

Essay:

Youth bulge In Pakistan: An Asset Or A liability?

Outline:

1. Introduction

Thesis Statement:

Although youth bulge is certainly a national asset that can boost economic growth of Pakistan, yet assets deplete or decay; for, if youth bulge can be a national vulnerability if challenges

of youth education, employment and engagement are not timely addressed by the proactive policy measures.

2. A bird's eye-view on bulging population of youth in Pakistan

3. Youth bulge is a national asset for Pakistan as it can lead to:

- A. Realizing time-bound opportunity of 'demographic dividend'
- B. Offering cost-friendly labour
- C. Boosting soft power through diaspora abroad
- D. Tapping the potential of entrepreneurship spearheaded by young populace
- E. Enhanced community work and volunteers

4. However, if the asset is left uncatered for during its limited shelf-life, it can turn out to be an unfortunate liability for Pakistan:

- A. Resentment and restlessness fed by unemployment
- B. Brain drain stealing talented professionals
- C. Surge in street crimes
- D. A fertile ground for terrorist recruitments
- E. A tense atmosphere caused by extremist tendencies of youth.

5. Ways forward to productively utilize the asset of youth ^{bulge} by proactive governmental interventions:

Short term:

- A. Improving labour market opportunities of existing labour force
- B. Support young entrepreneurs in conceiving and financing their startups

Medium and long Term:

- C. Role of macroeconomic and regulatory policies
- D. Providing quality education in accordance with market demand
- E. Engagement: Avenues for social and political interactions

6. Conclusion

ESSAY:

Pakistan is currently experiencing a ~~you~~ bulge in youth population. While, for youngsters, Pakistan is not an ideal place to be, it is debatable whether the tables can be turned to justify the bulge. Almost every country once experienced such a bulge, and low development countries (LDCs) continue to realize, and sometimes confront.

but it does not last for long as it is a mere one inflection point in shifting age-structure. In Pakistan, over 60% of its 241 mn population is under 30, whereas the median age is 23 (UNDP and Pak Census, 2023). However, this peaking wave of youngsters will be on low tide in Pakistan by the end of the year 2035. In the intervening period, Pakistan can exploit this asset by realizing a range of dividends, such as 'demographic dividend', cheap labour, projecting soft power abroad viz its diaspora all the way to promising ample force of volunteers in the vanguard of community services. Yet, on the flip side, if this huge chunk of population is not educated, employed and engaged, the was-asset can become a thorn in the side. It can lead to painful social and political repercussions such as restlessness and resentment, street crimes and extremist tendencies. Thus, although youth bulge is certainly a national asset that can boost economic growth of Pakistan, yet assets deplete and decay; for, youth bulge can turn a vulnerability if challenges of youth education, employment and engagement are not addressed by proactive policy measures.

Definition of 'youth' varies across countries. Government of Pakistan, Ministry of youth affairs defines it as "a time frame in which a family's dependent childhood transforms into independent adulthood and becomes a responsible citizen of a society." It approximates youth age bracket to 15-24 years age cohort. At present,

this bracket of population constitutes 60% of Pakistan's 241 mn population, according to Pakistan's Population Census, 2023. Given Pakistan's stagnant economy and ~~volatility~~ volatility on political stage, it is very difficult to realize and accrue benefits that the said cohort can deliver. Yet, if Pakistan can overcome the dilemma of requirement of economic growth as a pre-requisite for realizing bulging youth as an asset for further growth, it will be nothing less than a revolutionary change.

Of numerous benefits that the surge in young population offers, 'demographic dividend' is indeed the first bloom of autumn. Demographic dividend is realized when ratio of working individuals shoots in relation to the share of dependents. In short, dependency ratio is drastically reduced. Beside youth bulge, creating employment opp avenues is a pre-requisite to maximize its benefits. However, given Pakistan's low per capita income and, according to World of Statistics data, 6.5% unemployment rate, Pakistan has yet to capitalize on the demographic dividend. Thus, the said dividend is flowing through the head-well of youth bulge shows the latter is an asset, albeit underutilized in Pakistan, as of now.

Additionally, youth bulge translates as low labour cost as the young are mostly inexperienced part of the population. Although it is for the government to ensure worker's safety and fix minimum labour wages, it is

an enticing factor for foreign multinational companies to locate their offshore manufacturing units to Pakistan. For instance, if there is one singular factor behind China's miraculous leap of economic growth, it is its handling of young population that offered cheap labour to companies parked in Special Economic Zones (SEZs). Hence, if Pakistan combines the handicraft of policy measures with its booming young population, it can turn its fortunes around in pattern of China.

Moreover, young population is a voluntary force of diplomats projecting state power abroad. Pakistan's diaspora is spread across the world, especially in the Gulf and European countries. By representing Pakistan's cultural diversity and values, it aid in promoting image of Pakistan vital for attracting tourists and strengthening bilateral bond with the country ^{under consideration} such as UK. In short, youth is are voluntary diplomats of Pakistan aiding the cause of its foreign policy.

Furthermore, youth bulge presents an enviable potential of entrepreneurship that can be explored and exploited by governmental intervention. Entrepreneurial programs not only engage young aspirations and creativity but also absorb the rising population in productive employment. According to World Bank's report on "Labour Market Policies Under a Youth Bulge" packages of entrepreneurship programs such as combination of business skills training, access to finance and advisory services

can be effective in improving labor market outcomes. But in Pakistan, over 90% of credit facilities of banks is devoured by the cash-strapped government. It leaves banks no incentive to focus on and facilitate microenterprises. In essence, potential of entrepreneurship spearheaded by the youth is an asset that is yet to be realized in Pakistan.

What is more, a bulk of youth in the population mix opens doors for enhanced community work. The youth are energetic and in their prime age to learn and lead community services. Their energy can be channeled into volunteer work vital for various awareness programs as well as philanthropy services. This helps in making Pakistani society strongly resilient to economic shocks and political meltdowns. Therefore, centrality of youth in community work serves as a reminder that the bulge in young population is an asset, a blessing.

However, unlike other national assets that deplete on utilization but do not decay if left uncared for, youth bulge is such asset that grows with utilization but backfires in outrage if not meaningfully engaged and explored. In this scenario, the was-asset can open can of worms and cause multiple social and political risks and challenges.

It is natural for the huge cohort of the young to feel resentment and restlessness due to either prolonged periods of unemployment or working in low-productivity agricultural sector. Unskilled, illiterate population is the root of the challenge as it cannot be accommodated in productive sector employment. In other words, an illiterate, unskilled and unemployed youth means a national carnage as what could reap 'demographic dividend' is turned into a national vulnerability. According to the UN Report 2023, over 22 mn kids are out of school and even if Pakistan continues with its present policy measures, it will take until 2076 to achieve full enrollment rates. In short, explosive mix of illiteracy and unemployment can waste away the benefits of youth dividend to be had if it were timely looked after.

Unfortunately, the meagre population that is able to secure quality education moves beyond the borders of country in what is called a brain drain while the rest of society descends into social malaise of insecurity and street crimes. Both challenges are unrelated but each one is caused due to apathy and indifference shown to the young population. Recently economic contractions has led to over record-breaking 800,000 Pakistanis leaving the country in the first half of 2023. Also, the disengaged youth indulge in street crimes leading to lower standards of living in an atmosphere of beefed up insecurity.

Separately, the manpower that comes with the youth bulge becomes a casualty when terrorists find in it a fertile ground for recruitment in a charged, extremist society. ~~Unmediated~~ Unmediated and unemployed, the youth find ample opportunities avenues to divert their energy. They become a vulnerable segment of the population that is easy to coerce, brain wash and radicalize. Besides uptick in terrorist activities conducted with local recruits, frequent occurrences of mob violence over blasphemy is a cause of concern. Without state oversight, the youth bulge can fall in wrong hands to manipulate and exploit.

The bulge in youth is to be delicately yet timely handled since it can turn a liability or fade away as it is a narrow window opportunity. To utilize it Pakistan can adopt a host of corrective and proactive policy measures divided in two brackets of short term, and medium and long term policy measures.

As a quick anti-dote to the potential challenges of youth bulge, outcome of labour market must be enhanced to absorb the rising populace of youth. It can be achieved on short-term basis by improving labour market opportunities of the existing labourers as well as support young entrepreneurs. The areas, as delineated by the World Bank, that require immediate interventions include targeted programs to improve skills and employability of through active labour market

policies (ALMPs) and to expand earning opportunities through entrepreneurial support. On-the-Job Trainings (OJT) should be prioritized for existing force while progress of Technical Education and Vocational Training Authority (TEVTA) is continuously monitored for new entrants. As for entrepreneurs a quota of finance be allocated to banks for micro-enterprises that imposes strict punishments in the event of non-compliance.

For medium and long term measures, economic structural adjustment should be undertaken while ensuring provision of quality education and marketable skill to the youth. Macroeconomic and regulatory policies are crucial to increase labour demand. They help in promoting stability, reducing costs of doing business and improving investment prospects. Besides improving the level of education of the youth through better primary secondary and higher education is a precondition to experience the youth bulge as an asset. Improving relevance of tertiary education is a go-to measure in ensuring agility of aspirants in learning new skills in accordance with shifting market demands.

Lastly, engagement avenues for the youth for social and political interactions should be created. Over the years, Pakistan has seen dramatic shrinking of public space. According to the UNDP findings, over 60 pc have never been to other provinces. Lack of exposure that creates intolerant societies should be replaced by opportunities for

cross-cultural mobility across provinces. For political engagement of the youth, community centres should be established where communities can gather, learn and engage with government representatives.

Concludingly, Pakistan has to take a range of policy measures to fully realize dividends of its biggest workforce in its history of 76 years. Unlike other assets, youth bulge is replenished ^{For} by utility but backfires if not properly utilized. Therefore, Pakistan has a narrow corridor to traverse. It is a corridor instead of a door as it is a continuous process of managing the asset; and it is narrow as the asset can slip backwards and turn liability during its short shelf-life. In the meanwhile, it offers a host of promising returns such as 'demographic dividend', cheap labour, soft power and entrepreneurial earnings. If the youth is meaningfully armed with education, engagement and employment, Pakistan will soon join ranks of nations with distinguished global standing.

