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Summary

Section One - Report of the Director General

The Future Human Resources in Light of the Technology Revolution

Introduction

The subject of the report of the 50th session of the Arab Labor Conference on "The Future of the Human Resources in Light of the Technological Revolution" is one of the strategic challenges that face the Arab World in its continuous strive to review its developmental pattern towards economic diversity, using the new developmental opportunities provided by the technological revolution techniques.

In spite of the efforts made by Arab countries to improve their human capital indicators, they remain insufficient or faltering. This requires doubling the efforts to fill the gaps arising and to meet the requirements of present and future professions and jobs. We face three major challenges:

- Weaknesses in preparing and enabling the Arab human capital.
- The technology skills gap.
- Enhancing the social dialog in order to raise human resources readiness.

These three challenges were considered by the report sections, where the first section concentrates on the technological revolution and development of human resources: the Arab countries dilemma. Section two deals with the problem of the balancing and integrating technology and the human element: the fifth industrial revolution. As

for section three, it comes under the title” Investing in Human Capital: A developmental pathway.

The report concludes with a number of recommendations. We hope, if implemented, to transform the valuable human resources available in the Arab World to an element of strength to overcome the given development challenges. The report concludes with suggesting a declaration of principles under the title «The Future of Human Resources in Light of the Technological Revolution”.

Section One :

The Technological Revolution and Development of Human Resources: The Arab Countries' Dilemma

The technological revolution caused changes that were unprecedented in the history of humanity, since its components constantly drive towards finding creative solutions. It also led to changes in the economic and social foundations and systems and in the labor systems and relations, including the increasing growth of new labor patterns. It came to strive for the achievement of social justice and decent work. Accumulated human capital came to play the main role in the success or failure of states. Jobs went into continuous and fast transformations due to the increased reliance on digital technology tools. The application of environmental and social parameters and corporate governance have become one of the most important trends that lead the change process in the operations of successful corporations. This revolution has shown that digital platforms and applications, modern education technologies, work force developing and the analysis of huge data are considered of the most important types of technology that will be used to build on.

These transitions produced a number of concerns related to «the inability of man, or his unwillingness, to adapt to these rapidly developing technologies, the failure of governments in applying these technologies correctly and the possibility of an increase, instead of a

decrease, in the absence of equality, if matters were not managed properly." ¹

Based on a number of studies, it is confirmed that this transition has exposed and will continue to expose millions of jobs in the world to dangers and extinction. It is a predicament from which there is no escape. Effects on the labor market will basically depend on the choices and measures taken by countries to keep up with this transition, in a way that limits the negative effects on the poorly qualified categories. Changes in the world of technology have caused structural changes (quantitative and qualitative) in the labor market. They will also lead to the creation of new jobs, while at the same time, participate in the disappearance of many "classical jobs", confirming that the evaluation of the effect of digital transition on the levels of operation demands the adoption of a methodology that enables the evaluation of "net labor opportunities" (new labor opportunities - vanished labor opportunities). In the short and medium terms, it is likely that the net creation of new labor opportunities will be negative, which means a rise in unemployment, which requires special (interim) measures and policies.

It has become an urgent issue to double the investment in human capital through the development of education and training curricula to ensure the building up of knowledge and the polishing up of skills necessary to meet the changing requirements of the labor market.

¹ Claus Schwab, Chairperson of the World Economic Forum "Fourth Industrial Revolution".

The digital transition has brought about, and will bring about, a differential state between high-skilled new jobs and moderate- or low-skilled classical jobs, which will create variations in the level of pay, income and requirements for decent work. This requires new, up to date policies to achieve minimum level of social justice. One of the most outcomes of this digital transition is the appearance of new work patterns and work relations not included in social legislations and protection systems and requiring the development of these legislations and protection systems to protect labor force rights and respond to the requirements of the digital transition.

The transition accelerated with the covid-19 epidemic hitting the Arab World and had a strong effect on labor contracts, where remote work appeared as one of the patterns of work and home-delivery of different goods evolved. The economy of digital platforms developed and occupied a huge economic position by creating a number of additional jobs, with new work relations, most of which are not subject to the applicable labor laws².

In light of this transition, Arab countries face several difficulties in using a number of the technologies of this revolution, so as to apply them effectively to find solutions for their developmental problems. In addition to the weak provision of a digital infrastructure, they are required to prepare and provide skillful and sufficient human resources, while the education, occupational training and scientific

² The Fourth Industrial Revolution and the Arab Labor Markets: Reality and Anticipation. ALO Publications.

research paradigms continue to work with a logic that lags behind the requirements of the age of revolution or is not in line with it.

A number of indicators highlight the weakness of its readiness, e.g., the number of the illiterate, close to 70 million, of the age group 15 years and over (out of a total of about 763 million in the world), representing 9.1% of the world total³, given that the 21st century description of the literate is he who possesses “internet and technology skills, capable of self- and time-control, among others.” There are 22 million Arab children and adolescents who do not go to school or are subject to the danger of early dropping out of education⁴. There are nearly 13.4 million children in the labor market⁵. Public spending on health does not exceed 8.5%, compared with a world average of 13.8%⁶. The percentage of labor covered by social security is around 33% of all labor in the Arab world⁷. In 2023, 56 million Arab citizens suffered from extreme poverty⁸. The rate of Arab women participation in the labor market is recording a continuous decline, 18.4% in 2020, after being about 23% in 2017, the lowest overall, with that of the world being 48%. The best country

³ Online site, ALESCO

⁴ UNICEF Report 2016

⁵ Evaluations of ILO

⁶ Digest for policies of health insurance for most vulnerable categories: Towards a comprehensive health coverage in the Arab region. November 2021, P. 7

⁷ Excerpt from the paper presented by the Arab Society for Social Insurance in the seminar “Supporting Social Protection Systems in Light of the New Work Patterns”, Cairo, June 2023 (Available on ALO website)

⁸ The Second Arab Report on Multi-Dimensional Poverty, by the UN and LAS (2023)

in the region is ranked 68th on the global gender gap index⁹. The Arab region is one of the most harmed by the threats of climate change. It is expected that by 2050, climate related internal displacement will involve 19.3 million people in the five countries of North Africa (Egypt, Algeria, Morocco, Tunisia and Libya)¹⁰. Eleven Arab countries are among the poorest 17 for water in the world. Rates of unemployment are expected to rise for youth, from a current 26.1%, to 49% in 2040. The Arab World will need about 33 million work opportunities to ensure an unemployment rate of about 5% by 2030.¹¹

In view of these worrying indicators, it must be recorded that Arab countries have spent a lot of effort to improve a number of indicators related to the 2030 sustainable development goals, which enabled them to achieve important gains and occupy front positions regarding human development indicators on world level. However, these efforts remain insufficient and variable between countries. A number of gains achieved declined under the effect of the successive international economic crises and the effects of the climate crisis.

On the level of digital transition indicators and in spite of the widespread use of the internet and social media, especially between young individuals, a fact that promises a favorable future in the digital

⁹ Report of the Economic and Social Commission for Western Asia (ESCWA), entitled “Inequality in the Arab Region: Lack of Food Security Ignites Disparities”.

¹⁰ World Bank Report “Groundswell”, Part 2, 2021.

¹¹ “A Productive and Comprehensive Path to Job Creation in the Arab Region”; ESCWA and the International Labor Organization;

transition process, estimates indicate that about 48% of the families have no internet access at home. This varies from one country to the other. Internet coverage reached 100% for some countries but does not exceed 30% in others. The digital gap is also burdened by the inequality between the sexes. In 2019, 58.5% of men were internet users, versus 48.2% of women¹².

In spite of these gaps and other gaps as well, some Arab countries were able to develop in their digital transition, which led to changes in the Arab labor markets and work patterns. It maximized the role of developing skilled human resources in transitioning to promising economic forms and highlighted its role in raising the efficiency and sustainability of corporations. It also presented the dilemma of the use of artificial intelligence.

Artificial intelligence has a positive aspect if used correctly. It can save time, effort and a lot of money. Even in relation to maintaining the environment, it will do so. Through it, we can avoid committing any mistakes during work. However, if used negatively, that is to say, just to reduce the number of workers and replace them with intelligent systems, it will negatively reflect on the economies of the countries and will increase unemployment¹³. It will also contribute in creating a large transition in modern life styles by reshaping transportation, health, sciences and capital markets. However, it will

¹² ESCWA, "Inequality in the Arab Region is a Time Bomb," published in 2022;

¹³ Raed Sammour, a Jordanian expert in information security and new media, in a statement to the electronic newspaper Al-Khaleej-Online;

compete with humans at work in the future. There are large companies that had actually abandoned their employees¹⁴.

The historical trend of transitioning from agriculture to industry to service, like the economics of western countries knew, is no longer available enough for Arab countries. It formed the ground for the creation of a number of technological revolution techniques, while Arab economics transitioned rapidly from agriculture to the dominance of the service sector, both regulated and unregulated, which became the prime employer. The industry's share in the Arab world remained 12.5% only of the gross national product, attracting about 20 million workers only, 17% of the total work force in the Arab world¹⁵.

Although the international economy, especially of advanced countries, headed towards the falling back of the industry or what is called deindustrialization¹⁶, for the benefit of the widespread of technology-dependent services. In developing countries (Arab countries included), this took place in favor of services with low added value. With weak recorded growth levels, demographic pressure and the diminished decent work opportunities, the unregulated economy witnessed steady growth, attracting 68.6% of

¹⁴ Majid bin Saeed Al Marashi, Professor of Artificial Intelligence at the University of Jeddah in a statement to the electronic newspaper Al-Khaleej Online

¹⁵ The Arab Monetary Fund: The Unified Economic Report. 2022.

¹⁶ See for example Rodrik D.(2016)«Premature deindustrialization», Journal of Economic Growth, N°21, pp.1-33.

the work force¹⁷, which resulted in a low level of inclusion in social security systems.

However, the fact that the level of industrialization in the Arab world is weak, in spite of its importance, should not be a cause for sorrow, considering that the drivers of the technological revolution provide a new opportunity for growth in a number of sectors with added value, if managed according to precise strategies and good investment in developing human capital¹⁸. From the time digital technologies started to spread widely, Arab labor markets witnessed structural changes on more than one level. It is expected to continue with the transition likely introduced into the energy sector by shifting from fossil energies to clean renewable energies and the development of green, blue and circular economy elements.

The structure of the labor make has entered a period of transition, whose prominent characteristics include the creation of many professions with new names and qualifications, with an increase in demand, in the face of the vanishing of certain jobs and reduced demand on graduates of a number of educational specialties in the labor market. The inappropriateness system of education and occupational and technical training appeared as a prominent dilemma. Skills for performing required work are in constant

¹⁷ According to Kerr Carnegie Center

¹⁸ The Fourth Industrial Revolution and the Arab Labor Markets: Reality and Anticipation. ALO Publications.

development, along with the maximization of the role of continuous training in corporations to redevelop skills to suit the new needs.

With these transitions, similar to what western countries came to now, a number of work forms developed on the backdrop of corporate efficiency and the secured economic efficiency, to reduce production expenses in order to compete in the market. a number of new work patterns spread. Definite labor contracts, which prevailed earlier have become the exception. They were replaced by indefinite labor contracts, which are prevalent now. The forms of labor contracts varied and new work relations emerged, most of which are not regulated by enacted labor laws. Like temporary, seasonal, casual and parttime work, multiparty work relations or conditions where work relations are unclear, like legally independent but economically dependent work. Day after day, holding a single job for a lifetime is becoming a dwindling option. There is a dire need to review labor laws unaligned with or unable to comprehend the transition that took and is taking place, in order to frame new work patterns. There is also a need to review and develop the social security system towards inclusion, to contain the new work patterns and cover the new social dangers, at the forefront of which are losing work and the dire need to bipartite and tripartite social dialog, to manage these transitions and ensure a just transition that ensures the interest of all parties. This puts new responsibilities on the corporations in the form of providing more opportunities for

continuous training to develop workers skills and adopt a new vision in managing human resources.

Arab countries strive to transition to added value economic sectors has driven them to devise optimistic strategies to speed up the pace, but their endeavor showed it can not be achieved without huge human resources and closing the current gaps. Indicators show a prominent gap between Arab countries when it comes to accelerating their national strategies. most of them face challenges in preparing qualified human resourceful, while some are financially unable to develop their digital infrastructure, which weakens their readiness.

The readiness index for advanced technology, according to UN Organization for Trade and Development, varies between a minimum of 0 (total absence of readiness) and a maximum of 1 (total readiness). It is 0.9 in European countries and Canada, 1 in the Unites States of America and between 0.1 and 0.7 in most Arab countries. This calls for more effort in the fields of investing in digital infrastructure and qualifying human resources, to win the challenge of total digitalization of the Arab economy, which would raise the individual's share of the local product by no less than 46% over the coming thirty years¹⁹. This requires working in several directions, providing comprehensive scientific and practical data, expending the availability of good quality education, connecting post-primary education and college and technical education with the needs of this

¹⁹ World Bank report: “The Positives of Digital Technology for the MENA Region: How the adoption of digital technology can accelerate growth and job creation”

evolving economy and providing sufficient opportunities to continuously train workers in the fields of information and digitalization.

The challenge of qualified human resources also presents itself in the face of the development of all components of the green economy, which in turn, promises precious opportunities to build a sustainable development form, which promises additional green work opportunities. Studies also show several none-optimally exploited development opportunities, which are considered additional work opportunities in the blue economy, by virtue of the geographical position of all Arab countries located on a number of seas and oceans. In the circular economy, technological revolution techniques provide a number of solutions for the transition from a “classical economy”, based on excessive consumption of resources, to the efficient exploitation of resources. This economy is expected to represent a market of 4.5 trillion dollars in 2030, hence, Arab countries have to establish their place in it²⁰.

Social and solidarity economy, considered deep rooted in the Arab world, has played a historic and important role in producing goods and realizing income and decent life. Its role was prominent in facing crises and proved its contribution to limiting poverty and fragility,

²⁰ World Economic Forum: According to the figures presented by Accenture Consultations

developing women's participation in the labor market and eroding the differences between the sexes in many Arab countries²¹.

The obstacle of human sources which has been determined, though requires big efforts to bridge present gaps, in certain limits, can be overcome by benefiting from the experience of some Arab countries that achieved a number of successes by creating higher- and middle-specialized corporations, which enabled them to qualify human resources that acquired necessary skills in a number of fields, such as renewable energy, information technology and artificial intelligence, which enabled the fulfillment of needs, at the same time, developed a number of new start up companies.

It is certain that the new drivers of economic growth will largely depend on the preparation of human resources, which may require plans to preempt and keep up with the needs to improve the competitiveness of establishments, increase workers productivity, attract investment and develop the capabilities of individuals for the purpose of a smooth incorporation in practical life. Also for supporting entrepreneurship, which is not provided by the majority of education establishments of all specialties and technical and occupational training in Arab countries, which remained unable to keep up with the ongoing changes in the labor market. They have come to face huge challenges regarding the destiny of their graduates and their stand from technologies backed by artificial intelligence, machine learning

²¹ ALO Seminar on social and solidarity economy and its role in achieving development during crises (December 2020)

and digital, physical and biological technologies that require modern and varied skills²².

The human element remains the user and applier, thus, will remain the corner stone. It is the fact that showed the need for corporations, public or private, to hold precise strategies, based on a new perspective, placing human resources at the center of their interest. With these strategies constantly based on dialog and deliberation, they can facilitate the achievement of their property goals, with benefits to their human resources and the development of decent work conditions. In the old days, the role of human resources was limited to recruiting employees. Now, its role has become broader and more comprehensive. Its mission is to care for the real wealth of the corporation, which the human wealth, which is viewed as present and future investment. The care springs from the recognition of the importance of the role played by these resources in achieving corporate goals and strengthening its competitive value among corporations.

Decent work has become a primary factor in encouraging human resources within the framework of improving productivity, developing wealth and playing a part in the just distribution of produced wealth. Decent work must be one of the main work axes for Arab countries. The continued deficiency of decent work would weaken the social

²² Ibid.

contract, which is considered a point of strength and stability for today's societies.

There is a wide agreement today that the successful management of transition driven by the technological revolution requires, rather stipulates, introducing changes to the adopted education methodology, with amendments related to increasing concentration on science, technology, engineering, mathematics, acquiring personal skills and the ability to adapt, allowing the development of talents and the spirit of creativity, which have become a condition for endowing countries with an added value in competition, according to concept of today's world, in light of the technological revolution, to face the changes in professions in the digital age, including sharing work with intelligent robots, which will take over a number of tasks from human workers. Here appears the dire need to review present occupational and technological training systems that give priority to one profession. This was appropriate until recently. In stead, it is necessary to enhance the various job opportunities. The concept of studying and mastering one job may not hold many advantages in the labor market, with some exceptions. New generations must be qualified. They must be open to taking up a number of professions, in order to be qualified to compete for work opportunities.

What is confirmed is that the technological development in some professions has given rise to a number of pressures on some of the main conditions of decent work, especially those related to the right

for social security, with the development of several new work patterns. This needed attention, by brining these patterns under law, to ensure workers' right for social protection.

Section Two:

Balancing and Integrating Technology and the Human Element: The Fifth Industrial Revolution

This section concentrates on what is considered a necessity for balancing and integrating technology and the human element in light of the fourth and fifth industrial revolutions. Considering this to be one of the biggest dilemma that will face humanity. The human element will have to adapt to different technologies, including intelligent robots at work and in daily life, and problems such as the deepening social differences and social exclusion and the threat to the guarantee of decent work conditions.

Today, there are fears regarding the future of artificial intelligence development, as the machines develop the capability to learn to perform tasks that were exclusive for humans, such as thinking, innovation, visual perception, speech recognition and decision making, with capabilities that improve their intelligence, based on information the machine collects from its surrounding. One of the main concerns is that if we were not ready for this revolution, which overran all societies like a tsunami, we would create a world in which the middle class will remain still. This will lead to an increase in social

exclusion²³. The physicist Steven Hopkins, Bill Gates and the Arab engineer, Mohammad Gawdat all warned that "in 2045, artificial intelligence will be a "billion times" smarter than the smartest person on earth. The worst to fear is the communication between all those technological tools, which will undoubtedly happen, soon. Then the shoe will be on the other foot. The machine will control man²⁴. The inventor of artificial intelligence, Jeffry Benton, after his work on the development of the artificial neural network caused a revolution in the modern technology world, the basis of the developer of machines similar to the human brain, characterized by independence from its programmers in the future, expressed his partial regret for working in the field of artificial intelligence. He warned against its dangers, which may later on become beyond human control.

The continual development of artificial intelligence is set to create a number of dilemmas for humanity. It will bring about new challenges to the labor market and laborers. It will widen the gap between developed and poor countries and between the wealthy and the poor. Large international corporations will dominate. Monopoly will surpass what it is today. Emerging markets and small and medium companies will be threatened. It will bring about the dilemma of funding social security funds and the labor regulating legal relations, as defined in labor laws and international and Arab labor criteria. The concerns of the inability of man and countries to control the events of

²³ Schwab, Chairperson of the World Economic Forum

²⁴ An interview with Mohamed Jawdat (Sky News Arabia)

this development and its direction to criminal acts or acts against humanity, up to imposing changes in human genes and meddling with the human race²⁵.

Opposite these terrifying warnings, other experts are of the view that artificial intelligence technologies will not cause any danger to the human race, and there should be no strong concern because of intelligent technologies. They need many years of slow and gradual development before they reach the extent feared by critics, for they rely for their development on sciences that are currently still at the beginning. Because any technology arouses fear when wrongfully applied, also the matter is related to our dealing with technology in a way that makes it harmless to humans. The development of AI does not necessarily mean that machines replace man. Instead, things will more take the course of cooperation between man and artificial intelligence. These systems will contribute to increasing human capabilities, aiding professionals in taking more intelligent decisions and give more examples in the field of health and in treating the biggest challenge facing humanity, i.e., environmental sustainability. The labor world has entered an unprecedented phase of radical transitions that will influence the labor market and humanity. This has stirred up many fears harbored by the three parties of production and pushes them to open an international dialog aiming to reach a

²⁵ The Institute for the Future of Humanity at the University of Oxford, in a 2017 survey of 352 experts about their future expectations.

consensus towards devising the characteristics of the labor market in the future²⁶.

From its side, the Arab countries new social contract included: the social dialog is our means to a safe, just and sustained future²⁷, an invitation to initiate a social dialog concerning digital platforms, to ensure basic labor rights of those working in those platforms and that the tripartite social dialog plays a primary role in managing the just transition process, ensuring the adoption of an approach in which artificial intelligence is under human supervision and control.

If the effect of previous revolutions on the value paradigm did not pause a great shock because things went slowly to an extent, the technological revolution and its ability to merge technologies in a way that obliterates dividing lines between physical, digital and biological fields made all the values, customs, digital and biological paradigms subject to successive shocks, a change in human behavior and a change of professions and their characteristics.

Studies concerned with values and digital technology commended the super capabilities provided by the Internet, the unlimited amount of information in the worldwide web, and the vast diversity in applications that facilitate human life, communication and fulfilling several of man's needs, allowing for more time and rest.

²⁶ ILO

²⁷ Towards a new social contract in the Arab countries: Social Dialogue is our means to a safe, just and sustained future.

It must be said that we do not object to technology development; it would be ludicrous to think that way. We are discussing the development achieved by humanity by virtue of the technological revolution and the effect it has on values and in changing them. The possibility of taking it along a course that does not serve humanity. Hence, there should be a scientific diagnosis of the dilemma of "technologies and values". A follow up of its different effects. It is established today that this technology has two opposing powers: the power of innovation in finding solutions to manage human life, and the power to destruct, not only the social values paradigm, but also by unleashing artificial intelligence to reach the extent of controlling humanity.

The advancement of digital technology definitely has many benefits. It enables us to improve production, the quality of services, solve many economic problems, limit hard work, facilitate communication and connection between people all over the world, difference races and sexes, in an unprecedented manner and allows the flow of information. However, the big benefits do not negate a numb of its dangers. We must not feel confused by the size, pace and speed of digital development, but we need to simultaneously realize its dangers and take whatever steps necessary to contain it.

Aiming to respect these basic rights, we must ensure that this technological revolution would serve human interests and protect the human race. We must ensure that all operations run by an artificial

intelligencer machine or system comply with the principle of social justice, keeping in mind the effects on inherent labor rights.

This brings us to determining the responsibilities for treating these multiple dangers that cross the national borders and jurisdictions. Who is responsible? the countries, since they carry the responsibility of protecting their citizens' rights? Or, the companies that have to change their modus operandi? Or, international organizations to search for cross-border solutions? Or nongovernmental organizations, civil societies, labor unions and employers?

In spite of the obvious complications, answers and solutions will no doubt evolve through dialog and partnership between all, out of a sense of shared responsibility to reach a human, national, regional and universal response.

We should stress here that in achieving success in the volatile work environmental, the human element will form the corner stone principal element, in order to present the best they have, for the benefit of their corporation, which raises productivity and sustainability. This requires that the conditions and environment of labor suit the technological variables. It puts the responsibility on corporations and companies when workers enter the labor market, particularly, on human resources departments, to improve the quality of work conditions and work environment, and facilitate adapting to technology, because computers, software and machines are constantly being developed. These corporations will have to

constantly work on developing the skills of their employees and workers through training courses and encouraging teamwork in order to enhance innovation and improve productivity. Thus, corporate hierarchical and vertical structure is no more appropriate. It is replaced by the horizontal and intersecting form, which gives very positive results because it encourages employees and workers to improve their occupational performance. When the employee and the worker feel appreciated in the association and the company, they become more productive and innovative. They share company identity and aspirations.

it is sure that the digital transition in the associations and companies will provide many advantages and benefits and maintain their sustainability. However, it is not an easy operation. There is a number of challenges which the association has to face. the most prominent of which is the change in the association's culture and the logic behind its work, enhancing communication and dialog between all administrative levels and employees and workers, providing suitable training to improve their skills in using digital technologies and the challenge of adapting to changes through developing the culture of regulatory change and its grasping by employees and workers to reduce the element of resistance to change.

The technological shifts also showed the need for forward planning and precise policies to activate labor markets, which requires a rapid reform of the education, formation and occupational and technical

training paradigms and enhancing the efficiency of social and health protection systems, in the direction of inclusion.

Transitioning to an added value and a sustainable economy requires important investment to develop the high speed digital infrastructure based on cloud computing technology. It has become indispensable, so that small and medium enterprises, alike, would benefit from the digital opportunities offered by the new economy and providing broadband Internet access at responsible prices, in addition to developing safe and well functioning electronic defense systems.

Speeding up the achievement of these reforms, with the financial expenses it will require will be faced with the income levels of the countries, especially in light of an inappropriate international economic climate due to successive crises, which weighed heavy on countries debts (the volume of external debts of Arab countries is 1.4 trillion dollars, about 60% of the gross domestic product of the region, in the year 2020). This will limit the implementation of the required reforms. Here, the tripartite social dialog may play important roles to achieve compromises, regardless of the required reform package, and facilitate its realization. If followed through by enhancing proper governance mechanisms, the gains can be accumulated on the reform route, leading to a variation of Arab economies in promising sectors, which contributes to developing and qualifying human resources, creating new additional work opportunities and ensuring a just transition.

Reviewing labor legislations to frame new work relations, to save the rights and duties of both parties of the contractual relation and adding new rights and duties that suit new work patterns to socio security legislations are among issues that the tripartite social dialog can play a primary role in to balance overcoming the challenge of a transition towards digital economy and to secure principal rights at work. This is what is emphasized by "the new social contract: the social dialog is our means to a safe, just and sustainable future".

Section Three:

Investing in Human Capital: A Developmental Pathway

This section reveals the fact that countries with accumulated human capital will play a decisive role in facing the renewable needs of the labor market and adapting to them. This requires making investment in Arab human capital the corner stone in the interests of public policies, in order to bridge the accumulated gap through:

- 1- Adopting national plans to invest in human capital: under guidance of relevant Arab strategies, especially "The Arab vision of digital economy", issued by the Arab Economic Unity Counsel of the Arab League, in 2020, and the Updated Arab Strategy For Training and Technical and Occupational Education, for the year 2023, as well as what the social contract contained regarding "The Social Dialog Is Our Means For A Safe Just And Sustainable Future", approved in the Arab Labor Conference, in its 49th session, in 2023.

- 2- Developing digital knowledge of work force: because the occupational course of human resources now depends more and more on innovation and entrepreneurship and forms the force driving towards the development of corporations, there are indications today confirming "that if human capital is not

strengthened, countries will not be able to continue its sustainable and inclusive economic growth, and will not have the qualified work force to fill the jobs that require high skills and efficiency in the future. They will also not compete effectively in the international economy"²⁸.

- 3- The role of the responsibility of associations in enhancing the culture of creativity and leadership: by adopting a methodology that allows an encouraging work environment to discover talents and identify unique capabilities, potentials and aspirations of its human capital for evaluation. Consequently, adapt to transition, which enables it to strengthen its competitiveness in the market.
- 4- The social responsibility of associations: achieving sustainability has become a priority in the current ages, which associations strive to achieve. The measure of success has come to rely on presenting environment friendly products. What is represented by associations carrying their social responsibilities, driving them to invest in innovation and creativity to improve return, and at the same time, devise alternate products that are environment friendly.

In connection with the above, investing in research and development has become one of the requirements of the digital transition and a

²⁸ A report on development in the world 2019: Changing Nature of Work. World Bank Group

true challenge that must be overcome. Success and growth in the economies of developed countries goes back primarily to the policies laid and the size of public and private associations investment, particularly, in the field of research and development. An indispensable element of competing for market leadership and sustainability.

The huge speed with which the technological revolution is going and the jobs it creates after destroying others in its way confirm the fact that the most important condition for future jobs and professions is no longer the strong skills, but it must be flexible enough so as not to impede the ability to adapt to the accelerating job variables. Strong skill and its soundness have become an obstacle to the flexibility necessary for adaptation, where there is a need to, partially or totally, amend the skill. Thus, educational success has become a factor that makes those holding certificates, without acquiring additional skills, a cause for being left behind.

Today, we are in dire need to schools, institutes and universities that develop the ability to think smoothly and critically and develop the capability to reform ways of thinking and working, whenever new changes in practical life evolved. Workers are today required to continuously develop their skills and capabilities, in order to remain active in the labor market. Some skills are individual, such as personal intelligence, the development of communication skills, mental flexibility and the ability to accept change and adapt to it.

Others are strictly technical, like the ability to analyze mass data, deal with cloud computing and artificial intelligence and other technologies.

Associations today are no longer able to protect jobs that exceed their needs because of technology. However, they are responsible for preparing their workers for the future. This raises the question, let us say the challenge, that Arab counters have to face while merging in the era of this technological revolution, with the new developmental courses it allows. Are educational and training institutes, with the logic and curricula they depend on, able to keep up with the changes in professions, jobs and skills they have come to require?

In practice, we find that a broad band of the Arab youth are present and use all digital communication technologies. This is an important element. However, by and large, they are not actors. By and large, they are users. As a result of a number of obstacles that face the provision of good quality education, they remain helpless and unable to keep up, in general. Thus, financial recourses and human power go to waste.

The labor market today witnesses a group of transitions, which will not only change the type of jobs, but also the collection of skills required for success and competition in the labor market. "The coming generation of youth in the Middle East and North Africa regions will enter a radically different labor market. This requires the

enhancement of education courses by adding digital skills and providing the learners with innovation and creativity skills”²⁹.

It has become an urgency to prepare qualified human resources by radically amending our education systems, provide them with the necessary capabilities to ensure they fulfill their duty in this modern age. at the forefront of which is enabling tomorrow's generations with the skills necessary to face the requirements of the transforming labor market. It will be important to list these skills and develop and implant them in the daily life of the learner, i.e., critical thinking, problem solving, analysis, innovation, creativity, self-learning, verbal and written communication and cooperation and teamwork.

²⁹ Report “Opportunities for Youth - A Bright Future for the Next Generation”; McKinsey, August 2021;

Section Four:

A Declaration of Principles Regarding "The Future of Human Recourses in Light of the Technological Revolution"

The idea of adopting a declaration of principles by the three parties of production (governments, employers and employees) is based on international and Arab initiatives on one side, and on publications and literature of the Arab Labor Organization, on the other. The issue of humanizing technology and the just transition to digitalization in several global and international initiative, including the Declaration (manifesto) of Vienna for Digital Humanization, in 2019 and the ongoing discussions in the UN, on the horizon of adopting "the international digital charter of the summit for the future in 2024". in addition, the development of human capital approaches and optimizing benefit from human capital and preserving it by continuous investment in its development represented a challenge for production parties in late years.

First : justifications

This declaration of principles is justified by the following:

- Amassing the common efforts of production parties, governments, employers and employees, and all relevant

bodies to ensure a just digital transition, by imparting a human dimension on technology, to be in the service of man.

- The importance of the role played by social dialog in the course of digital transition, to ensure the development of artificial intelligence in a proper way.
- The recorded gaps in the field of development of human capital in the Arab world, where it has become a real challenge to the three Arab parties of production, in their strive to overcome the challenge of sustainable development and ensure decent work opportunities.
- Facing new challenges that are expected to appear over the coming years, within the era of the fifth industrial revolution, a number of whose characteristics have started to show.

In that sense, we thought of quickly formulating the Arab declaration of principles and presenting it her to the three parties of production. They are invited to agree on the following:

Second: Fundamentals of the declaration of principle

The three parties: governments, employers and employees:

Being aware of the necessity to work together to enhance and improve the future of human capitol and invest in it, in light if the

rapid technological progress and its large and unprecedented effect on the labor market, work force and public life.

Realizing the necessity of adapting to and adopting new technologies to deal with challenges, opportunities relate to human capital and the importance of doubling efforts to bridge the many gaps in the field of qualifying the human element, in a way that fulfills the needs of development and the renewable labor market.

Convinced that economic growth and decent work have become a common goal to achieve a more just and sustainable future, and that the achievement of this goal requires ensuring a just digital transition, based on an effective and production social dialog between the three parties of production.

Affirming that the technological revolution is strongly making its presence felt in all the corners and components of the international economy, very fast, by virtue of the solutions it provides and is, at the same time, presenting us, the three parties of production, with several challenges and responsibilities.

Ensuring labor rights that can be negatively affected with the total digital transitions, on which depends the decisions we should make to insure a just transition, through providing enough opportunities for continuous retraining, limiting aspects of inequality between the sexes and ensuring a comprehensive social security, with suitable and effective protective policies for the vulnerable categories with

programs to boost their capabilities to ensure that no Arab citizen is left behind.

Believing that the drivers of this technological revolution, including artificial intelligence, under control and in the service of man, first and foremost, working towards containing a number of negative effects arising thereof, which threaten values and human rights due to misuse.

Relying on the Arab Labor Organization charter and constitution and the Arab labor agreements, including agreement No. (3), of the year 1971, concerning the lower level of social insurance, agreement No.(5), of the year 1976, censoring working women, agreement No. (6), of the year 1976, concerning the levels of work (amended), agreement No. (8), of the year 1977, concerning union rights and freedoms, agreement No. (9), of the year 1977, concerning occupational guidance and training and agreement No.(11), of the year 1979, concerning collective negotiation.

Guided by international agreements, recommendation and covenants concreting employment, development of human resources, relevant international and Arab strategies and the collective goals of sustained development 2030, including the eighth goal related to "economic growth and decent work".

Realizing the importance of providing skillful human resources to improve competitiveness and quality of production which considers

international standard criteria, the attraction of investment and developing individuals capabilities and fulfilling their need in order to smoothly integrate them in practical life and develop entrepreneurial and creativity.

Being aware that taking new courses to enhance economic growth in the Arab world, in a number of promising economic sectors and the effect it has on the provision of new labor opportunities will require several reforms in order to move toward the digital, environmental, social and solidarity economy.

Sensing the necessity of facing the possible negative reflections of these transitions on the labor market, and that ensuring a just transition requires a deep constructive social dialog between the three parties of production.

Convinced that obtaining good quality education and training and decent labor opportunities have become one of the main problems for Arab youth and families, considering rising unemployment.

Third: Principals and obligations

On the basis of the previous points that warranted the formulation of this declaration, and based on the common goals and challenges that connect the three parties of production, they are invited to agree on the following principles constituting this declaration and commit to

strive to achieve the programs actually establishing them, represented in:

- **Developing skills and continues education:**

The speed of technological development requires continuous improvement of skills and knowledge. This calls for continuous improving of skills and knowledge, which calls for a commitment to provide education opportunities, suitable training for workers on all levels and enhancing their abilities and helping them to adapt to new technology and the variable requirements of the labor market.

- **Coordinating efforts on the national level**

Achieving change and success in the field of qualifying human capital requires coordinating efforts between all parties of production and the relevant public and private associations, civil society and educational institutes which invites us to enhance this national cooperation and coordinate efforts towards realizing our common goals of developing investment in human resources.

- **Enhancing leadership and innovation:**

We realize that the technological transition requires strong leadership that is capable of adapting and innovation. We encourage and commit to enhance leadership capabilities in the field human resources by encouraging innovation and benefiting from technology

to bring about improvements to the management of human resources, recruitment and skills development.

- **Balancing between technology and human work:**

We have to maintain the balance between technology and human work. Although technology contributes to improving efficiency and enhancing creativity, we believe that the human element is still decisive in the success of any labor paradigm. So, we are committed to enhancing the culture of human work, encouraging human communication and interaction between workers and enhancing the moral values in the work environment.

- **Foresight and planning the future:**

Technological development dictates a need for foresight and planning for the future. This calls for a commitment to develop sustainable strategies for the management of human resources and to invest in the best possible way in light of the rapid technological transitions, analyze further needs and devise work plans suitable for realizing those needs and ensure the sustainability of qualified human resources, able to adapt to ongoing changes.

- **Developing the education and occupational and technical training paradigm**

Considering the position held by the educating and occupation and technical training paradigms in facing the challenges presented by the digital age, we are committed, each in his position, and within the framework of constant consultation, to work on providing an education and an occupational and technical training of good quality, available for all, limits truancy, open on its surrounding, strengthens foundations and curricula that concentrate on developing skills and polishing capabilities in a way that responds to the rapid changes of the labor market and its renewable requirements.

- **Enhancing scientific research and development**

Scientific research and development are of paramount importance in the digital age, **which makes us** ensue our commitment, each in his position, to double funds allocated to his associations, with emphasis on connecting the research taking place, with the programs and needs of the economic development in promising economic sectors and doubling efforts to create a nurturing and supporting environment for the development of entrepreneurship and raising the level of benefiting form Arab competencies in the diasporas.

- **Enhancing and strengthening a comprehensive and integrated paradigm for social protection**

Social security holds a place in valuating human capital, considering that it establishes peace and social security. It calls for a commitment to work on developing the social security paradigm, to keep up with ongoing changes in the labor market by adapting to the conditions of profiting from its benefits, according to the new types of work contracts. It also extends the social protection umbrella to include all categories, including low skilled labor in the unregulated economy.

- **Consolidating equality in human resources development:**

We realize the great importance of raising the level of awareness of the value of equality between the sexes in realizing comprehensive development and in improving human development indicators in the Arab world. This makes us commit to careful consideration, from the point of gender, to rectify imbalances in qualifying human resources, in the labor market and in including those with special needs.

- **Humanizing technology**

Since we realize the vital importance of modern technology in creating new courses for growth, we have to commit to striving to ensure its humanization by making artificial intelligence systems work on encouraging growth, sustaining development and the wellbeing of

societies, considering laws guaranteeing human rights and variations in societies, with guarantees allowing the interference of the human element, if need arises, to amend these systems and make them work in a proper and safe way that ensures periodical evaluation of the dangers that may arise and manage them.

- **Developing labor legislations and laws:**

The clear effect that the growing use of technologies of accelerated transitions produced, and will be producing, on the labor market requires that we commit to working on keeping up with these changes, by devising effective detection and guidance mechanisms and developing keeping up programs that allow devising general principles to regulate new work patterns, with those reviews taking place periodically, and by protecting and improving labor conditions in unregulated economy and keeping up with it through facilitating and effective programs to move towards a regulated economy.

- **Enhancing common Arab cooperation**

Because we realize the importance of planning for common Arab programs and projects to develop human resources in all that is related to expediting the transition towards the digital economy, we are committed to active contribution, each in his position, to raising the levels of Arab dual and multiparty cooperation, to provide

opportunities to exchange experience and enough training opportunities.

By adopting these 12 principles, we are certain they will contribute to creating a sustained work environment that enhances the capabilities of the Arab human resources, which permits complete benefiting of the possibilities and huge opportunities for economic growth in a number of promising sectors and in a way that will bring additional opportunities. Simultaneously, preparing to face the new genera of challenges of the fifth industrial revolution, whose characteristics are starting to shape up.

Committed to the activation of the principles of this declaration, we call on all relevant association and bodies to join us, support the goals of the declaration and work with us for a better future for human resources. This declaration can also be used for guidance and implementation according to the particularity and capabilities of each county.

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Conclusion

Reports of the Director General in the Arab labor conferences have consistently been a precious moment to conduct a broad interacting tripartite dialog with the recommendations they contain and within the framework of the strive to achieve our common aspirations for a the best exploitation of the systems and mechanisms of the technological revolution to encourage economy growth and create jobs in a way that allows the building of equal opportunities, social justice and sustainable societies.

Those aspirations represent the primary concern of Arab families, with youth in the forefront. Simultaneously, they present our responsibilities towards the right of future generations in a safe environment that realizes an honorable living.

These aspirations, legal as they may be, raise challenges to the Arab countries, which await several tasks, to conduct the necessary reforms, many of which cannot be postponed, to bridge the gaps in the stricture of the human capital and to raise its efficiency and qualification.

The labor market faces constant changes on the level of jobs and labor. It will witness an unprecedented movement in the future, for it is proposed that opportunities for unqualified labor will vanish and that opportunities will be available for skilled labor. Human capital will also play a decisive role in the digital age. Work force, if properly

qualified, will have more time to think and create what is more important and more valuable. robots and the rest of the machines and technological revolution techniques will handle difficult and arduous tasks.

Artificial intelligence will permit us to build a more stable and sustainable future if we are keen on the proper use of its mechanisms and systems and directed it according to our developmental needs and priorities and activated all the capabilities allowed by the social dialog to keep up with the movement that the labor market will experience.

Our bet today is on rebuilding the social contract that is threatened by destruction and ensuring a just transition. This rests on making the present technological revolution an occasion to strengthen our common Arab ambition by developing the added value economic sectors which provide Arab countries with valuable opportunities to compete. This depend primarily on investing in building the human capital to enable the acceleration of the transition to the digital economy, which opens the way to the development of a number of promising economic sectors, such as the green, blue and circular economies. These are sectors that will play an important role in the development of social and solidarity economy. They promise to create additional work opportunities and sustainable development.

The challenges that face the Arab world in the field of human capital, in light of the technological revolution, must, as stressed before,

devise mechanisms for proper governance in order to develop human capital. They must be proportional to the size of challenges determined on the level of each Arab country. The technologies of this revolution, including artificial intelligence, must remain under the control of man, at his service and under his supervision. It must guarantee a just transition.

Draft recommendations and suggestions

Given the above and stressing the significance of the analyses in this report of the future of human resources in light of the economic and social transition resulting from the technological revolution, it presents the production parties with important challenges related to the various consequences resulting from these rapid transitions in the labor world, where efforts will be directed towards devising comprehensive national plans and policies centering on human capital, as follows:

- Bridging the gap by amending public policies that proved their importance during the successive crises that the region went through during the past years and which highlighted the social role of the state and the importance of investing in the vital sectors connected to the human element.
- Imposing a radical reform of the education and occupational and technical paradigms to provide good quality education, available to all, open to its surrounding, facing present and future challenges and concentrating on developing skills, capabilities and critical senses, with the aim of strengthening the foundations of qualitative education systems, which concentrate on skills, polishing capabilities from the first stages and qualifying in a way responsive to the labor market variables.

- Enhancing and raising the role of the private sector in developing human capital, within the framework of the social responsibility.
- Making continuous education programs the standard culture of associations, enabling human resources to acquire the necessary skills to adapt to the new requirements to develop their associations and simultaneously, maintain their jobs and career advancement.
- Developing the roles and tasks for managing human resources in associations, so that they are flexible and ready to adapt to the economic and social transition resulting from the technological revolution.
- Reforming the labor market and the social protection, towards inclusion, by creating national observatories foreseeing transition in the labor market related to professions threatened to vanish in the short and medium terms and the new professions about to emerge and spread. These observatories will also follow up what is taking place in developed countries, even in the presence of time difference due to difference in technological advancement, new work patterns, suggest mechanisms to keep up with them, regulate them and present them to the three parties of production in order to make the suitable decisions.

- Continuing the strive to create a nurturing and encouraging environment to develop entrepreneurship related to startups in the digital sector.
- Reviewing and updating labor laws governing new work relations resulting from new work patterns, especially in the digital sector (digital platforms as an example). Reviews should continue periodically according to transition witnessed by the labor market and to nation observatories suggestions.
- Extending the umbrella of social protection to include vulnerable groups, reviewing social security systems and social insurance legislations and benefiting from the technological development to develop labor, health and occupational safety inspections. work on their development, so as to suit new work patterns development, particularly in the digital sector
- Devising a system to compensate loss of work in countries lacking unemployment benefit programs and mechanisms. The system shall be associated with training programs for new skills that re-qualifies the beneficiary, to rejoin the labor market.
- Building strong and flexible health systems, capable of adapting to technological crises and responding to the needs of society.

- Enhancing the social role of production parties to ensure just digital transition, founded on the governance of decision making and based on valuating human capital as the axis of all policies.
- Keeness on maintaining the technological revolution in the service of man, first and foremost, and inviting the three parties of production to adopt the declaration of principals concerning "the future of human resources in light of the technological revolution", according to the capabilities of each state.
- Striving to limit the expected negative reflections of the digital transition, which will threaten social values and human rights. Commitment to maintaining the drivers of this technological revolution under human control, for his service and for the superiority of human values.

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مؤتمر العمل العربي العملي

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