

Private Sector & Youth Education: JAL as Catalyst

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Private Sector & Youth Education: Guiding principles for JAL

- Education & Training: investments and returns to Human Capital investments
- Women & Minorities major beneficiaries from human capital investments
- Benefits from ICT require educated population
- Human capital is major source of economic development & growth
- Human capital fundamental to building market-based institutions and democracy
- Involving & Partnering the Lebanese private sector: some suggestions

Human Capital Investments

- Education and training, health expenditures are the most important investments in human capital: *JAL should design its programs to be viewed as HC investments*
- People cannot be separated from their knowledge, skills & health:
 - ◆ Enhances labor mobility between sectors and internationally
 - ◆ HC investments less risky in volatile, uncertain environments
- Abundance of HC in Lebanon and in Diaspora resulted in resilience & survival of Lebanese economy: we have been able to rebuild because we preserved our HC

HC investment returns

- Earnings of the more educated are almost always well above the average over their lifetimes:
 - ◆ US college graduates earn a premium of 65% more than high school graduates
 - ◆ High school graduates earn an even larger premium compared to H.S. drop-outs
 - ◆ Returns to investment in HC and premium tend to be substantially higher in developing countries such as Lebanon
- On-the-job training important source of higher (more than 30%) earnings: *JAL's work should support and enhance on-the-job training and diminishing the potential of dropping-out*

Women & HC investments

- Increased investments in women's HC has important social & demographic effects:
 - ◆ Large increase in labor force participation: higher incomes & more freedom for women
 - ◆ Reduced fertility, lower number but higher quality investment in children
 - ◆ Spillover effects: better family health and higher 'social capital'
 - ◆ Lowers difference in earnings and discrimination ratio between male & female earnings
- ***JAL should target girls and young women***

Ten Lessons for ICT and Education in the Developing World

- **1. Computer labs in developing countries take time and money, but they work**
- **2. Technical support cannot be overlooked**
- **3. Non-competitive telecommunications infrastructure, policies, and regulations impede connectivity and sustainability**
- **4. Lose the wires: go wireless**
- **5. Get the community involved**
- **6. Private-public sectors partnerships are essential**
- **7. Link ICT and education efforts to broader education reforms**
- **8. Training, training, training: train the teachers !**
- **9. Technology empowers girls**
- **10. Technology motivates students and energizes classrooms**

HC and modern ICT

- Modern ICT cannot pay off in the absence of an educated labor force
- ICT increases the productivity of HC
- Women tend to derive major gains from ICT because they can tele-work and because the services sector is a major user of ICT and tends to favor employment of women
- ***JAL should include ICT in their program: (1) Teach & Train ICT (2) Use ICT to deliver its services (3) Source used hardware & software from JA in developed countries which can be rehabilitated & upgraded for use by JAL***

HC & Economic Development

- HC major source of labor productivity growth and of innovation which enhance economic development & prospects, reduces regional & communitarian & gender disparities
- HC implies better educated citizens which enhances and underlies democracy and ‘good governance’ practices
- HC means individuals who are able to build & contribute to sustaining market-based economic institutions and private initiatives
- ***JAL should focus on instilling the benefits of good governance in the corporate & public sectors***

Suggestions for Partnership & Cooperation: JAL & the Private Sector

- Focus on three sectors/partners:
 - ◆ Banking sector & Association of Banks in Lebanon; choose a bank as champion of JAL's cause
 - ◆ ICT sector: work with Professional Computer Association & related companies & NGO's
 - ◆ Chambers of Commerce: network & institution in all regions, large number of members in a wide variety of activities