

Attitudes towards the private sector

exploring what Gallup data says

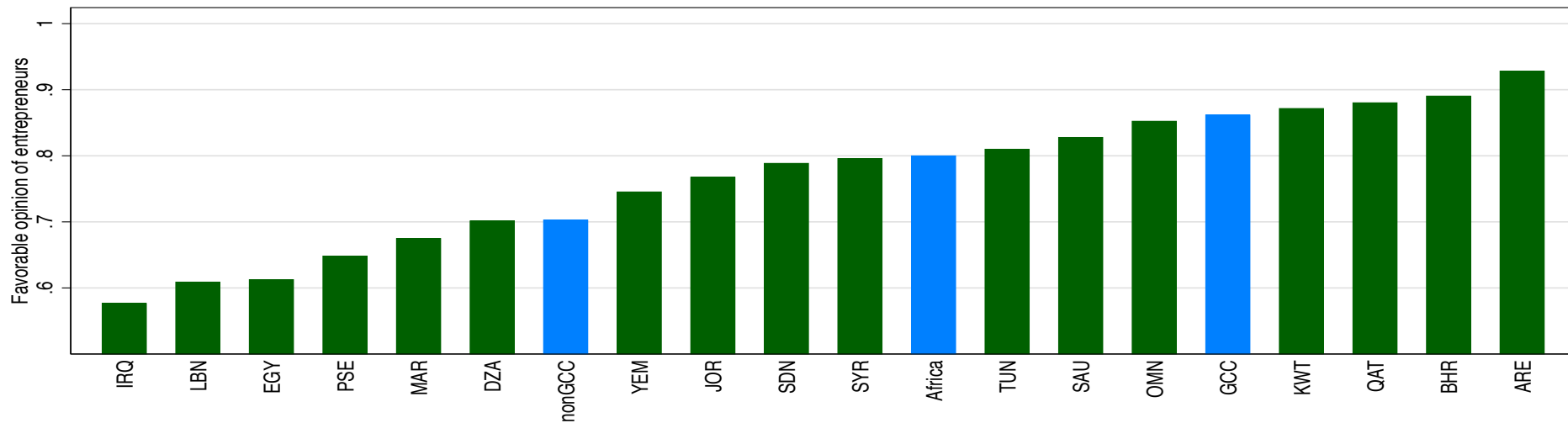
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Opinion about entrepreneurs

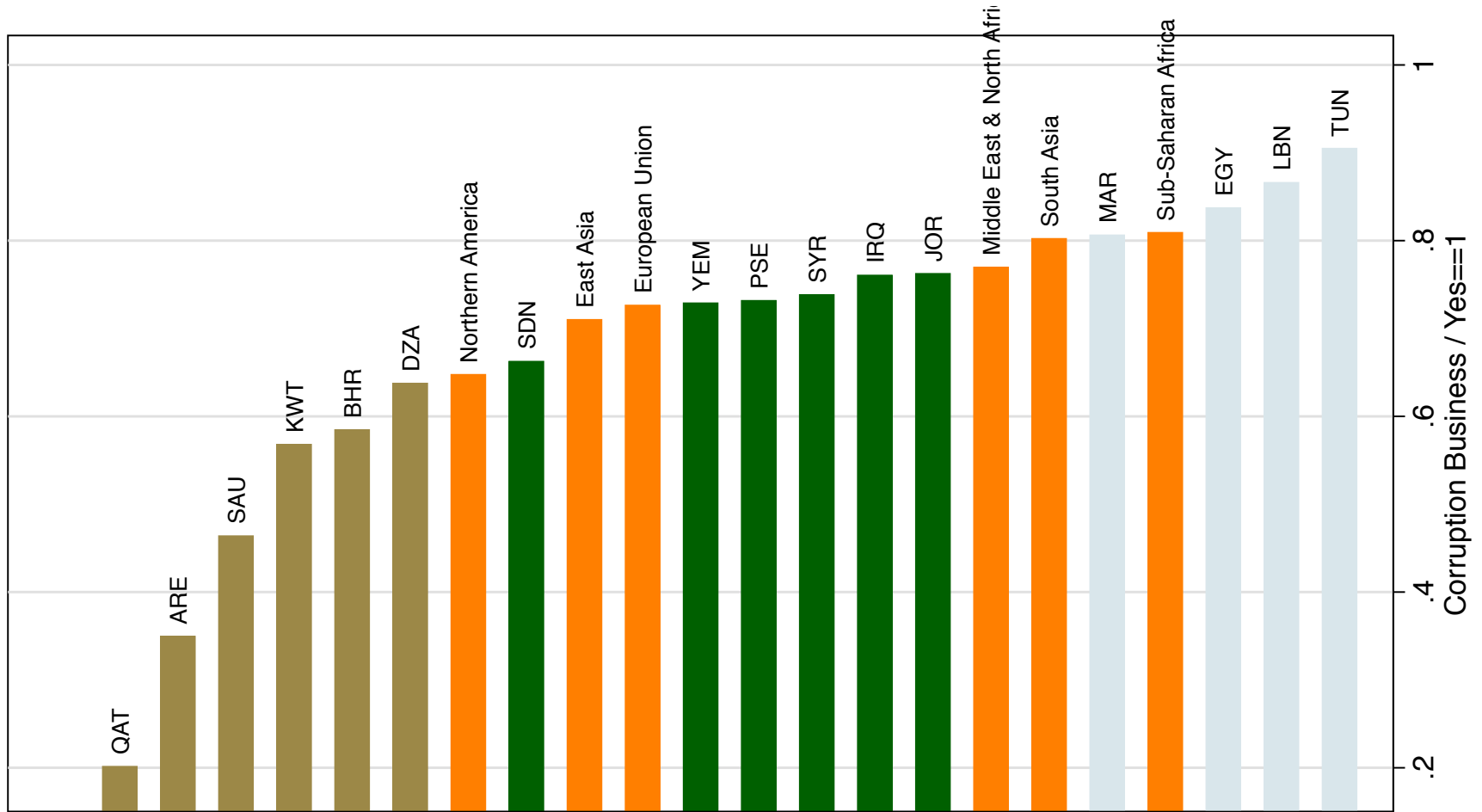
(percent of population wt favorable opinion of entrepreneurs)

post – uprising data

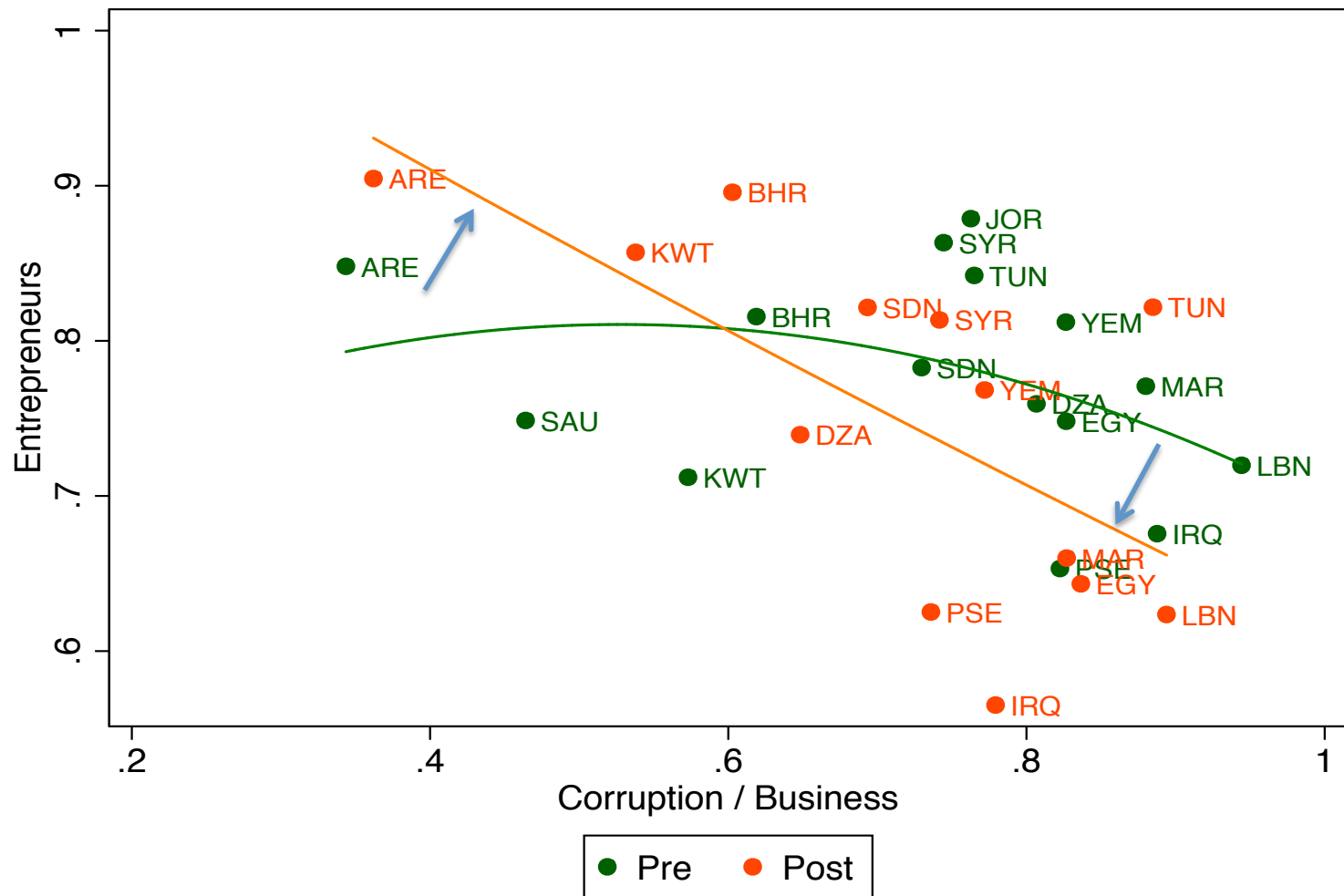


- There is a high support for entrepreneurs in GCC, but support has fallen in many countries to below Africa levels.
- High variations within countries (regression analysis not shown here)
 - The Youth, the uneducated, the poor tend to have a worse impression of entrepreneurs
 - On the other hand, women, more educated, older, richer people, business owners, tend to favor entrepreneurs

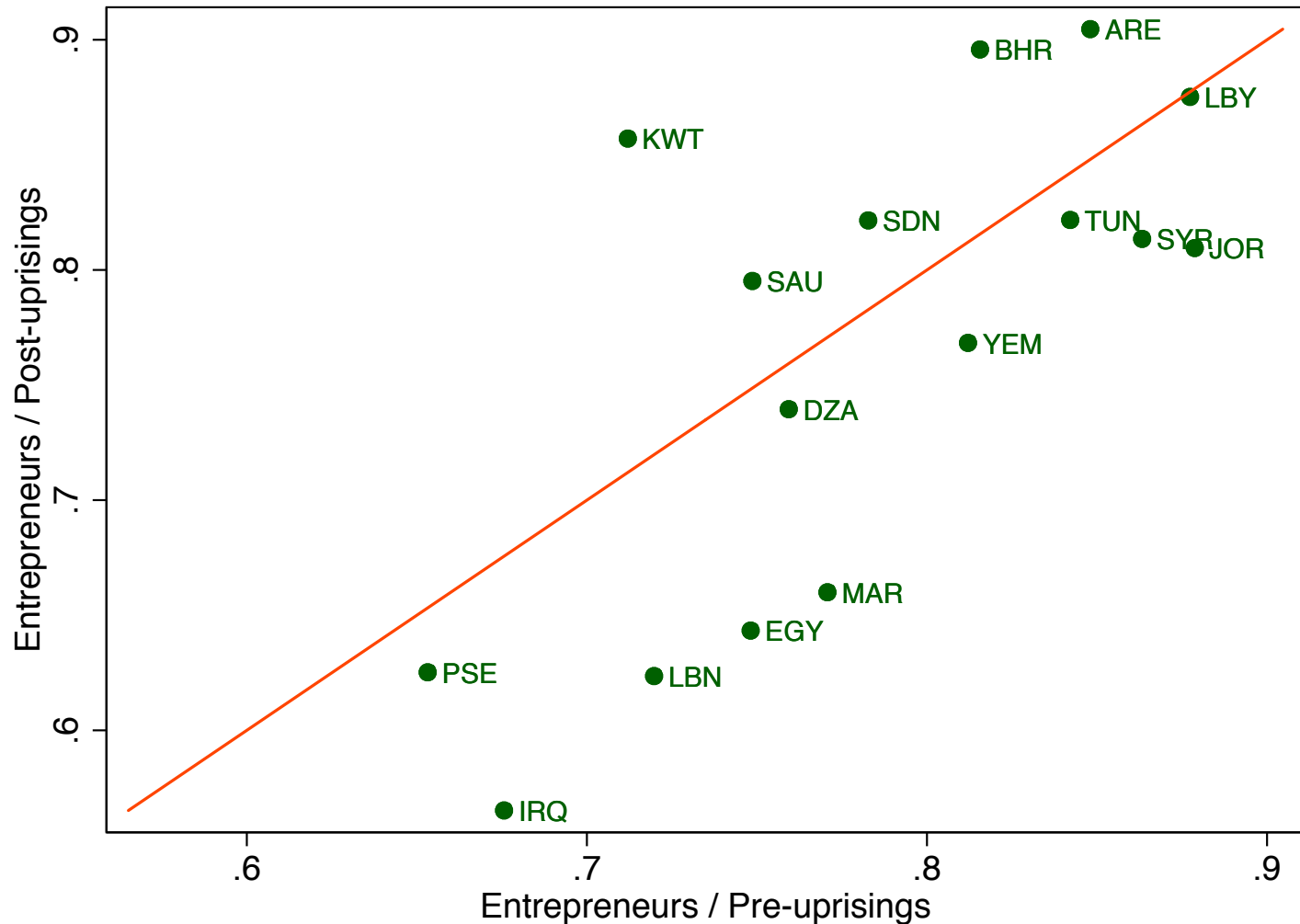
Perceptions of corruption in business are high for many countries



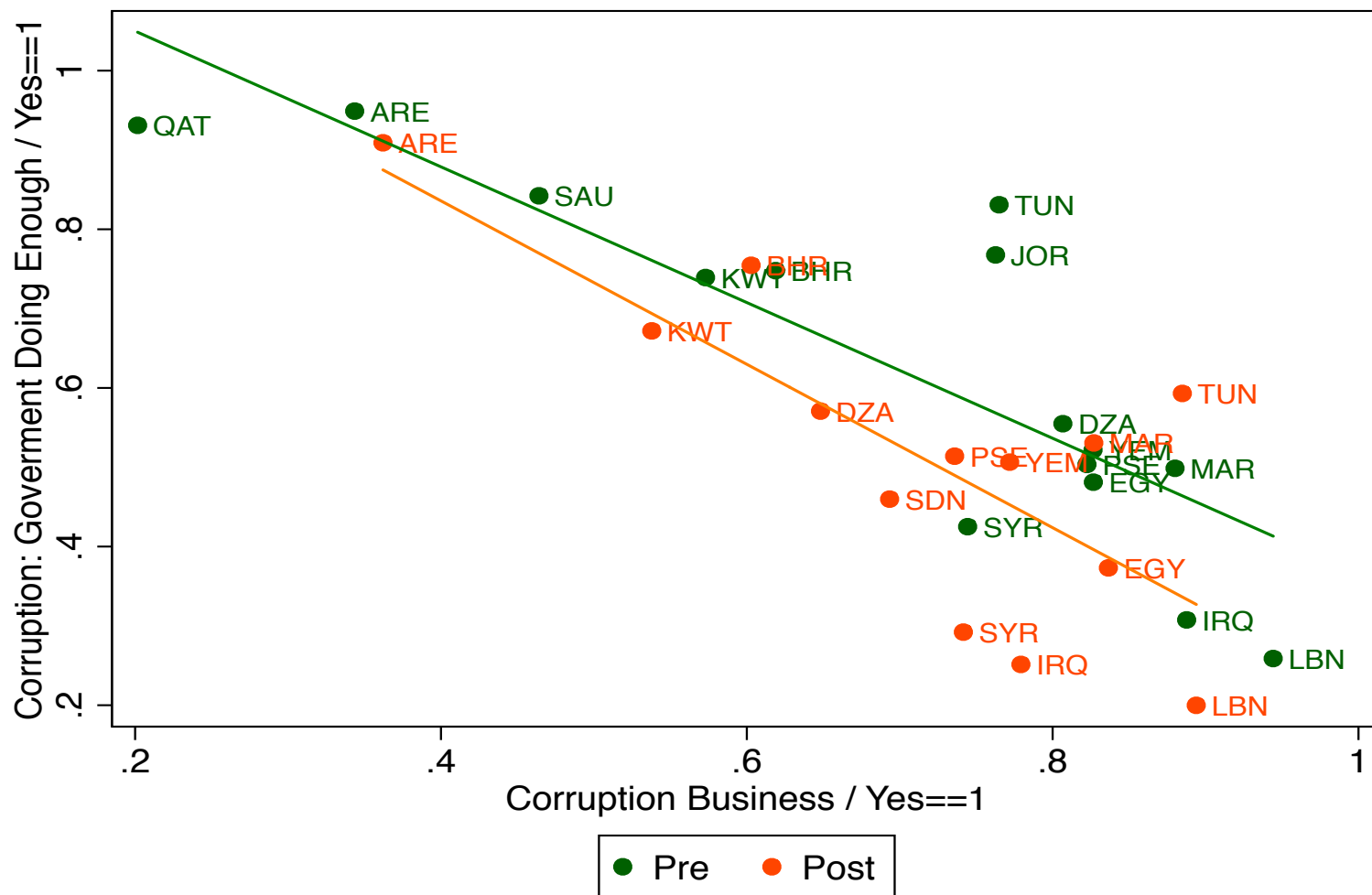
Views about entrepreneurs tightly connected to perceptions about corruption in business – and more sensitive to corruption after the uprisings



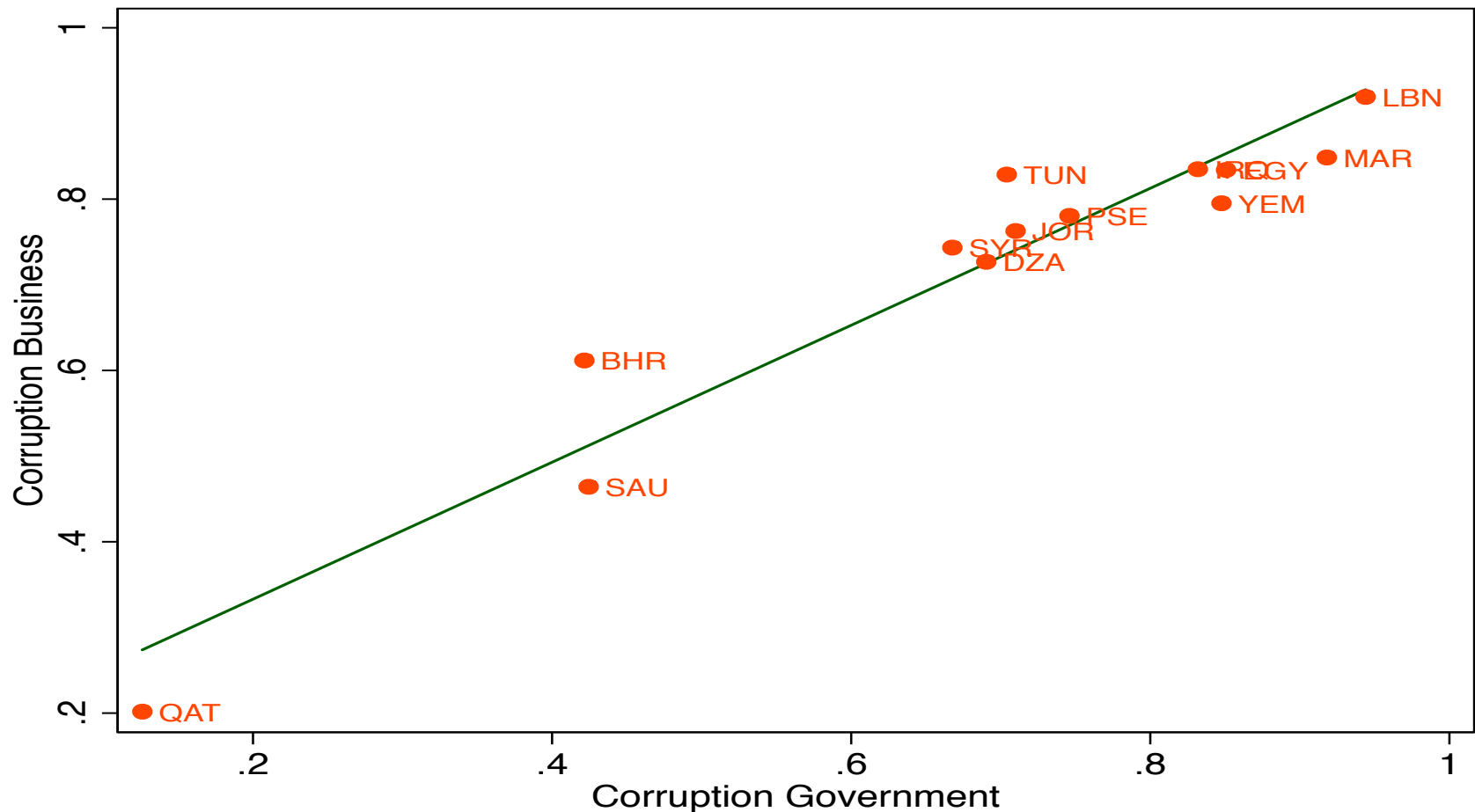
Except in the GCC, opinions about entrepreneurs fall after the uprisings



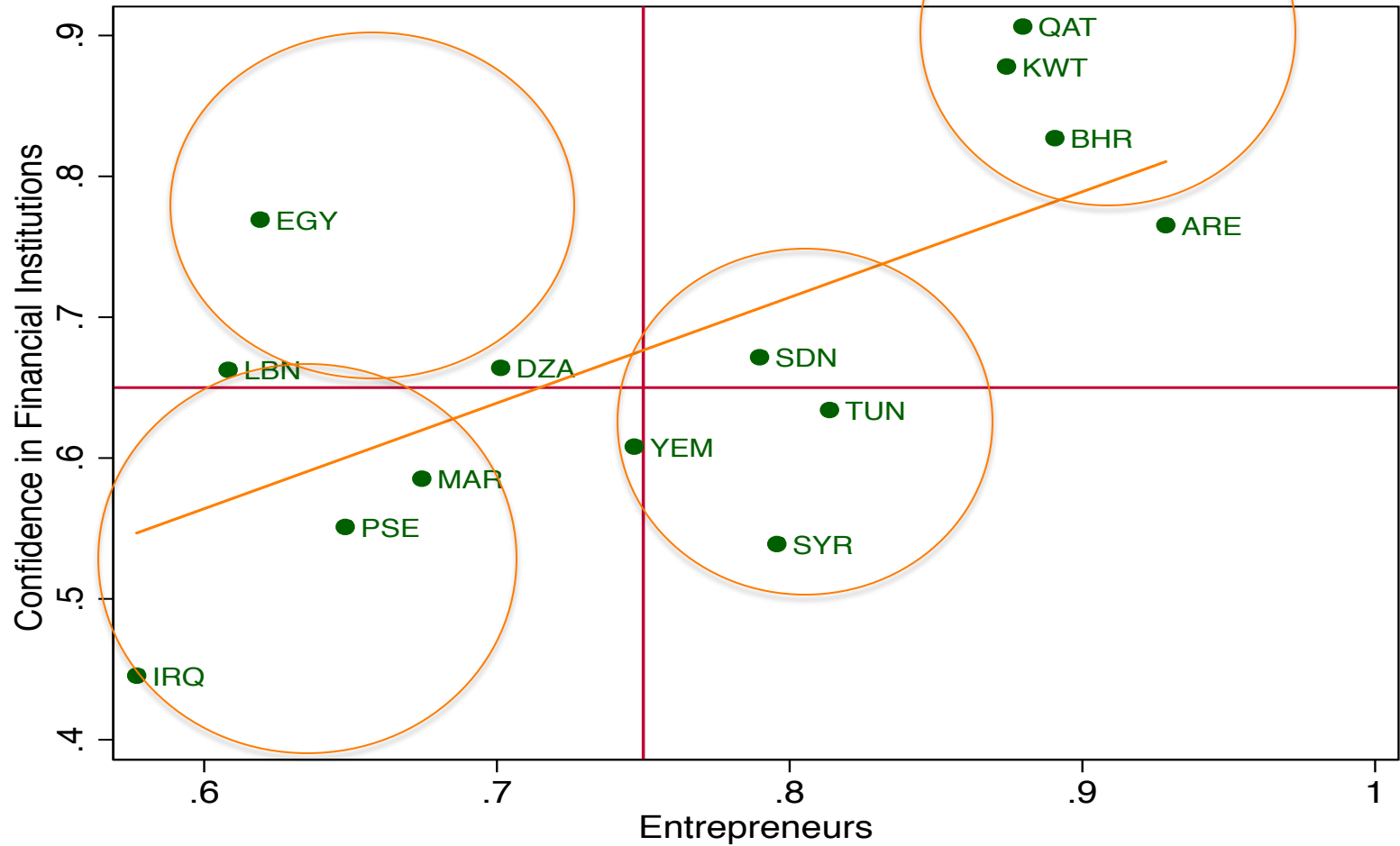
Perceptions about Corruption in business tightly connected to perception about political will to fight corruption – opinions about government inaction gets exacerbated after the uprisings



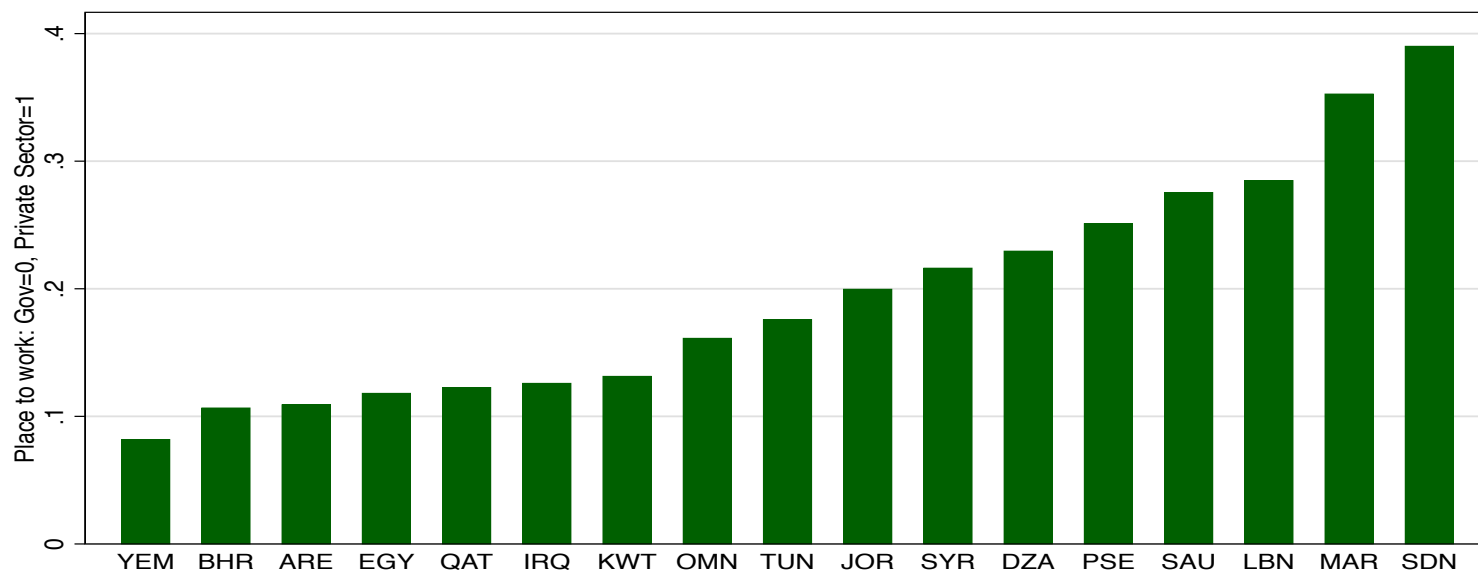
But poor opinion of entrepreneurs does not translate into support for public sector because when high, corruption tends to be generalized



Corruption in business not tightly correlated to confidence in financial institutions, generating a typology of countries in terms of degree of confidence in financial institutions vs entrepreneurs



Preference to work in the public sector still high everywhere



- Surprising strong desire to work in the public sector
- Some variation across country reflect higher earning in the public sector, especially for less educated workers
- the youth, women, more religious people prefer to work in the public sector
- the educated, richer people, people already working, and business-people prefer work in the private sector
- In some countries, intensity of preference connected to perceptions about entrepreneurs

Main conclusions

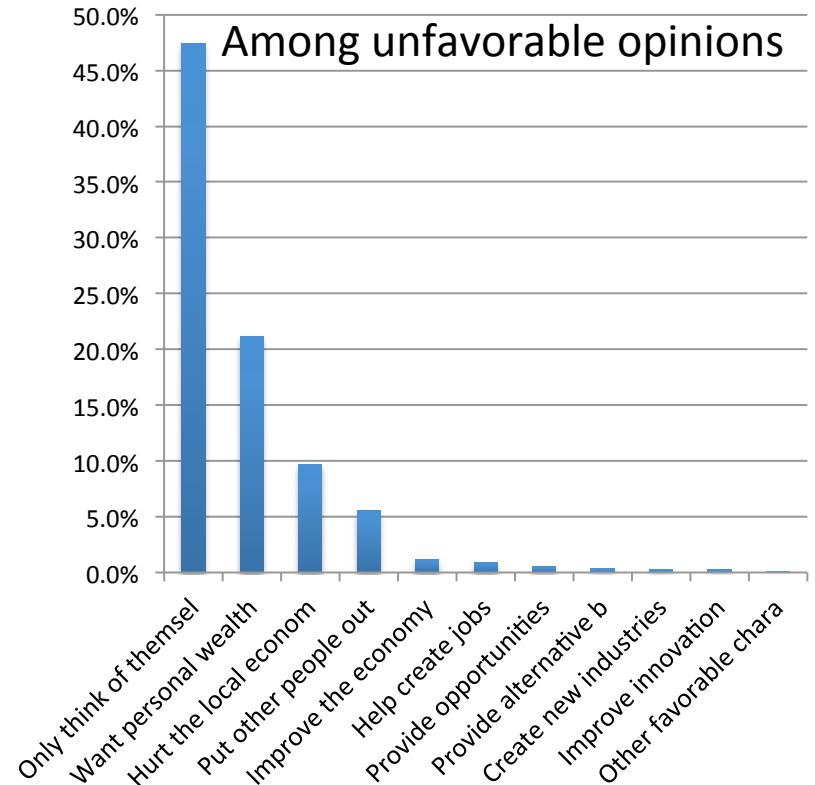
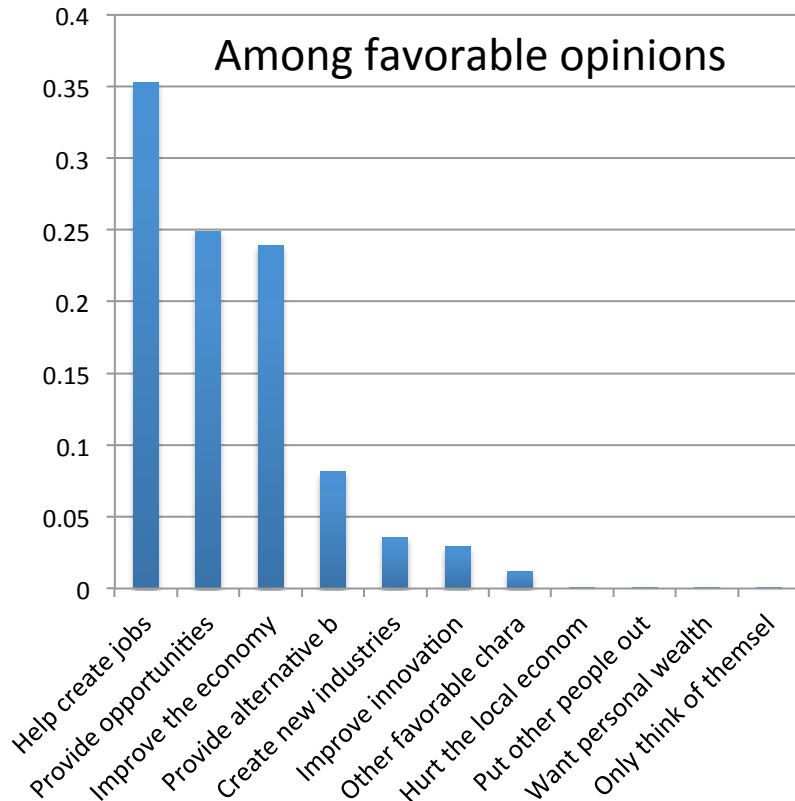
- Strong support overall for entrepreneurs in Arab countries – no a priori ideological bias
- But sharp drop in these perceptions since the uprisings (except in the GCC)
- Negative opinions related to perceptions about the extent of corruption in the private sector
- Negative perceptions about the private sector do not translate into support for public sector activism which tends to be also perceived in these countries as corrupt
- In some countries, lack of confidence in financial institutions rather than entrepreneurs
- Most negative opinions are among youth, less educated, poorer, males.

Towards a more ethical and inclusive capitalism

- Fight corruption
- Regulate financial sectors better
- Make the private sector a more attractive workplace
- Special attention to youth and less educated
- Education, gender participation, the best ways to advocate for the private sector in the MLT

Extra slides

What is the main reason for your opinion?

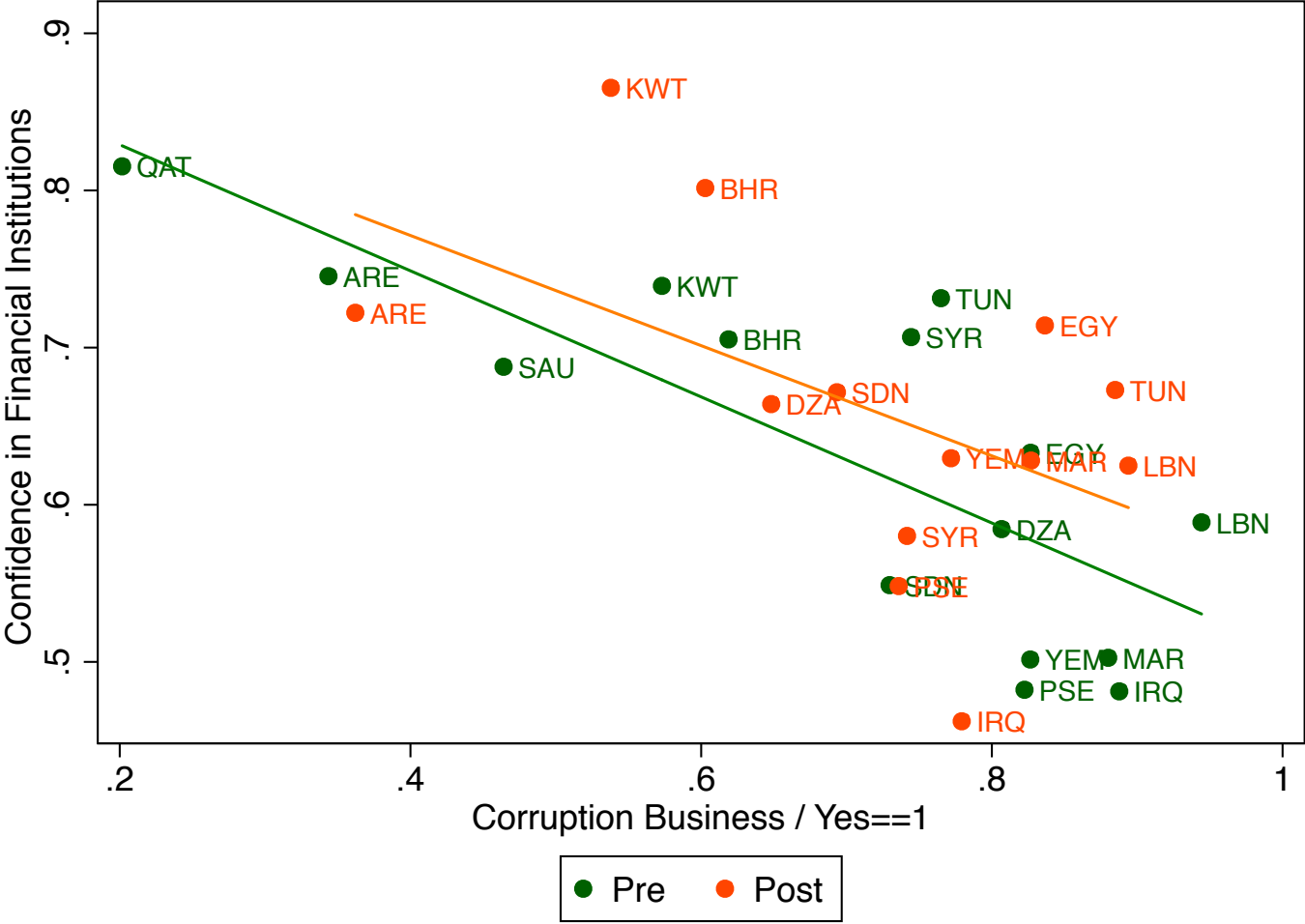


Very similar views across countries – the main difference is in the proportion of those that support or not, not in the reasons driving opinions

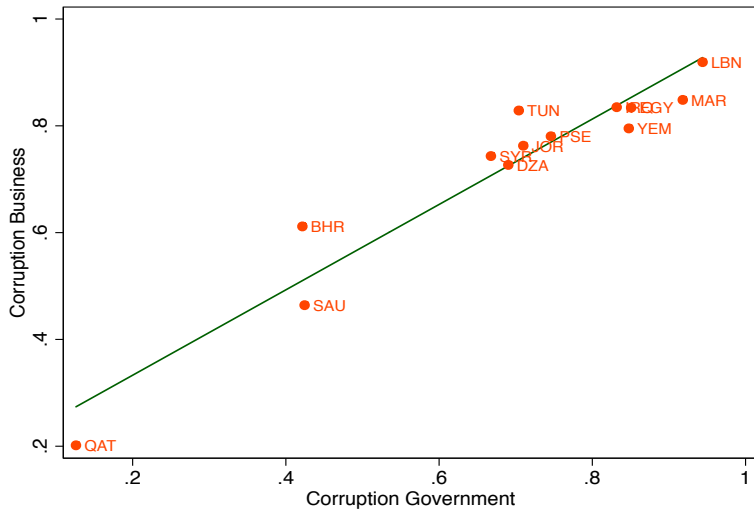
Favorable opinions tend to be related to economic reasons, esp. job creation

Unfavorable opinions (a minority view) related to “corruption” of entrepreneurs more than to structural factors (eg “hurt the local economy” or “put other people out of jobs”)

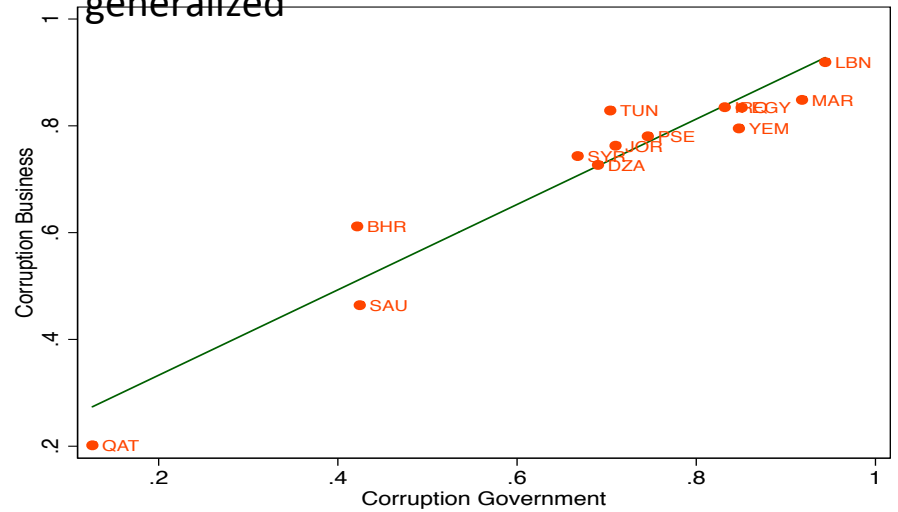
Corruption in business not tightly correlated to confidence in financial institutions



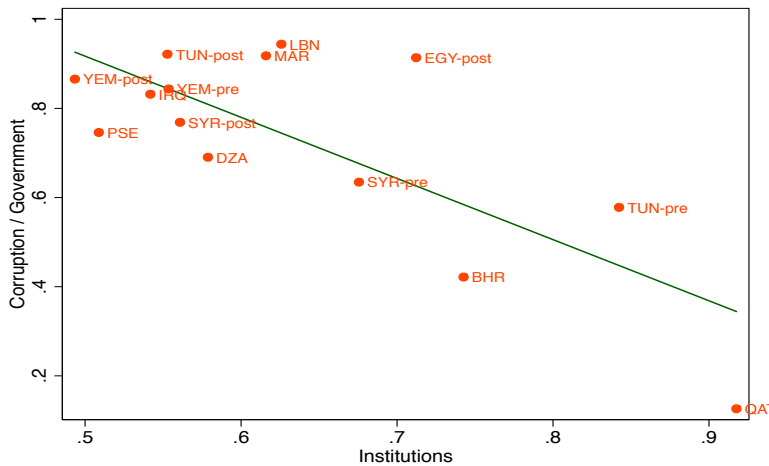
Trust entrepreneurs more where institutions more developed



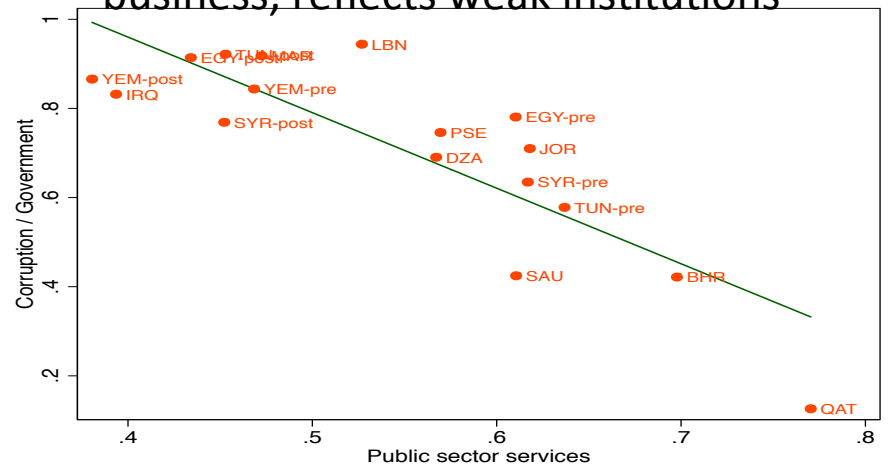
Poor opinion of entrepreneurs does not translate into support for public sector because when high corruption tends to be generalized



Resulting in poor public services



Corruption in government, like in business, reflects weak institutions



Understanding why is a complex undertaking.. Affected by taste, perhaps ideology, and certainly by pay and outside options

