

## **The Economic and Social Problems Facing Rural Development in Arab Society and the Ways to face them**

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**Abstract :** The combined area of the Arab countries reaches about 13.3 million square meters, representing about 9.6% of the world's area. The number of the Arab world population reaches about 370 million people, representing about 5.2% of the total world population. In addition, the workforce reaches about 130 million workers (in 2012) and the rate of unemployment reaches about 17.4%. Rural development processes face many economic, social and environmental problems, which may constitute an obstacle before them. These problems include the problem of population and illiteracy, as illiteracy rate in the Arab world was estimated at about 25.5% as an average at the period (2005 – 2010), and education dropout. In addition, the problem of unemployment, as the volume of unemployment in the Arab countries as a whole reached about 18.1 million unemployed persons in 2013, poverty, and slowdown of the agricultural development rates and the multiplicity of the problems facing the Arab agricultural investment. The study aims to identify the problems that face the rural development in the Arab community and the ways to face them.

**Keywords:** the rural development in the Arab world – the problems of economic development – the problems of social development – the ways of facing development problems.

### **Introduction<sup>1-3</sup>:**

Rural development has become the focus of officials' attention in the contemporary societies. It aims to improve the quality of life of the rural people and provide job opportunities, and it also aims at a more equitable distribution of income and wealth. The state adopts ambitious plans to overcome the scarcity of resources and achieve the goals that require joint efforts among the various rural organizations in order not to waste the efforts and a lot of resources that affect the degree of goals achievement.

The combined area of the Arab countries reaches about 13.3 million square meters, representing about 9.6% of the world's area. The number of the Arab world population reaches about 370 million people, representing about 5.2% of the total world population. In addition, the workforce reaches about 130 million workers (in 2012) and the rate of unemployment reaches about 17.4%.

Rural development processes face many economic, social and environmental problems which may constitute an obstacle before them. Arab World countries try to overcome those problems to reach the desired goals and work on the completion of all the elements of rural development. The most important problems are the increase in census population, illiteracy, education dropout, unemployment, the decline in the average per capita in a lot of Arab countries, the slowdown in the rates of agricultural development and the multiplicity of the problems facing the agricultural investment.

### **Research Problem:**

Rural development processes in the countries of the Arab world face a lot of difficulties due to the presence of many problems. The most important problem is population problem, as population increases at rates

exceed development rates. The consequences of this problem are the increase in education dropout, unemployment and poverty, especially in the Arab countries that already suffer from the low standard of living, low income per capita and the slowdown in the rates of agricultural development.

### Aim of the Research:

The study aims to identify some of the social and economic problems that face the rural development in the Arab society and the ways to face them.

### Research Method and Data Sources:

The study has depended on the descriptive and statistical analysis to identify some of the problems prevailed in the Arab countries, as it has depended on the secondary data published by the Arab Monetary Fund in addition to the data and information available in some of the sites of the electronic information network (the internet).

### Results of the Study:

#### First, the Population Problem:

The number of population in the Arab countries was estimated at about 370 million people in 2013. In addition, the average of population growth rate reached about 2.2% during the period (2000-2013). This rate is considered high, as it exceeds its counterpart in the rest of the world countries and this is due to high fertility rates and the decline in child mortality. Table No (1) shows population in the Arab countries and the annual growth rate. It is shown from this table that Egypt occupies the first place in population by about 84.629 million people at a growth rate that reaches about 2.52%, as an average for the years (2012-2013). Then, Algeria comes in the second place as its population reaches about 38.229 million people at a growth rate reached about 2.04%, then Algeria is followed by

**Table (1) the number of the population in the Arab countries during the period( 1990-2013) Million people**

Countries	1990	1995	2000	2005	2009	2010	2011	2012	2013	% Growth rate (2012 - 2013)
Jordan	3.468	4.264	4.857	5.473	5.980	6.113	6.249	6.388	6.530	2.22
United Arab Emirates	1.773	2.411	2.995	4.106	8.200	8.264	8.361	8.442	8.533	1.07
Bahrain	0.503	0.587	0.638	0.889	1.178	1.229	1.195	1.246	1.255	0.76
Tunisia	8.154	8.958	9.563	10.029	10.434	10.551	10.669	10.778	10.893	1.07
Algeria	25.022	28.060	30.416	32.906	35.268	35.978	36.717	37.464	38.229	2.04
Djibouti	0.520	0.580	0.680	0.792	0.895	0.923	0.951	0.981	1.011	3.10
Saudi Arabia	15.187	18.136	20.476	23.329	26.660	27.563	28.376	29.196	29.994	2.73
Sudan	23.436	27.175	31.081	35.397	40.160	41.709	43.048	35.056	36.164	3.16
Syria	12.116	14.285	16.320	18.269	20.125	20.619	21.124	21.378	21.768	1.83
Somalia	8.680	9.130	9.596	10.082	10.490	10.594	10.699	10.806	10.913	0.99
Iraq	17.890	20.536	24.086	27.963	31.664	32.481	33.330	34.196	35.087	2.61
Amman	1.625	2.131	2.402	2.509	3.174	2.773	3.295	3.623	3.855	6.40
Palestine	-	-	-	-	-	-	-	-	-	-
Qatar	0.418	0.489	0.614	0.906	1.639	1.715	1.733	1.791	1.830	2.20
Island of the Moon	0.435	0.486	0.552	0.617	0.676	0.692	0.708	0.725	0.742	2.33
Kuwait	2.142	1.958	2.217	2.991	3.484	3.582	3.697	3.823	3.965	3.71
Lebanon	2.550	3.500	3.765	3.892	3.993	4.018	4.044	4.070	4.096	0.64
Libya	4.229	4.812	5.640	6.629	7.530	7.774	8.026	8.286	8.554	3.24
Egypt	51.911	57.642	63.305	69.997	76.925	78.685	80.530	82.550	84.629	2.52
Morocco	24.167	26.435	28.466	30.172	31.543	31.894	32.245	32.597	32.954	1.10
Mauritania	1.980	2.283	2.645	2.981	3.282	3.362	3.443	3.527	3.612	2.43
Yemen	12.860	15.421	17.461	19.983	22.492	23.154	23.833	24.527	25.244	2.92
Total Arab countries	219.066	249.279	277.775	309.913	345.791	353.671	362.273	361.448	369.859	2.33

Source: Arab Monetary Fund report - Economic Unified 2014<sup>(1)</sup>.

Sudan in the third place, then Iraq, Morocco and then Saudi Arabia at population rates reached about 35.35.087, 36.164, 32.954, 29.994 million people in 2013. Bahrain is the smallest country in terms of population, as its population reaches about 1.255 million people. It also achieves the least population growth rate, as it reaches about 0.76% (2012-2013). In addition, population in all Arab countries reaches about 369.859 million people for the same year, at an annual growth rate reaches about 2.33%. There is no doubt that population represents human wealth and if it is properly harnessed, it will help in promoting and developing the motherland. But it is shown from table No (1) that there are countries, like Egypt, groaning from the large number of population that forms a great impediment to development efforts, whether in the rural or urban areas. There are other countries such as the UAE or Bahrain where the lack of population represents an impediment to development, which forces these countries to import the human labor necessary for the development efforts from the Far East countries, India and some other Arab Countries. The equation of general time trend shows that the general trend of population in the total Arab world has taken an increasing trend that is statistically significant and reached about 7.691 million people during the studied period (2003-2013)<sup>2</sup>.

$$Y^{\wedge} = 295.855 + 7.691 x_i$$

(31.951)\*\*\*

$$F = 1018.571 \quad R^2 = 0.991$$

As  $Y^{\wedge}$ = the expected population in the Arab world per million people.

$X_i$ = time variable for study period.

The number in brackets refers to the calculated value of t whose significance has been fixed at 0. 01

Table No (2) shows the rural and agricultural population in the Arab countries and the annual rate of change, as Egypt occupies the first rank in terms of the rural population by about 45.492 million people in 2012, representing about 55.108% of the total population and at an annual rate of change estimated at about 1.5%. Agricultural population has reached about 22.325 in the same year. Sudan occupies the second place in rural population by about 26.112 million people, representing about 74.486% of the total population at an annual rate of change estimated at about 1.1%. It is followed by Yemen, Morocco, Iraq and then Algeria by about 16.006, 13.857, 11.00 and 10.065 million people at an annual rate of change reaches about 1.8%, 0.3%, 3.1% and -1.7%. However, Qatar has occupied the last place in the rural population by about 0.022 million people at an annual rate of change reached about 0%, as an average for the period from 2011-2012, representing about 3.9% of the total population. In addition, the agricultural population reaches about 13 thousand people in it.

**Table (2) agricultural rural population in Arab countries**

Countries	The rural population million people					% Annual rate of change	Agricultural population million people					% Annual rate of change
	2000	2005	2010	2011	2012		2000	2005	2010	2011	2012	
Jordan	963	986	1.13	1.16	1.19	1.8	441	409	390	383	374	-1.4
United Arab Emirates	598	736	1.34	1.39	1.41	7.4	151	159	234	234	230	3.6
Bahrain	78	102	142	146	148	5.5	7	6	8	8	8	1.1
Tunisia	3.49	3.50	3.60	3.62	3.64	0.3	2.25	2.20	2.15	2.14	2.13	-.5
Algeria	12.43	12.06	10.36	10.21	10.06	-1.7	7.37	7.40	7.40	7.38	7.35	0
Djibouti	170	180	192	194	197	1.2	573	616	658	666	675	1.4
Saudi Arabia	4.06	4.69	4.88	4.91	4.94	1.7	2.02	1.74	1.40	1.33	1.27	-3.8
Sudan	22.76	24.38	25.12	25.61	26.11	1.1	20.82	21.60	22.44	22.56	22.66	0.7
Syria	7.86	8.39	9.54	9.58	9.53	1.6	3.81	4.00	4.08	4.07	4.06	0.5
Somalia	7.65	9.02	10.36	10.67	11.00	3.1	2.21	1.96	1.74	1.70	1.66	-2.4
Iraq	623	709	751	803	872	2.8	815	776	804	804	801	-0.1
Amman	22	21	24	23	22	0	8	8	13	13	13	4.1
Palestine	380	433	492	504	516	2.6	414	460	510	519	529	2.1
Qatar	36	42	53	55	56	3.7	21	24	28	29	29	2.7
Island of the Moon	453	535	558	571	587	2.2	136	104	77	72	68	-5.6
Kuwait	1.22	1.29	1.35	1.36	1.36	0.9	302	240	193	184	175	-4.4
Lebanon	37.83	40.89	44.21	44.85	45.49	1.5	23.44	23.28	22.66	22.50	22.32	-0.40
Libya	13.39	13.56	13.70	13.77	13.85	0.3	9.69	8.98	8.26	8.12	8.30	-1.6
Egypt	1.62	1.87	2.12	2.16	2.21	2.6	1.39	1.57	1.74	1.77	1.80	2.2
Morocco	12.92	14.31	15.53	51.77	16.00	1.8	8.49	9.06	9.34	9.38	9.40	0.9
Mauritania	128.60	137.75	145.51	147.40	149.23	1.2	84.40	84.62	84.14	83.89	83.58	-0.1
Yemen	12.92	14.31	15.53	51.77	16.00	1.8	8.49	9.06	9.34	9.38	9.40	9.40
Total Arab countries	128.6	137.75	145.51	147.40	149.23	1.2	84.40	84.62	84.14	83.89	83.58	83.58

Source: Arab Monetary Fund report - Economic Unified 2014 <sup>(1)</sup>.

[www.amf.org.ae](http://www.amf.org.ae)

Second: illiteracy: illiteracy rate among adults in the Arab countries has been estimated, as an average to the period (2005-2010), at about 25.5% and among young men at about 10.9% in 2010. The rate was bigger among young women than among young men, as it reached about 14.4% and about 7.6% respectively and thus it exceeds its counterpart in all the regions of the world except the two regions of South Asia and Africa sub-Saharan.

**Table (3) the rate of illiteracy in the Arab states%**

Countries	% Illiteracy rate			
	Age group (15 years and older)		Age group (15-24)	
	1990	2010	1990	2010
Jordan	18.5	7.0	3.3	1.2
United Arab Emirates	29.0	10.2	15.3	2.6
Bahrain	17.9	8.1	4.4	0.0
Tunisia	40.9	18.0	15.9	3.2
Algeria	47.1	22.3	22.7	7.5
Djibouti	47.0	29.7	26.8	12.1
Saudi Arabia	25.3	11.3	13.4	2.2
Sudan	45.2	28.9	35.0	13.3
Syria	35.2	16.6	20.1	5.1
Somalia	-	-	-	-
Iraq	64.3	21.8	59.0	17.4
Amman	45.3	11.7	14.4	2.4
Palestine	-	4.7	-	0.8
Qatar	23.0	3.6	9.7	2.1
Island of the Moon	-	25.8	-	14.7
Kuwait	23.3	6.1	12.5	1.4
Lebanon	19.7	7.9	7.9	1.3
Libya	31.9	10.8	9.0	0.1
Egypt	52.9	29.9	38.7	10.2
Morocco	61.3	43.9	44.7	20.5
Mauritania	65.2	42.0	54.2	31.7
Yemen	67.3	36.1	50.0	14.8

Source: Arab Monetary Fund report - Economic Unified 2014 <sup>(1)</sup>.[www.amf.org.ae](http://www.amf.org.ae)

It is shown from table No (3) that Morocco occupied the first rank in 2010 in the rise in the ratio of illiteracy rate in the age group (15 years old and above), as it reached about 43.9%. Mauritania follows Morocco by about 42%, then Yemen by about 36.1% and then Egypt in the fourth rank by about 29.9%, Djibouti, Sudan and Comoros follow Egypt by about 29%, 28.9%, and 25.8%. Qatar comes in the first rank in terms of the lowest percentage of illiteracy rate by about 3.6% during the same year. However, the age group (15-45), Mauritania occupied the first rank in 2010 at a ratio reached about 31.7% followed by Morocco by about 20.5%. Then Iraq in the third place, Yemen, Comoros followed by Sudan and then Djibouti by about 17.4%, 14.8%, 14.7%, 13.3% and 12.1% respectively. Bahrain comes in the first rank in terms of the lowest percentage of illiteracy rate by about 0.0% followed by Libya by about 0.1%, then Palestine by about 0.8% and then Jordan by about 1.2%.

### Third the Rate of Drop-out from Education:

The ratio of drop-out from primary education in the Arab countries reached about 9% in 2011. It exceeds its counterpart a lot in the countries with high human development and it reaches about 7.3%. Moreover, it is observed that some Arab countries still have this high ratio, as it reached about 25.9% in Comoros, about 35.7% in Djibouti and about 40.5% in Yemen. The level of the drop-out expresses the extent of the capacity and efficiency of the educational system to keep students and not to exit from the educational process for some reason or another. The drop-out is a reason for the rise in illiteracy rate and the decline in the efficiency level of the workforce due to the dropouts' deprivation from acquiring the skills and knowledge necessary for work. This would represent an obstacle to the processes of the economic and social development, table No (4).

### Fourth Unemployment:

The rate of unemployment in the Arab countries has reached about 17.4% in 2013 versus 7.9% in the developed countries, with the exception of the Euro region that witnessed a rise in the illiteracy rate, as it reached about 12.1% during the same year, which is the highest rate of unemployment in the developed countries during ten years.

The volume of unemployment in the Arab countries as a whole reached about 18.1 million unemployed in 2013. The countries of Cooperation Council of the Arab Gulf Countries have recorded the lowest levels of unemployment in the Arab world as a proportion of the total population.

Moreover, table No (5) shows the rise in the unemployment rate in 2012 in Djibouti, as the proportion reached about 54%. Somalia follows Djibouti in the second place by about 34.7%, then Mauritania and Yemen in the third place at a proportion reached about 30%. Palestine comes in the fourth place, followed by Comoros by about 23%, 22%. Bahrain comes in the penultimate place by about 3.8%. However, Qatar comes in the last place at a proportion that does not exceed about 0.5% during the same year. Generally, the high rates of unemployment concentrate in the Arab countries with the lowest income such as Djibouti, Somalia, Mauritania and Yemen or the countries that face exceptional circumstances such as Palestine, Syria, Libya, Tunisia and Egypt due to the political circumstances in these countries. In addition, reducing the unemployment rate is one of the most important developmental changes faced by the Arab countries.

#### **Fifth Poverty:**

Arab countries are divided, in terms of poverty, into four groups. The first group consists of the countries where the proportions of income poverty are less than 10%. This group includes the countries of the Cooperation Council of the Arab Gulf Countries except for Bahrain, in addition to Morocco, Lebanon and Algeria. The second group consists of the countries where poverty proportions range between 10-20% and it includes Tunisia, Jordan, Syria and Bahrain. The third group includes the countries where poverty proportions range between 20-30% and these countries are Iraq, Egypt and Palestine. However, the fourth group, where the poverty proportions range between 38-46.5%, includes the countries with the lowest income which are Yemen, Mauritania, Djibouti, Somalia, Comoros and Sudan, table No (6). Despite the progress of the Arab countries in achieving the Millennium Development Goals, there is variation in the proportions of achieving those goals among countries. The countries of the Cooperation Council of the Arab Gulf countries are the most advanced countries in achieving those goals. However, the countries, where the poverty proportions are still high, find a difficulty in reducing the proportion of the population below the poverty line. Furthermore, the high rates of poverty in the Arab countries during the last years are due to a wave of political turmoil witnessed by some countries of the region as well as the lack of achieving tangible progress in rising productivity, economy competitiveness, reducing unemployment rates and increasing the levels of economic welfare<sup>(3)</sup>.

#### **Sixth the Slowdown of the Agricultural Development Rates:**

The agricultural development in the various Arab countries faces many obstacles that lead to a slowdown in the development rates and these obstacles include:

1. Misuse of resources in producing foodstuffs, which includes irrigation water, sewage systems, the properties and uses of agricultural land, crop pattern, the capability of land to produce a crop without the other and the failing of procedures and legislations to protect the sources of food production.
2. Lack of effectiveness of marketing and supplying policies which includes the pricing policies of food products, especially the agricultural ones, (falling prices in general), resorting to supplying professional polices in importation, the weakness of possibilities represented by the non-availability of organized central markets, the low level of marketing services, the difficulty of exchanging food products and trading it among the countries of the Arab world because of the restrictions imposed by the local authorities in each country
3. Impediments in the field of using the inputs or production requirements, including seeds, seedlings, agricultural machinery, chemical fertilizers and pesticides
4. Impediments in the field of using modern science and technology in the processes of production, which includes the lack of institutions or the weakness of their role in providing the technical services which leads to import technology from outside the Arab world.
5. Failure of the economics of animal production
6. Lack of coordination and integration between the two sectors of agriculture and industry and the weakness in securing the industrial crops from agriculture.

7. Omission of the governmental agricultural policies, if any, due to the importance of the state's role in controlling the rhythm of development policies to conform with:
  8. Pricing policies
    - Fiscal policies, especially those related to taxation
    - Policy of support and encouraging agriculture
    - Policy of food manufacturing
    - Policy of using the agricultural machine
    - Weakness of the institutions of managing the agricultural activity, and overlapping powers
9. Failure to observe the properties of the economic reform programs that have been adopted in some Arab countries.
10. Weakness of the means of marketing the agricultural products, especially the seasonal crops.
11. Decline in productivity in the sector of agriculture.
12. Weakness of storage policies, especially storage means from silos which may lead to a waste or damage in a part of grain, and the storage means that refrigerate vegetables, fruits and animal products (meat and dairy).
13. Weakness of food manufacturing in the Arab world.
14. Weakness of using the agricultural machine and the shortage of the agricultural machinery and equipment in most Arab countries.

Seventh: the Multiplicity of the Problems Facing the Arab Agricultural Investment, and there are three kinds of the impediments that have limited the possibilities of its development, the most important of them are:

1. The adverse investment conditions represented in the failure of the agricultural, economic, financial, monetary, institutional and capital policies in addition to the decrease of the appropriate laws and legislations and the impediments arising from taxes, duties and tariffs
2. The decrease of the sufficient information about investment opportunities and the establishment of projects spontaneously without studying the markets, the needs and the requirements before starting the investment. The main reason for this is the weakness and failure of the structures and services of the public governmental institutions in the agricultural sector, especially marketing
3. The county restrictions that impede the movement of the Inter-Arab agricultural investment and most importantly is the legislative investment determinants, the tariff and administrative trade restrictions which in turn led to the neglect of the development of the basic linkage facilities among the Arab countries
4. The necessity that the new investments keep pace with the escalating demand needs and they shall take into account the conditions of the sustainable agricultural development. The largest dependence in the future will be on investment in using a mix of the technology adapted to the limited power of lands and scarce water resources. In addition, the need to increase investment in the post harvest sector will emerge to meet the growing demand of the population. The responsibility of the private sector is to seize the available opportunities, as it shall know and understand the needs through the realistic study and serious perseverance, and it shall go with the developments, anticipate events and create the appropriate channels to reach to markets. The government shall be committed to appropriate agricultural and investment policies
5. The role of the joint Arab action institutions concerned with the agricultural activity shall be activated. These institutions bear a major role in providing investment opportunities, achieving connectivity for the Arab agriculture with the technological developments and guiding the Inter-agricultural investments. In addition, the governments shall take advantage of them appropriately and they shall take into account their procedural proposals and instructions which are the outcome of valuable and realistic experiments and studies. The specialized agricultural Arab institutions still have to sponsor the establishment of Arab sectoral agricultural conventions in the field of sugar, vegetable oils, meat, fish and other. Moreover, it is very important to activate the programs of the Inter-Arab finance in the fields of investment and Inter-

agricultural trade due to the pivotal role of the finance element in improving agriculture and in contributing to accelerate the application of the new technology.

### **Ways to Face the Problems of the Rural Development in the Arab World:**

- Activating the programs directed to improve the population characteristics, especially in the most needy rural places with taking into account that the rural population reached about 149.23 million people in 2012 at a proportion reaches to about 41.3% of the total population that reached about 361.44 million people during the same year.
- Giving an attention to the programs of illiteracy eradication, as illiteracy in the Arab world represents a major impediment to the targeted programs of development. It is also considered a tributary of disseminating the destructive ideas and the negative social values in the Arab society. In addition, the study has shown that the proportion of illiteracy among adults reached about 35.5% as an average for the period (2005-2010).
- Activating the programs targeted to develop education in the Arab society, as the first proportion of education dropout in the Arab countries reached about 9% in 2011. Moreover, education dropout is one of the main tributaries in the phenomenon of street children and the spread of violence, drugs and crime in the Arab countries.
- Giving an attention to the rural and agricultural programs and projects that aim to employ more from the Arab society, as unemployment was a key factor in doing the revolutions of the Arab spring as the study showed that unemployment rate in the Arab world reached about 17.4% in 2013.
- Intensifying the programs specialized in poverty alleviation in the Arab society through accelerating the pace of developing the most needy rural areas.
- Finding common Arab policies of cooperation among the Arab countries to face the problems that face the agricultural development with the necessity to pay attention to the productive sectors such as agriculture, industry and service sectors such as tourism which is affected by the political changes faced by the Arab countries at present.
- Modifying the current investment laws that exist in most Arab countries to find new mechanism to encourage the agricultural investment through shortening the many procedures through which the investor shall pass in order to be able to establish his/her project. Moreover, there is no doubt that the expansion in establishing rural and agricultural projects will be an effective factor to employ more labour force and increase the available cash income and thus alleviating the economic, social and political problems that face the Arab countries.

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