

In Saudi Arabia, where some 60% of the population is under the age of 30, and largely well educated, constructive youth engagement is a necessity for socioeconomic development. With the fallout from the coronavirus pandemic threatening the economy and the pace of societal transformation, this analysis considers the youth perspective on the crisis: how they view the impact on their job prospects – and on their lives.

The young welcome social reform

The relaxation of social norms has been welcomed by many young Saudis on multiple levels. Firstly, it has allowed them to enjoy previously taboo forms of entertainment like going to the cinema, while it has also created employment opportunities in emerging formal sectors such as consulting, [tourism and entertainment](#), as well as informal segments like food truck hospitality.

Linked to this has been a rapid increase in young Saudis either taking part-time jobs and/or volunteering. Significantly, these developments are not just viewed as ways to make money, but also as valuable work experience and an opportunity to form alternative social circles.

Work and life changes amid COVID-19

A survey of approximately 325 young Saudis conducted in late April found that the majority (60%) believe the virus will have a long-lasting impact on the economy and societal transformation.^[1]

What concerns many is that the pandemic, combined with low oil prices, will severely contract the labour market, as happened directly after the 2014 oil price collapse. Even well-qualified graduates from reputable universities found it difficult to find employment during that time. Many companies, especially in the oil and petrochemical sectors, laid off Saudi employees on a “last in, first out” basis.

While acknowledging the potential severity of the shock to the system, many young people also think that it will bring positive long-term effects to everyday life by opening peoples’

eyes to other opportunities.

Long-distance working and working from home will become more common, especially for non-critical employees, thereby cutting costs for employers and business owners. In addition, there is widespread consensus that the virtual world will become increasingly important post-coronavirus.

A good time to start a business?

[Facilitating entrepreneurship](#), enshrined in the pillars of Vision 2030, has been the target of government funding for several years. Irrespective of the level of state support offered, entrepreneurial ecosystems have been built “anyway, bottom up, enabled by access to software” by a generation of young nationals energised by the possibilities entrepreneurship offers, particularly in relation to socioeconomic reform, more personal freedom and greater self-expression.^[2]

Against the backdrop of COVID-19, however, young Saudis are concerned that much of this innovative momentum could be lost; Prior to the outbreak, some young would-be entrepreneurs were worried about “losing their moment” if the socioeconomic reforms introduced by Crown Prince Mohammed bin Salman between 2016 and 2019 disappeared.^[3] Now, with austerity measures in place and a contracting economy, there is concern that establishing start-ups may be perceived as too great a risk.^[4]

Some disagree, however, saying that economic recessions can be a good time to start a business as new doors open and new opportunities arise.^[5]

Returning to a post-2014 environment

The primary concern of young nationals is that the job market could return to how it was in the environment of low oil prices in 2014-16, when some graduates remain unemployed for years. If this were to occur, it would affect not only national prosperity, but also the wealth of individuals and their families.

If revenue streams continue to be halted or severely diminished due to the convergence of the pandemic, low oil prices and the possible cancellation of Hajj in July and August, then the socioeconomic reform programme that has benefitted many young Saudis could grind to a halt.

At the individual level, there is considerable concern that the virus will delay future plans for as long as employment in key sectors remains predominantly idle. If this continues over an extended period, young Saudis will be deprived of both full-time and part-time employment opportunities. Meanwhile, others have already been prevented from completing internships or student exchange programmes, which will also have an impact on future employment prospects.

If the kingdom is to achieve sustainable development in the long term, it is imperative that it recognise the aspirations of youth as an opportunity rather than a problem. Saudi Arabia must nurture its youthful population so that young citizens can meet their own individual ambitions while becoming key agents of socioeconomic progress at the national level. After all, without input from younger demographic groups, the goals of the Vision 2030 economic plan will be difficult to achieve. The onus is therefore on institutions, both governmental and private, to engage with young people on an individual level.

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Sources:

[1] Author's survey

[2] M. Andreessen, *Foreword*, in C.M. Schroeder, *Startup Rising: The Entrepreneurial Revolution Remaking the*

Middle East (New York: Palgrave Macmillan, 2013), p. xi.

[3] Author's focus group

[4] Author's focus group

[5] Author's focus group