
Female Gender Descriptors for Entrepreneurial Autonomy of Arab Women: Opportunities and Constraints

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EXECUTIVE SUMMARY

During the twentieth century Arab women struggled to change their condition, and succeeded in finding a place, though still small, in the active labor force. Increasingly, Arab women are becoming educated, self-confident and autonomous. In a male dominated society, leading to feminization of unemployment, Arab women are considering starting their own businesses. They are venturing into self-employment opportunities. Social empowerment of Arab women has also become the aim of many. The increased participation of women in self managed activities is helping tremendously in the development and well-being of their households.

Keywords: Entrepreneurship, Arab, women, autonomy, gender

INTRODUCTION

In Arab countries, religion typically has a dominant place in people's lives. Most Arabs are Muslim. Muslim people see their religion Islam "first as a guide to a righteous way of life" (Abbasi, 1993). Therefore, an Arab woman will follow her duties to her religion before following her own interest and self fulfillment. Generally, she takes care of the typical responsibilities of an Arab woman, such as child bearing, household chores, her faith in God, and finally, after all is accomplished, her interest in starting a business may come. However, it is then that she is faced with politics, government bureaucracy, lack of support or money, and perhaps more religious constraints that do not allow most Arab women to cross the boundaries of what society accepts of them. A smaller number of Arab women entrepreneurs exist in comparison to American women entrepreneurs. The Arab world has many constraints such as religious, political, social, and cultural barriers that do not allow a woman to progress and enjoy socio-legal protection as a man would in the West. In addition, actual interaction between the media and social environment greatly differs and influences the success rate of women entrepreneurs in the Arab world.

STATUS OF ARAB WOMEN

Arab women in the past, and until the 20th century, usually had fewer opportunities and rights than men. Their presumed roles were restricted to wifehood/motherhood. Later on, Arab women significantly contributed to the economic, social and political developments in different countries. However, it is essential to point out that their contribution and participation in the work force is still a problem today, at the dawn of the 21st century in the Arab countries. For instance, Saudi women are not allowed to drive, while in other regions, women are prohibited from working due to tradition and culture. The table below portrays the involvement of Arab women in the labor force of different countries (Rawas, 2002).

TABLE 1: WOMEN LABOR FORCE IN THE ESCWA REGION (1988-1992)

Country	% Female of Total Labor Force	
	1988-1990*	1990-1992**
Bahrain	10	18
Egypt	11	29
Iraq	6	6
Jordan	10	10
Kuwait	14	24
Lebanon	27	27
Oman	8	8
Saudi Arabia	7	7
Syria	15	18
U.A.E	6	6
Yemen	13	13

Source: * 1988-1990: UNDP, 1992: 158-159.

** 1990-1992: UNDP, 1994: 162-163.

Women and education

According to the United Nations Development Program, UNDP, Arab countries are approaching the 21st century with 65 million illiterate Arab adults, two thirds of them are women who can not read or write. Some of the reasons that discourage Arab women to pursue their education are the facts that some view it unnecessary (since women are expected to get married and take care of their family and household), and since females get lower wages than males (Rawas, 2002). On the other hand, the Arab region exhibits the fastest increase in female education of any region. Female literacy has expanded three fold since 1970.

The Gender Empowerment Measure, GEM, was introduced in 1995 to measure the participation of women by observing the income per person, women's share of professional and technical positions, and women's share of parliamentary seats. It was noticed that the Arab region's ranking was lower than any region except sub-Saharan Africa. The Arab region also scored lowest in women's participation in the work force, and in representation in parliaments. This was because women occupied only 3.5 percent of all seats in parliament. The report emphasized removing gender bias in labor markets. Moreover, it highlighted the need to give priority to women entrepreneurs when strengthening local capacity to offer micro-finance services beyond the less than 2 percent of poor households that have access to financial services (WBI, 1995)).

Working Women

Arab women today are shifting from their traditional work in agriculture and other productive activities to more professional activities. In fact, Arab women today are professors, doctors, scientists as well as engineers (Basma Bint Talal, 1996). However, over the past 15 years, economic growth has been stagnant, if not falling, and unemployment has been increasing at a fast pace in the Middle East and North Africa (MENA) region. This deteriorating economic situation has led to a fierce competition between female and male applicants. The biggest losers in this fight are women whose advanced education and skills cannot spare them from an unequal rivalry in a still gender-blind, male dominated workplace (CAWTAR, 2001).

In fact, women still face difficult barriers to entry in the work environment. Those barriers are both structural (economic situation, political events) and ideological (male breadwinner-female homemaker stereotypes) (CAWTAR, 2001). In reaction to this situation, many women are anxious to venture in a new employment area: starting their own business. Although there are many differences between Arab countries concerning the new status of women, the largest majority of the female populations, from a woman farmer in a remote village in Morocco to a woman-manager in a multinational company in Manama, Arab women are not afraid of the risk of starting a new business. "Traditional societies are encouraging women to take up productive and income-generating projects" (Basma Bint Talal, 1996). This giant step in the Arab culture has contributed effectively in developing the role of women.

In research by the World Bank Institute (WBI, 1997), promoting knowledge economies relies on creating "an economic and institutional regime that encourages entrepreneurship and (building) a skilled and flexible labor force, in which people have opportunities for equal education and life-long learning" by giving special attention to MENA region women and changing the work culture (Sarbib, 2002). Arab countries are starting to understand the contribution of women in the region's economy.

NOTABLE EXAMPLES OF ARAB WOMEN IN THEIR COUNTRIES

It is fairly difficult to obtain reliable statistics on Arab women entrepreneurs, due to their small percentage in the Arab world, and to the lack of interest and focus on the subject. The Arab world differs greatly from country to country. Yet, certain events have occurred in the Middle East to reflect Arab women's struggle to obtain their primary rights which American women already have. If a woman does not have certain rights and a degree of power (to be licensed, obtain loans and so forth), it becomes extremely difficult, whether Arab or American, to create a successful enterprise.

Egypt

America has thousands of support organizations for women entrepreneurs. What America has, only similarly occurred once in Egypt where the early women's press created a change by establishing a network of communication among women, initiating discussions of rights that would later take on more liberal coloration (Napoli, 1996). In Egypt, women have made a great step in their political and professional lives since the 1990's, and many have started their own small private businesses.

United Arab Emirates (UAE)

Another example is the UAE, where "more women enroll for higher education than men with a current ration of 6 to 4" (Abbasi, 1993). The UAE also has the "UAE Women's Federation" an organization which was established in 1971 and is funded by the government and represents the country's women. However, the starter of this organization was the wife of the president of UAE. Although the organization is somewhat successful, it simply reflects that a woman needs to have either a great deal of money, power, or her husband must have one of them in order to facilitate the grounds for an Arab woman to own her business. Such cultural, religious, political, and social issues do not exist for an American women entrepreneur. "Through the UAE Women's Federation, individual associations of women contribute to the drawing of comprehensive national plans for the continued progress of women's movements" (WIN, 1996). In addition, with the help of the UAE government, UAE has recently begun to emphasize the expanding role that women play within society. The United States is emphasizing the expanding role of women, so that American laws give higher preference to aid/award women entrepreneurs to fulfill the American dream of owning a business. In the Arab world, such an American dream is not nurtured in young girls' minds. Instead, most girls wish to get married and have a family, while in the United States self fulfillment and personal accomplishments are very important in order to survive. On the other hand since most Arab societies are based on strong family ties, women can better afford to live without a job or without starting their own business.

The women of UAE have certain legal guarantees such as "they enjoy the same legal status, claim to titles, access to education, the right to practice professions, and are guaranteed the same access to employment, health and family welfare facilities." Labor laws in the UAE constitution protecting women have been implemented effectively even though the country is under Islamic Law. There is also a rise in education among women of UAE which reflects a higher chance that women may want to take the initiative to start their own businesses since they are better educated and literate. However; "the traditional male dominated society remains a stumbling block to a true equality between the sexes" (Salloum, 2003) which may affect a UAE, or any Arab woman, to become an entrepreneur of her own.

Oman

Omani women have always "cherished the dream of starting their own enterprise, of doing something on their own. But for a middle class girl in Oman without a business lineage and no credit rating worth writing about" (Araimi, 2001) it may seem almost impossible. This example reflects that any woman entrepreneur, even Arab, will be successful if she has the

personality to remain strong and determined while having to break the glass ceiling of policies, religious rules, and social perceptions around her.

Saudi Arabia

Another gulf country, Saudi Arabia, gave the first Saudi woman a license to run a private business in 1977, and in 2000 there were more than 3000 women working in the private sector where many of them manage their own firms or shops. Even though their firms may be less competitive than those run by the men, they are still competitive. "The guess is that the numbers of Saudi businesswomen is growing at least 200% during the five-year development plan which started in 2001" (The Economist, 1999). As of 2004, we can see that little progress has been made for Saudi women entrepreneurs. A Saudi economist concludes that "If the past and present are biased towards men, the future will definitely be on the side of women." It is important in order to increase the number of women entrepreneurs to break the barriers which hold many women back and replace them with organizations or institutions that encourage what was restricted before for women (encourage women entrepreneurs, women to study, women to travel abroad and so forth).

Lebanon

Another example of an Arab country that is fairly modern is Lebanon. The fact that Lebanon has always "been more open to and tolerant of Western ideals and lifestyles" explains why Lebanese women entrepreneurs are "schizophrenic. They have one foot in the Mediterranean and one foot in the desert. The foot in the desert relates to traditions that Lebanon shares with other Arab countries, whereas the foot in the Mediterranean relates to Lebanon's openness to the West" (Sidani, 2000). The fact that work values for a Lebanese individual can be attributed to "several variables including the historical, philosophical, and religious experiences" implies that any Arab woman entrepreneur also faces the same values before she is able to excel as an entrepreneur in her region.

Jordan

Autonomy is the extent of freedom and independence a particular job provides to the person responsible for its execution (Hellriegel et al., 1999). In Jordan, "laws guarantee a woman an equal right to work yet insist that she cannot have free access unless she has her husband's approval" (Sonbol, 2003). This system of "guardians" seriously jeopardizes the liberty of a woman to engage in a business, and manage it according to her own freewill.

SMEs are useful tools in a country's effort to poverty alleviation, economic growth, and job creation. Furthermore, SMEs are vehicles to economic empowerment for women. A majority of entrepreneurial enterprises are SME start-ups. Several factors affect a Jordanian woman's choice of entering and staying in the business world. Variables that have a negative effect also represent opportunities of improvement in the current system. In her report to the ESCWA, Reem Fariz (2002) lists several constraints that Jordanian women face while launching and running their SME:

- psychological: lack of self-confidence, negative self-image
- societal: double role as housewives and business leaders, in a society that stresses the importance of "motherhood"
- governmental: licensing difficulties and lack of legal support
- professional: lack of technical skills and previous experience
- infrastructural: access to credit, technology, support services, land, and information, (AMIR, 2002).

In 1993, the Jordanian government launched a new social and economic reform program with one of its aims: to reduce the number of employees in the public sector. However, privatization does not necessarily mean more job opportunities to women. One reason for this pessimism would be the lack of technical expertise by most women.

This level of risk aversion is contradictory to what is necessary in launching entrepreneurial enterprises. Furthermore, it is believed that Jordanian businesswomen are pushed to be even more cautious due to lack of family, society, and government support. They face "different challenges depending on the economic status, social and political context and the industries in which they are engaged" (Fariz, 2002). Family, society, schools, and government all make major contributions to the entrepreneurial expertise, innovation, and creativity of a young woman (Rawabdeh & Strong, 2002). Jordanian society perceives women as weak individuals who are unable to accomplish something in business without a male partner or co-worker (Fariz, 2002). And as young girls are raised in an environment that only nourishes the "mother instinct" in them, it is

natural to find them growing into adults who are almost programmed to be child bearers and nothing else. These individuals would even doubt their capacity to accomplish anything outside the realm of their marital life.

"In recent years, new efforts are being made to mainstream women into all sector policies and programs. It is one of the main objectives of Jordan's Economic and Social Development Plan 1999 – 2003 'to bridge the gender gap in the various social and economics fields' " (Seibel & Almeyda, 2002). Some of the broad areas of discriminatory laws pertain to: a) marriage and family life, b) labor laws, and c) social security (WID Tech, 1998).

Even though the constitution recognizes the equality of men and women, "an amalgam of Jordan's laws, shari'a codes, tribal laws, and modern Western codes ... has contributed to seeing women as lesser individuals" (Sonbol, 2003). Women-owned SMEs do not have incentives to apply for loans. High interest rates, loan terms, and conditions play their respective roles (Fariz, 2002). Bureaucratic routine demoralizes ambitious entrepreneurs. For example, small agricultural enterprises have to go through a very lengthy and cumbersome application procedure. This severely restricts access to credit of small farms, women, and the poor (Seibel & Almeyda, 2002). Furthermore, "loans tend to be too big and loan periods too long, leading to over-indebtedness and preventing rapid business growth. This is fatal in situations where borrowers start big and fail big" (Seibel & Almeyda, 2002). Entrepreneurs need to quickly pay their debt and move on.

Opportunities for Arab Women Entrepreneurs

One example would be empowering women through micro-credit. Such a program is run by the NGO, ENDA Inter-Arabe in the poor suburb of Tunis, Tunisia. ENDA's vision for its program is to see low income families, mainly women, heading towards economic security through entrepreneurship and self-employment. Thus it offers a line of credit with renewable loans for trust-worthy clients. Two thirds of their clients were women, and they aimed at 80 percent at the end of year 2000 (Ben Hamida, 2000). Another facilitator is to actively participate in governments. For example, a Ministry for Women and the Family was set up in early 1990s under the Prime Minister's Office, and gained its independence in 1999 (Ben Hamida, 2000). Learning to read and count, and getting trained to negotiate with the family, middlemen, and suppliers.

The Business Incubator for Women Enterprise Center in Tunis is a pioneering non-profit incubator NGO, which has started implementing an innovative idea called "incubator without walls" (Rawabdeh & Strong, 2002). It provides all the services of a supporting NGO and incubator, while allowing the enterprise to enjoy the freedom of on field action.

Obstacles Hindering Arab Women Entrepreneurs in North Africa

Arab women entrepreneurs are confronted with many difficulties that lie in mental attitudes and prejudices toward women, despite their contribution to the world economy. They also face the problem of lack of information, project studies, and management skills. In light of the problems mentioned, the president of the Mauritanian Association for Women Entrepreneurs, Jemila Bent Taya said that there are many professional associations of women enterprises in her country which emphasizes the political resolve to support women in further participation in the economic policy of the country. As for Sabah Chraibi, the president of the Moroccan association, Espace Point de Depart, she stressed the importance of supporting women negotiation capacity, for they are economic actors, not just consumers (Regional Economics, 2003). Other obstacles would be difficult access to capital, low levels of literacy skills, lack of training, shyness, and lack of public experience (Ben Hamida, 2000).

GENDER-SPECIFIC STRENGTHS AND WEAKNESSES OF ARAB FEMALE ENTREPRENEURS

A survey of Arab women entrepreneurs covering 64 women of various Arab nationalities on perceptions of descriptors of the Arab female gender which would be universally favorable or constraining to entrepreneurship has resulted in the following listing of female specific opportunities and obstacles to entrepreneurial autonomy (tables 2 and 3).

TABLE 2: ARAB FEMALE- SPECIFIC OPPORTUNITIES FOR ENTREPRENEURSHIP

Rank	Occurrence	% Frequency	Opportunity
1	13	26 %	Effective communication and interpersonal skills
2	7	14 %	Physical appearance
3	6	12 %	Usage of emotions
4	5	10 %	Creativity and innovation
4	5	10 %	Patience and persistence
6	4	8 %	Leadership and self confidence
7	3	6 %	Commitment and dedication
7	3	6 %	Effective time and budget management
9	2	4 %	Self motivation
9	2	4 %	Female intuition

TABLE 3: ARAB FEMALE-SPECIFIC OBSTACLES FOR ENTREPRENEURSHIP

Rank	Occurrence	% Frequency	Obstacle
1	18	35 %	Women's social role of housewife and mother
2	9	17 %	Gender discrimination
3	7	13 %	Culture and social tradition
4	6	12 %	Financial funding difficulties
5	3	6 %	Inappropriate education
5	3	6 %	Women not trusted business-wise
7	2	4 %	Religious constraints
7	2	4 %	Women dependence on male relative
7	2	4 %	Women's legal status

WOMEN IN THE ARAB WORLD

For many centuries, women in the Arab world have struggled in a male dominated society and have sadly been given the constraining role of reproducing and looking after the household. In fact, Arab society is "a collective society in which family and clan relationships play a prominent role" (Basma Bint Talal, 1996), and from their early age, women are raised in the principle that man is the only income and security provider of the household. As a result, women have had no incentive, and were greatly discouraged to look for a job. Moreover, women in the Arab world suffered from ignorance, high illiteracy, and high fertility birth rates that represented major obstacles for their employment as well as for their mobility. However, since the beginning of last century, Arab women conditions started to change dramatically. In 1995, female enrollment in primary, secondary, and tertiary level of education was the highest in all developing countries. (Sarbib, 2002). Through advancement in education, increase in the average marriage age, and the decrease in fertility, (Doraid, 2000), Arab women are redefining their roles in society and are starting to become an active part of the Arab labor force. Today, in the rapidly changing global economy, the Arab World has realized that the involvement of women in the economic activity and their empowerment has a "positive multiplier effect on other aspects of human development."

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