

Call for Concerted Action to Address Job Emergency

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Türkçe

- Structural reforms are an essential precondition for growth.
- Young people need the right skills for the new economy.
- Entrepreneurship has a major role to play in the new economy.
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Istanbul, Turkey, 6 June 2012 – Economic leaders today called for concerted action to address the jobs emergency that faces countries confronted by demographic shifts and tightening budgets. Speaking at the World Economic Forum on the Middle East, North Africa and Eurasia, **John Evans**, General Secretary, Trade Union Advisory Committee to the OECD, France, said there is no time to wait for agreement on a medium-term framework and called for immediate action to create jobs and re-establish confidence in the economy.

Ibrahim S. Dabdoub, Group Chief Executive Officer, National Bank of Kuwait, and a Co-Chair of the World Economic Forum on the Middle East, North Africa and Eurasia, said the Arab world needs to start working on structural reforms if the region is to create the jobs it needs for its young people. At present, some 26% of young people across the region are out of work; four times the number of adults without jobs. “You can trace many of our problems to the predominant role of the public sector in our economies,” Dabdoub called for the privatization of state-owned enterprises and structural reforms to create the conditions in which the private sector can play its full part in development.

Nizar Baraka, Minister of Economy and Finance of Morocco, said that success in his country is the result of an evolutionary rather than revolutionary approach to change that assures the stability business needs. “This has allowed us to foster a close relationship between the public and private sectors in identifying promising areas of investment,” he said. These have resulted in the creation of call centres, which now employ 40,000 people, as well as investments in the aeronautical and automobile industries.

Fiscal discipline, cooperation with the private sector, privatization and a focus on small and medium-sized enterprises are behind Turkey’s success since 2003, according to **Mustafa Vehbi Koç**, Chairman of the Board, Koç Holding, Turkey. “The biggest problem we now face is the mismatch between the supply and demand for labour. Despite 9-10% unemployment we still cannot find the skilled workers we need,” he said. “Without the right skills we will not create a high value-added economy,” he added. Koç called for more technical training and described his own efforts to provide technical training in Turkey.

“We need entrepreneurs ready and able to explore new opportunities,” said **Zeynep Dagli**, Founder and Chief Executive Officer, Memento, Turkey, one of the Forum’s Global Shapers. She emphasized that risk-taking can mean failure. “We need to get over the stigma and give people who try and fail another chance rather than putting them in jail,” she said.

There is also a role for large-scale investment in the fabric of the economy, said Dabdoub. He called for a Marshall Fund for the MENA region underwritten by the huge financial reserves of the region's wealthiest states. "This is not a task we can expect the IMF or the World Bank to take up. It is our region and we need to assume responsibility," he said.

"It is time to end the gridlock between government and the private sector," said **Joe Saddi**, Chairman of the Board, Booz & Company, USA. "The Arab Spring has put all our governments on notice. The people are no longer prepared to put up with endless prevarication. They want to see action now," he said.

The diversity of the region is reflected in the Co-Chairs of the meeting:

- **Frederico Curado**, President and Chief Executive Officer, EMBRAER, Brazil
- **Ibrahim S. Dabdoub**, Group Chief Executive Officer, National Bank of Kuwait, Kuwait
- **Muhtar A. Kent**, Chairman of the Board and Chief Executive Officer, The Coca-Cola Company, USA
- **Andrey L. Kostin**, Chairman and Chief Executive Officer, VTB Bank, Russian Federation
- **Giuseppe Recchi**, Chairman, Eni, Italy
- **Güler Sabanci**, Chairman and Managing Director, Hacı Ömer Sabancı Holding, Turkey

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