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Innovation through Education: Building the Knowledge Economy in the Middle East

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Higher Education Creates Higher Expectations in Jordan: Combating the Loss of the Kingdom's Intellectual Wealth

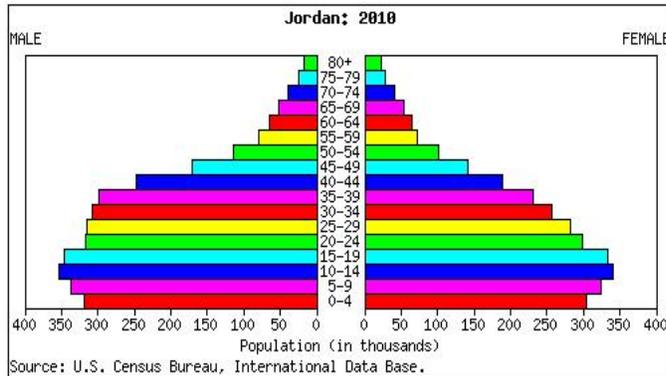
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One way that higher education creates value in societies is by preparing students for employment and entrepreneurship. However, higher education itself is insufficient to create these opportunities; the wider political and social context must also be favorable. A country like Jordan may continue to make gains in higher education, but still face related challenges that cannot be ignored, such as creating jobs for the many unemployed. With a population of approximately six million and a “youth bulge”—53 percent of the population is under the age of 25 according to 2008 estimates—Jordan faces major socioeconomic challenges today, with even greater challenges ahead. In recognition of these trends, Jordan has begun new educational initiatives that aim, in part, to match the rising expectations of graduates with employment opportunities that suit their skills and aspirations.

Official estimates place unemployment in Jordan at 13 percent for 2008, with unofficial estimates reaching as high as 30 percent. The poverty rate is estimate at 14.2 percent. Persons under 30 years of age represent 75 percent of total unemployment, making youth unemployment a major concern. High unemployment is accompanied by low labor force participation rates—12.6 percent for females and 66.7 percent for males (Kabbani & Kothari, 2005). Gender differences are apparent in both unemployment and labor force participation statistics, which suggest a situation that is unfavorable to women.

Labor force participation rates, however, have been increasing appreciably for females over the past four decades, with a six-fold increase since 1961, when 1.9 percent of women participated in the labor force. This is, in part, the result of an increase in educational attainment among women. Meanwhile, higher fertility rates and enrollment ratios among the youth mean a greater number of dependents, and combined with greater male emigration, the picture starts to become clearer: Jordan has been progressing positively in education enrollment and labor force participation against its own historical benchmarks. Jordanians are increasingly expecting their educations to yield greater benefits in terms of employment, which makes the challenges of the unemployment situation all the more urgent (Al-Khaldi, 2006).

Figure 1: The Youth Bulge—Jordan Population Pyramid for 2010



In spite of much progress, Jordan still needs to create 200,000 new jobs by the year 2015 to keep up with the more than 35,000 new job seekers that enter the labor market each year. In addition, about 175,000 jobs are needed to address current unemployment figures. Jordan has generated about 55,000 jobs per year on average from 1995–2006, but more than 50 percent of those jobs have gone to non-Jordanians. The large youth bulge approaching the labor market beyond the next six years will further exacerbate unemployment. Investments in education have succeeded in raising the level of education of each generation, but expectations for better jobs and higher wages have also increased, meaning that the simple number of jobs created is less important than their type and quality (Assaad & Amer, 2007).

Studies on the education level attained by the labor force in Jordan have shown that unemployment stands at 11 percent among those with a secondary education, while the corresponding figure for those with more than a secondary education is 28 percent (Kabbani & Kothari, 2005; World Bank, 2008). A longitudinal study of these groups shows that, by 1999, 19.4 percent of the Jordanian labor force held a university degree, a figure that has increased substantially since Jordan began making its first investments in higher education with the establishment of Jordan University in 1962. Again, a relative comparison shows that Jordan is making positive progress against historical benchmarks, while international benchmarks reveal that much room for improvement remains. Rising expectations are therefore a positive by-product of successful investments in education in Jordan, but they mean that Jordan must keep pace by adapting to the new social and economic dynamics of a more educated society.

The complete text will be available in the printed volume.