diaspora would greatly enhance the efficacy of this system."

The development of a pool of business experts or mentors in partnership between the government, youth organisations, and the private sector, who are willing to assist youth in the establishment of new businesses, provide career advice, and navigate confusing bureaucratic or financial processes would be invaluable. This could be done both in-person and over web-link, in order to ensure that youth who live in remote places, or are unable to travel, such as in Gaza, are also able to access this service, and to reach a business mentor with appropriate experience. Reaching out to Palestinians in the diaspora would

RESILIENCE-BASED SOLUTIONS



greatly enhance the efficacy of this system. They could provide a series of talks, giving practical advice, publishable to a resource website for Palestinian youth.

Access to Finance

Access to finance, including low-interest loans or grants, is invaluable to young people that are considering establishing a business. The State of Palestine should establish a Youth Enterprise Fund, which provides low interest loans or grants, facilitate microfinance schemes that are actually accessible to youth, ease financial regulations, and introduce compulsory financial education in schools. In tandem, geographically and sectorally diverse incubators would be helpful in combining both access to finance and support services for young entrepreneurs.

Access to Markets

Access to markets, local, regional, and international, is necessary for Palestinian businesses to compete. While the government must revisit the Paris Protocol and advocate to reduce restrictions on imports and exports, the private sector and young people can adopt branding, packing, and marketing strategies which seek to improve perceptions towards Palestinian products. These strategies should include targeting the local market, to encouraging the public to 'Buy Palestinian.' By focusing on entering the market with products and services of equal, if not better, quality to Israeli products, this will help increase Palestinian self-sufficiency and decrease dependence on the Israeli economy. Accessing regional markets in the Arab World and international religious or cultural markets through the marketing of Palestinian products as 'from the Holy Land' will also help increase demand.

DEMAND-SIDE

Economic Structure: Focus on self-sufficiency and reducing dependency

The unbalanced economic structure within Palestine could be greatly reduced through careful and directed policymaking. The Ministry of National Economy (MoNE) must conduct a major macro-economic review, in order to gain an evidence-based understanding of opportunities and gaps in the labour market. This will also identify areas that have high-added monetary value to the economy, and those that have high labour absorption capacity. At all times, the MoNE must conduct the review from a youth- and gender-perspective, in order to ensure inclusive economic growth in the long term. Through this review process, increasing demand for new specialisations that can increase quality of services and products, and increase competitiveness must be prioritised.

Private and public economic investment in Palestine must be directed into high-return and underserved sectors, which will help foster sustainable economic growth. This must include a strong focus on the productive sectors, including agriculture and manufacturing, creating jobs that will benefit the growing youth population. In tandem, the digital economy provides new frontiers for investment, in areas that can create a critical mass of youth employment that cannot be easily constrained by the occupation.

Furthermore, the government can foster innovation, productivity, and the use and development of new technologies through the establishment of governmental grants and funds for research and development,

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"Private and public economic investment in Palestine must be directed into high-return and underserved sectors"

direct and indirect subsidies, tax credits, other tax benefits such as deductibility of research expenses, and ensuring exclusive intellectual property rights. By focusing on youth, this would provide a means of gainful employment, enhance the intellectual and academic prowess of Palestinians, and help streamline and improve processes in other sectors.

Reintegrate the Palestinian labour force within regional and global markets

Despite the constraints imposed by the occupation, there are still means by which the Palestinian labour force can be reintegrated into regional and global markets, in sectors where Palestine has gained exportable

expertise. This would be one critical means of creating demand for Palestinian labour and thereby reducing unemployment. The first step is to conduct a comprehensive economic study of the regional Arab market and gain an understanding of sectors where there is vast demand that could be met by Palestinian young people. Youth skills could then be augmented through specialised training programmes, knowledge transfer, and building the capacity for higher engagement of youth in e-business and outsourcing. This would be further supplemented by online business management training to help youth manage their workload and finances effectively. A core focus will be digital marketing to reach new and expanding regional and international

markets.

Encourage employers to hire youth, especially young women

Although employers often complain of the lack of skilled workers, they are also equally hesitant to hire young people because of the skills mismatch between traditional education and the labour market. Private sector employers should be provided with incentives to invest in skills and training of young people, including through traineeships, in order to gain a more skilled workforce, and to reduce youth unemployment. Negative perceptions towards youth, and especially young women, are widespread in the workforce. A Sharek Youth Forum survey of employer perceptions towards women ‘unveiled even further perceptions of bias, with nearly half the participants believing “that institutions prefer hiring males, [and] that men are perceived to be more productive.”’⁶³ Other reasons for not hiring young women included perceived lack of experience, belief that newlywed women would quit their positions, being mandated by law to give maternity leave, and similar factors. A patriarchal culture in Palestine discriminates against young people in general, and young women in particular.

The negative perceptions of private sector employers must be redressed through gender sensitisation training and campaigning to encourage youth employment and to end gender-based segregation. Employers must be encouraged to take a gender- and youth-sensitive approach to hiring young people, and especially young women. Gender sensitisation training of employers would contribute to reducing gender segregation in the labour force.

SUPPLY-SIDE

Education and Training

Young people must be provided with demand-driven employability, entrepreneurship, and life skilling to enhance their opportunity to enter the labour market. This will help bridge the skills mismatch between traditional education and employment, and rejuvenate the labour market with skilled labour supply. In tandem, provision of career counselling from Middle School onwards will help youth specialise in high-return or underserved sectors. This will benefit the economy as a whole, by ensuring that young people fill the gaps in the labour market, rather than focusing on already saturated majors.

This targeted capacity building would also contribute to the development of local industries and productive sectors through the provision of a supply of qualified youth workers and specialised services, by bridging the skills gap. These will be especially focused on areas where there is limited supply, especially in the vocational and highly specialised fields. This shall influence the agricultural, food processing, tourism, textiles, and light manufacturing that can bridge the 90% trade deficit for Palestinians with Israel. These training programmes must focus on quality production, to ensure that Palestinians are able to take back the share of the market that is often dominated by Israeli or international products. In turn, this will also generate thousands of jobs for young people and spur economic growth.

The government must develop a cross-cutting comprehensive national strategy for providing a pathway between university education and the job market. This must in-

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”...nearly half the participants believ[e] “that institutions prefer hiring males, [and] that men are perceived to be more productive.””

clude greater links between the private sector to match graduates with jobs, as well as assisting graduates in making sensible and realistic career choices, and in developing useful extracurricular skills.

Critically, the HCYS, the Ministry of Education (MoE), and the private sector should

ensure career counselling from Middle School onwards to ensure that young people choose the appropriate Tawjihi stream or go into vocational training, dependent on their chosen career path.

The government should increase expenditure on the educational sector, to improve

"The culture of dependence that has been created by a lack of economic self-sufficiency must be replaced by a 'culture of enterprise'."

educational infrastructure and construct new educational institutions, train teachers and teaching assistants, raise teacher's salaries, purchase new equipment and technologies, and revamp the curriculum. The MoE should focus on embedding new and innovative learning methods, critical thinking, and career counselling into the curriculum, to foster smooth transitions into the labour market. They must also provide subsidised training programmes, including at vocational centres, to marginalised populations.

Youth advocacy groups should campaign against the stigma of vocational training and education and encourage young people, especially women, to consider non-traditional careers. The MoE should develop or improve careers centres at universities to help students with career counselling and assisting with the development of soft and employment skills. This can be done in tandem with encouraging students to do internships during their education to help them build their soft skills and improve their chances of successfully securing jobs after their graduation.

Create a 'Culture of Enterprise'

The culture of dependence that has been created by a lack of economic self-sufficiency must be replaced by a 'culture of enterprise'. Young people must be instilled with the skills and knowledge, but more critically

the confidence and motivation, to develop their own enterprises. This must also include education that instructs youth in the process of developing a business, accessing finance, strategising, hiring, and understanding national and regional markets. This will assist in changing social perspectives towards youth, from seeing them as a burden to be managed to seeing them as the real engine of economic growth in Palestine. This perspective shift will also encourage more youth to enter non-traditional industries, such as vocational fields, and will help both young women and men establish enterprises or find jobs in areas that are otherwise considered inappropriate for them.

Engaging youth and educational institutions in development would be another means of spurring this culture of enterprise. Young people could be engaged while at university to conduct modelling research for solutions to renewable energy, affordable housing, water, green business, recycling, and so on. This would help young people to be prepared from a young age to innovate and develop their own original ideas. This would also increase the engage of Palestinian universities in local economic development – an area of high relevance to many conflict and crisis settings in the region. Palestinian youth could then export these models to other crisis settings, where similar challenges abound – creating jobs and placing Palestine as a thought leader in

the region.

A culture of enterprise within Palestine would help contribute to productivity in the labour force, increase the number of jobs, help reduce gender-based segregation, reduce dependency on aid, and change cultural attitudes towards young people for the better.

Encourage Non-traditional Fields

According to a recent ILO survey, 75% of surveyed students hope for a higher-level professional job⁶⁴; in the current labour

market, this is far from possible. Presently, 58,000 jobs are required in the labour market each year just to meet growing demand, let alone reduce unemployment. By 2030, this will reach 72,000.⁶⁵ In terms of young women, we cannot simply rely on "the creation of new jobs in the services sector, rather than the substitution of women for men across different sectors."⁶⁶

Young men and women must be encouraged to enter non-traditional fields of work, with a special focus on Technical Vocational Education and Training (TVET) through apprentice- and traineeships, which have



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a much higher employment success rate. This requires targeted campaigning that removes the stigma from vocational training, and at the same time, elevates it to the same level of social prestige as professional jobs. Any action undertaken in this sector must consider how vocational work can be made appealing to young people, and the best way to do so is to engage young people in those fields themselves. Raising youth awareness of high employment rates and potential salaries is one step, as well as facilitating practical training days so youth can gain an idea of what day-to-day work in that field might look like. All interventions in TVET thus must include an advocacy and campaigning component.

"The TVET sector is yet to be thoroughly explored as a viable option for many young people, due to a societal stigma associated with vocational training."

The TVET sector is yet to be thoroughly explored as a viable option for many young people, due to a societal stigma associated with vocational training.⁶⁷ This is despite the fact that vocational training increases the chance of employment by more than 12%; while only 45% of university graduates are employed, vocational graduates have a much higher rate of employment, at 65%.⁶⁸

As part of the process of encouraging youth to consider non-traditional jobs, a critical intervention is to reach out to youth

with proactive business engineering and design initiatives, which can help widen the Palestinian industrial and productive base for absorbing future employment needs. Youth and private sector businesses must develop smart partnerships for this to be successful, in funding and forwarding new boundary-pushing ideas. These can help streamline manufacturing processes or help develop other innovations to make production faster, more cost-effective, or environmentally-friendly. This can be done through the establishment of youth cooperatives, collective businesses, and in industries that replace employment in the Israeli labour market or settlements. This can include agriculture, construction, textiles, light manufacturing, furniture, plastics, metal work, packaging, and more. This will also help to reduce gender-based segregation and structural imbalance in some fields, as well as over-saturation in other sectors. Diversifying the economy, with a focus on innovative, social, and green initiatives, will also help increase Palestinian economic self-sufficiency. Increased focus on new creative pathways for youth employment, while considering the limitations to local private and public sectors, will be necessary.



CONCLUSION

Investment in young people's employability and entrepreneurial innovation could be the genesis of effective, sustainable, and inclusive economic growth. This must also include a component that seeks to build the resilience capacities of young people, to become better able to cope, adapt, and ultimately transform from stresses in their lives. With economic success so central to the development of youth, it is critical to bolster their resilience in this area. Not only will this be critical for boosting young people's individual sense of self as a productive member of society, but will also be the engine for Palestine's economic development. By investing in this otherwise marginalised subset of the population, young people can be mobilised to activate an economically sustainable, democratic, socially active, and forward-thinking Palestinian society. An integrated and holistic approach is required, which focuses primarily on young people's employability and potential for entrepreneurship. Youth - and especially women's - economic empowerment is critical for a sustainable and inclusive State of Palestine.

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