

# The K-Economy, Gender and the Middle East

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## **ABSTRACT**

Middle East economies generally lag behind global competitors partly because the vast resource of female talent remains untapped. This paper thus investigates the city of Dubai in the United Arab Emirates (UAE) as potentially a successful model for change in the region, in issues pertaining to women in education and the necessity for the full participation of women in the workforce and at managerial level in the developing K-economy. The research further indicates that in order for the region to succeed, it must utilise its entire human resource and encourage increased participation of Arab women in the workplace and their recruitment into senior management levels within organisations.

## **1.0 INTRODUCTION**

The United Arab Emirates (UAE), though politically new as a country, is steeped in history and culture. It has enshrined for men and women, both in its Constitution and through the commitment of the rulers of the various Emirates, the rights and opportunities for education and advancement in any sphere of endeavour.

Though over two thirds of graduates in the UAE are women, they account for less than 12% of the entire workforce. If the number of employees in the areas of Health and Education were removed, the figure would be substantially less. What is worse is that very few of those who make it to the labour market, make it to the boardrooms or upper echelons of leadership and management.

It is therefore essential to raise the profile of these issues in the region and set a broad agenda for change. A clear understanding of the issues pertaining to gender and management is needed and, importantly, findings need to be disseminated appropriately to encourage best practice in the workplace. In addition, awareness of these issues in a broad societal context needs to be achieved through programs which engage the public at large and stimulate discourse regarding the issues.

There are therefore many challenges facing the Arab world, the United Arab Emirates and the city of Dubai. However, due to the advancement and liberal nature of Dubai in comparison to regional cities, the international community looks to Dubai as a model for a new, prosperous and sustainable 21st century Middle East.

Dubai is not without its difficulties, however, as it faces many challenges including future demographics, employment of its national workforce, sustainability issues, educational concerns, as well as diversity and gender problems. In truth, the active participation of women can help in alleviating many of Dubai's problems. The challenge for its rulers and people of power is to engage women in education and employment whilst still moving in step with advanced nations and respecting Arab and Islamic tradition.

Attitudes of women are changing. Young women in Dubai are joining the workforce and the challenges they face are a source of much intrigue in the international media (BBC, 2005). Furthermore, women in Dubai are diversifying into sectors and activities not traditionally occupied by women. TV presenters, forensic scientists, Dot Com entrepreneurs, medical professionals and taxi drivers are amongst some of the wider professions where women are playing an active role.

## **2.0 HISTORICAL CONTEXT**

There are distinctly four phases through which women and their participation within civil society has evolved through Gulf Arab history (Abdalla, I., 1996).

The first phase, known as running from the pre-Islamic era up to circa 1900, was characterised by tribal disputes and the appropriation of water wells and grazing land as well as herding camels. These activities clearly favours male physical abilities.

The second phase, circa 1500-1940, saw an expansion of trade with Europe and Asia and the beginning of seafaring and pearling, activities which are seen as incompatible with Islamic tradition in relation to female participation. These new trade links and commercial activities resulted in a movement to coastal inhabitation. These first two phases were characterised by the Bedouin values of family, honour, chastity and the seclusion of women. Participation of women in Arabian Gulf society outside household duties only went as far as agricultural activities, in so much as maintaining date palms and other agricultural produce as well as livestock, particularly during the absence of male members of the family who were often absent for several months on fishing and pearling expeditions.

Historically, therefore, the participation of women outside of domestic duties in Arabian Gulf society was very limited in the pre-oil era. The third phase began during the 1940's and was thus characterised by the discovery of oil and the first signs of the development of affluent society. This gave rise to education of women which began in earnest in Kuwait in 1937 and in Qatar in 1956. However, it was only after its formation in 1971 that the UAE began educational programmes which included women. Though oil wealth brought affluence, the absence of economic necessity meant households continued to be supported by the man. Thus, women had opportunity for education but were still denied participation in the workforce outside of healthcare and educational services.

The final phase brings us to the knowledge-based economy, circa 1990 to date, where well educated women, low illiteracy rate, access to global information on women in other societies, non-hierarchical organisational structures and the emergence of women in corporate leadership positions has led to a liberalisation of views in the UAE and has been embraced by Dubai in particular. In recent years, this liberalisation of attitudes in Dubai society has coincided with women being well educated and this has led to the demand for equality of opportunity in employment. Furthermore, growth in the knowledge economy and the drive for emiratization (a policy for reducing the demand for expatriate workers) has led to a need to utilise the female human resource. In the foreseeable future, reduced bureaucratic organisational structures in multi-national corporations will lead to a broader participation of all employees in decision making and change. Women are well suited to the new post-contingency flat flexible organisational structure and demonstrate many qualities suited for the economy of the future. The emergence of a host of female Emirati role models within Emirati society is testament to that.

### 3.0 DEMOGRAPHICS OF DUBAI

Table 1: Dubai Demographic World Records (Madar Research Group, 2004).

Parameter	Ratio / %	World Rank
	2.62 male	
Male to Female Ratio	to 1 female	Highest
Workforce to population ratio	68.33%	Highest
Expats as % of population	82.00%	Highest
Population growth	7.00%	Highest
Population over 65 years old	0.65%	Lowest

The demographic data of Dubai indicates that it is a unique city in a global context (Table 1). Dubai Municipality's Statistical Yearbook of 2004 states that Dubai has a population of c.1.1 M, under a third of UAE's 3.7 M but covers an area of only 4.9% of the UAE. With a female population of only 27%, significant issues of gender and equality are raised. Population growth is extremely high due to the influx of foreign male expatriate workers and with a growth rate of women at only 3%, issues of

sustainability and emiratization become prominent. Furthermore, a proportionately high workforce coupled with a reliance on expatriate employees means that issues of working conditions, continuity, transience and stability are raised. Though in 1980 only 8000 women were employed in Dubai compared to over 60000 today, employment levels significantly favour men and is disproportionate compared to the west.

Approximately 20% of the labour force in the wider Middle East are women. Though women in Dubai represent only 11% of the workforce, Emirati women, who represent 41% of the Emirati workforce in Dubai seem to be doing rather well. However, one third of all female employees are housemaids (who account for only 5.5% of the total workforce) and only two sectors, education and healthcare, demonstrate employment levels where women exceed men. Furthermore, the majority of Emirati women work for the federal government.

Dubai's 2010 vision for a knowledge-based economy is a strategy for developing the model for growth and development in the region. A knowledge-based economy as defined by the world bank rests on 4 pillars, known as "infrastructure", "incentives", "innovation" and "intelligence". Infrastructure relates to the information society infrastructure and the dissemination and processing of information and how effectively a society gives people access to affordable and effective information and communications. Incentives relate to the economic and institutional framework, providing a stable macro economy, a competitive environment, a flexible labour market and adequate social protection. Innovation, or innovation systems brings together research and business activities in commercial applications of science and technology, with emerging sectors such as pharmaceuticals, bio- and nano-technologies and wireless communication systems. Finally, intelligence refers to education systems, where citizens acquire, share and use knowledge. Tertiary education takes time to build research and cultural assets as well as the experience to build partnership with business (Madar Research Group, 2003).

### 4.0 ISLAM AND CULTURE

As in all Arabian Gulf countries, the constitution of the UAE is based on Islamic principles. Gender inequality in the Middle East in general and in the Arabian Gulf region in particular, has socio economic and political roots as opposed to religious roots. In order to understand this fully, an historical overview of Islam is needed. Such an analysis demonstrates that there is a wide gulf between Islam and cultural practices misconstrued as Islamic. It is thus important for women in the region to be familiar with Islam in its true sense rather than through cultural biases for emancipation and liberation to occur. Islam accords equal rights to both men and women. Yahya M. (2005), an American convert to Islam said:

“At the beginning, Islam was the most revolutionary liberalisation of women’s rights the civilised world had ever seen. But afterwards Muslims became ignorant of this and now Muslim countries are the scene of some of the worst abuses of women’s rights.”

Thus forced marriage, imposed polygamous marriage, female infanticide, female circumcision, honour killings and denial of basic education for girls are just some of the cultural practices wrongfully attributed to Islam. In contrast, Islam gave women rights such as owning property and business, participation in choosing their leaders, freedom of speech, rights to education and inheritance and independent wealth.

## **5.0 ISLAM AND WOMEN IN BUSINESS AND MANAGEMENT**

Early Islamic history also sheds light on the position of women in regards to business and management. The city of Mecca, the birthplace of Islam was in fact a major trading centre during the 6<sup>th</sup> century. It could be argued that its position was economically and commercially stronger in its day than Dubai is today. This is largely due to the fact that Dubai has regional competitors. In contrast, Mecca had a regional monopoly for three distinct reasons. Firstly, Mecca was a centre of religious pilgrimage which made it inviolable and largely immune to tribal wars and conflict. Secondly, it was geographically central to the vital trade routes between of Syria and Yemen, and finally, the Quraish tribe which reside in Mecca was regarded as the noblest of the Arab tribes and thus had a commanding influence over regional tribes on the Arabian Peninsula. Importantly, this trade is referred to in the Qur’an:

“For the covenants (of security and safeguard enjoyed) by the Quraish, their covenants (covering) journeys by winter and summer,” (Ali , A.Y., 1936).

In this environment, Khadijah Bint Khuwailid, a businesswoman from Mecca, had a commanding influence over half of the trade between Mecca and both Yemen and the Levant. In today’s terms, this would be the equivalent of the founder and CEO of a major international company with tremendous regional and international influence. Furthermore, she was also the first wife of Prophet Muhammad, though, importantly, she was his employer prior to their marriage. She also bore all of his children, except one indicating her balance between personal and professional life, which stands as a testament to the Muslim woman. She is thus rightly regarded as a great historical role model for Muslim women.

## **6.0 UAE’S RULERS**

The support for women in education and in the workforce is well supported by those in power. HH Sheikh Zayed bin Sultan Al-Nahyan, the former President of the UAE, said:

“The means to develop a country and modernise its infrastructures is a magnificent burden that should not be taken up by men only. The loss would be huge, for women will be paralysed without any participation and productivity. It would lead to an unbalanced rhythm of life. Hence, women’s participation in public life is required and we must be prepared for it.” And:

“Nothing could delight me more than to see woman taking up her distinctive position in society. Nothing should hinder her progress. Like men, women deserve the right to occupy high positions, according to their capabilities and qualifications.”

## **7.0 UAE WOMEN’S FEDERATION**

Such participation has been established since 1974 with the creation of the Dubai Women's Development Society, a pioneer of the women's movement in the UAE. The UAE Women's Federation was established a year later. Committees formed within this organisation established a variety of women’s activities. These committees include those dedicated to religious affairs, mother and child care, social affairs, cultural affairs, sports, heritage and the arts. Some of their activities include running nurseries and kindergartens thus permitting mothers to go out to work, the dissemination of nutritional information for pregnant women and new mothers, a United Nations Development Programme for reviving the close association of some of the country's women with the land, classes for tailoring, embroidery and housekeeping, missions to the rural areas and mother and child care classes supported by UNICEF.

Furthermore, they facilitate the free borrowing of library books, an activity which has indicated rising levels of social and literary consciousness in areas formally of high illiteracy. These activities are on the whole supportive of traditional values but do not address the broader issues relating to the knowledge-based economy and the participation of women therein.

## **8.0 EDUCATION**

Access to education is one of the primary indicators of women’s status and is the root of women’s emancipation. Though the UAE has the second highest GDP in the Gulf, it is lowest in terms of percentage GDP spent on education. However, the number of girls completing secondary education is 88% and 69% of Emirati graduates are women. Furthermore, according to World Bank statistics, female illiteracy dropped from 29% to 21% between 1990 and 2000, whereas male illiteracy only dropped from 29% to 25% during the same period.

## **9.0 EMIRATISATION**

The greatest economic contributor to Dubai in terms of raw manpower is the Indian male, who accounts for 49.9% of the total workforce of Dubai. This is largely due to the fact that these workers undertake work that the native population would be unwilling to do. Even so, the reliance

on expatriate males rather than the utilisation of native females means that the gender gap continues to grow. However, the scarcity of a native male population can enhance women's opportunities in an effort to hasten emiratization.

## **10.0 ROLE MODELS**

It is important for women in the Middle East as well as Emirati women to have role models in order to encourage them, as well as their families into understanding that their participation in society is desirable and welcome. Though female historical figures have existed throughout Arab and Islamic, living personalities have only recently become familiar. Most highly renowned is Sheikha Lubna Al Qasimi, UAE's Minister of Economy and Planning and the first female UAE minister, who is also CEO of Tejari, an online strategic procurement facility. Sheikha Lubna emphasises family values and a balanced personal and professional life. Significantly, she was included in the Forbes's "Women to Watch in the Middle East" list about which she stated:

"I hope my inclusion on the 'Women to Watch' list provides encouragement and inspiration for women across the UAE who are considering a professional career." (www.forbes.com, 2005).

## **11.0 CHILDCARE AND LABOUR LAW**

Emirati society is based strongly on family ties. Centralised families allow for day care provision within the family unit. This, together with the ease of hiring domestic help allows working mothers the growing freedom and flexibility to join the workforce. For its part, the federal government has facilitated this activity by enshrining its support for women and their rights in the workplace into law. UAE Labour Law thus ensures that a woman's remuneration is equal to that of a man's if she performs the same work, that she receive 45 days maternity leave with full pay and even allows breaks for breastfeeding, or leaving work one hour early for 18 months post partum (UAE Ministry of Labour and Social Affairs, 1980).

## **12.0 CONCLUSION**

There are numerous myths which are associated with the role of women in organisations. Although stereotyping of women has been around through history and many are untrue, it is particularly interesting that many of these characteristics are actually attributes in the knowledge-based economy. For example, it is often said that women are naturally too emotional for business decision making. In fact, emotion and more specifically "emotional intelligence" is highly desirable in the knowledge-based economy and assists in decision making particularly in aspects of human resources. According to Handy (1994), the management style of women fulfils the demands of new organisations better than their male counterparts. Women are better managers because of their qualities of

adaptability, the ability to juggle several tasks at a time, are overall more interested in getting things done rather than seeking status or title, they are more instinctive and intuitive than men, tough but tender, focussed but friendly. Further criticism, particularly in the Middle East is that a woman's role as mother and housewife would be impossible if she were to take on an additional role outside the domestic arena. However, these judgements are being proved wrong by the growing number of role models for young women in the region who are proving that a balanced life is possible, together with growth in western-style day-care centres in addition to centralised family support.

Furthermore, there are many concerns that family members of women seeking employment have in regards to their female relatives entering the workplace. These are often cultural and religious concerns, for example that a woman would have to touch a man she barely knows, she would have to work nights and that she would have to have one-on-one meetings with men, all of which are cultural taboos.

It is important that these issues are approached in a sensitive yet appropriate way. It is perfectly in keeping with Arab and Islamic tradition for women and men to interact in matters of business provided it is done in a manner that respects these traditions. For example, in the west, it is considered totally normal for one man and one woman to conduct a business meeting in a closed office. In the Islamic world however, it would be construed as unseemly to conduct a business meeting in such a manner. Contrary to the implication, this does not mean that a meeting could not take place but rather that the meeting should include others where possible or that it is conducted in an open plan office or more public business environment.

Furthermore, Articles 27 and 28 of UAE Labour Law (UAE Ministry of Labour and Social Affairs, 1980) stipulate that women are not required to work nights between the hours of 10 pm and 7 am, nor do they have to do dangerous or arduous work or work detrimental to health or morals. It can also be said that in addition to male stereotyping of women, the self image amongst many Arab women of inferiority to men is potentially a more harmful obstacle to professional achievement.

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