Youth Strategy: Issues, Challenges and Opportunities
# Table of Contents

Introduction ................................................................................................................................. 1

I) Youth and Pakistan’s Economy: Issues and Challenges .......................................................... 3
   1.1 Overview .......................................................................................................................... 3
   1.2 Youth Population .......................................................................................................... 4
   1.3 Youth Education and Skills ........................................................................................... 4
   1.4 Socio-Cultural Context of Skill Acquisition and Employment ........................................ 6
   1.5 Pathways to Job Market and Employment ...................................................................... 7
   1.6 Career Counseling and job Placement ............................................................................ 7
   1.7 Economy and Youth at Risk .......................................................................................... 8

II. Leveraging from Risk to Strength: Youth Engagement Strategy .......................................... 9
   2.1 Understanding Youth Trajectories .................................................................................. 10
   2.2 Harnessing Youth Potential: It’s my Life ......................................................................... 11
      2.2.1 Opening Windows of Opportunities ...................................................................... 12
      2.2.2 Facilitating Youth Entrepreneurship ....................................................................... 13
   2.3 Synthesizing .................................................................................................................... 14

Recommendations ...................................................................................................................... 16

References .................................................................................................................................. 17

Appendix - I ................................................................................................................................. 18
Introduction

Recently in November 2009, the New York Times (NYT) while citing a report, commissioned by the British Council, wrote that “Pakistan will face a ‘demographic disaster’ if it does not address the needs of its young generation, the largest in country’s history, whose views reflect a deep disillusionment with the government and democracy". Similar results are reported by Saba Noor in 2009 and Pakistan Institute of Peace Studies (PIPS 2010) in a case study and a comprehensive survey of educated youth, respectively. This sudden surge of literature on Pakistani youth’s radicalization is noticed in the backdrop of growing terrorism and violence in Pakistani cities and a global war on terror, which is being fought on Pakistan’s border. The majority of victims as well as aggressors in this regard belong to youth cohorts of population. Though there is little evidence to suggest that Pakistani youth or population supports extremism promoted by Al-Qaeda of Taliban, even in Federally Administered Tribal Areas (FATA), the need for reforms cannot be ruled out as mainstream political parties are falling out of the preferences, which may influence future voting outcomes in free and fair elections. There is indeed relatively more support for politico-religious parties as compared to mainstream among tribal y. The government, judiciary, civil society as well as international media have shown deep concern over possibility of radicalization of Pakistani youth and hence urge for reforms.

The anecdotal evidence suggests that many do not believe in these surveys and cite success of mainstream political parties over religious ones in general election as an indicator of lack of radicalization among youth; however, recent incidents of mob justice, violence and arson attacks in major cities, and terrorism suggest that if unwanted behavior is not checked it may pose a serious challenge for internal peace and security. Looking, at low turnouts of past elections and the annual growth rate of youth cohorts in population, it is probably safe to mention majority of the youth involved in these acts might have not participated in past elections. While the absence of credible and nationally representative data on youth issues, problems, perceptions and aspirations may one lead to erroneous conclusions, the importance of increasing focus on developing a comprehensive youth strategy cannot be ignored in the presence of the demographic power of younger generation.

The reasons and consequences of youth unemployment should be of particular concern within public and private sector, because youth unemployment may result in a reversal of the benefits of social

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3 A survey report of FATA by New American Foundation found no significant evidence that people of FATA support Al-Qaeda or Taliban (Almost 77% oppose the presence of Al-Qaeda; 60% oppose presence of Afghan Taliban; and 69% oppose the presence of Pakistani Taliban). The priorities of FATA population rather revolve around unemployment, education and missing services and facilities (NAF 2010). The survey suggests 28.3% support for Tehreek-e-Insaf; 12.9% for religious parties (9.4% for JUI and 3.5% for JI); 10.1% for PMLN and 9.3% for PPP.
development; subsequently halting the process of economic development. Recent Riots in contemporary France and Britain is an example; so is the involvement of youth in militant activities in Balochistan and the tribal areas, located along Afghanistan, in the north west of Pakistan. The connection between high crime rate and youth unemployment is a well established fact. It also pressurizes the way in which societies are administered; making it difficult to promote social, human and economic capital in the society.

The youth potential if properly harnessed can bring a socio-economic revolution in Pakistan. On the contrary, if youth issues, perceptions, ideas, are not assessed and subsequently addressed in a timely manner it may turn into a ‘nightmare on street to prosperity.’ The aforesaid scenarios, the optimistic as well as pessimistic, have implications for public policy, which is considered important not only in the context of growing security challenges in the region, but also in the realm of global knowledge based economies. All over the world youth is being given prime importance in future policy making due to rapidly evolving knowledge base; new and emerging technologies; ever growing potential of social and economic networking in modern times; and livelihood challenges. In order to underscore the need for youth focused policy making, the UN has declared August 2010 to 2011 as International year of youth.

If youth issues are not addressed in new growth initiatives at national as well as provincial level, it may have serious repercussions. Increasing spells of joblessness, among educated and uneducated youth both, will have far reaching impact on the economic and social life of young people. For majority of youth entering into labor market, it is not easy to find work after completing general education as they lack life and occupational skills. Youth unemployment results in social disintegration, discord and disagreement. Hence, lack of proper employment opportunities for young people can have negative consequences for poverty alleviation strategies as well. Hence there is a need to formulate inclusive growth strategy.

The paper attempts to assess the issues, challenges and opportunities surrounding the youth population of Pakistan. Building upon the existing knowledge and conventional wisdom about youth, which could be misleading if not supported by evidence based research, it proposes work on action oriented research on youth issues and first steps towards a framework for comprehensive youth strategy development with active youth participation, which may serve as a cornerstone for the ‘New Development Approach.’


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4 See Sandra Franke (2010)
I) Youth and Pakistan’s Economy: Issues and Challenges

1.1 Overview

Pakistan’s economy which had been growing at a historical rate of 5% per annum on average, since 1974, and above 6% during 2003-07, have significantly slowed down for past three years and may not be able to absorb increasing number of unemployed youth (See figure 2 below). The employment elasticity, which averaged around 0.46 over 1974-2010, increased in recent years to an average 0.65 over 2000-2009. Given the current growth of about 2 % on average, for last 3 years, creating employment opportunities for youth is becoming a daunting task. In order to absorb increasing number of youth entering labor force, Pakistan requires a growth rate of above 10%.

![Figure 1: Distribution of Population by Age](source)

![Figure 2: GDP Growth and Employment Growth](source)

Increasing growth rate above 10% sounds enormously optimistic in a country where inflation continues to grow while the central bank is pursuing a tight monetary policy. With huge emphasis on large public investments, a low tax to GDP ratio of 10% has put a severe constraint on resource mobilization endangering the sustainability of fiscal deficit. The debt to GDP ratio, which remained off the radar because of a moratorium on loans, has increased significantly after the grace (freeze) period. With declining exports and FDI, the private sector which was once believed to be a driver of change cannot create more jobs. The trade imbalance and current account deficit, which had been growing exponentially, has seen some respite due to overall weakening economic activity. Increasing shocks from movements in international commodity prices and global economic crisis have also taken their toll on the economy of Pakistan. On the other hand, continued political and economic instability along with floods of July-Sept 2010 has added stress to already gloomy business environment. The Investment Climate Assessment (ICA) report on Pakistan shows that majority of the Pakistani firms are less concerned about the availability of educated and trained labor force and rather more concerned about
overall stability (the firms producing knowledge based products are however more concerned about the quality of human resources). A recent survey of employers in the Sindh province by KCCI shows that fewer firms will be hiring in the coming year (See KCCI forthcoming). All these are symptoms of a shriveled economy.

1.2 Youth Population

In Pakistan, around 63% of the population is concentrated below the age of 25 years while a significant portion of 55.53 (33.9%) of 163.76 million population is concentrated in the age range of 10-24 years old in 2008-09; described as the youth cohort (see figure 1 on next page). This youth cohort has increased by 1.9% (1.04 Million) over 2007-08. While the overall labor force has grown at 3.74 percent in 2008-09 over 2007-08, the growth rate of youth labor force is believed to be relatively higher, and increasing, as scores of uneducated, illiterate, and school dropouts join labor force at the tender age of 7 to 10 years. With overall unemployment rate at 2.7% in 2008-09, the age specific unemployment rate is the highest among youth cohorts embedded in the age range 10-24 years (9.3% for 10-14 year old; 9.5% for 15-19 years; 7.3% for 20-24 years). This can be significantly brought down by providing decent employment opportunities for working age population thereby eliminating child labor among ages 10-17.

1.3 Youth Education and Skills

With a Net Enrolment Rate (NER) of 57% at primary level, the literacy rate of 57% for ages 10 years and above is dismally low posing a serious challenge for policy makers. Hardly 13 to 15 percent of the youth cohort completes secondary education; resulting in more than three quarters, which forms an overwhelming majority of youth, to exit from educational system, and entering into labor market.
without any foundational or life skills. According to LFS 2008-09, around 1% of the labor force participants ever received any technical or vocational skills. Therefore, employability of Pakistani youth in decent livelihood activities is not very promising. With current population growth rate of 2.0 percent, the share of youth in the population will continue to increase. Failure to provide economic and social opportunities for youth will risk alienating them; resulting in serious threats to social, economic, and political stability in Pakistan.

Figure 4: Youth Literacy

![Literate and Illiterate Ratio in Pakistan (15-29 Years)](source)

Source: National Youth Policy, Ministry of Youth Affairs

**Very few opportunities exist in the formal sector, which has been shirking for sometime, for educated youth.** Given this situation, the informal sector stands as a leading absorber of the labour force in the country. According to the Labour Force Survey 2006-07, this sector employs 72% of all workers outside agriculture. Furthermore, the skill training needs of a large proportion of country’s workforce is also met through this channel since informal employment is typically preceded by informal training, especially in case of ‘ustad-shagird’ (master apprentice) system and immersion in family enterprises for skills acquisitions. It is safe to assert this hypothesis because only 0.87% of the population (age group 10 years and above) have ever completed any formal and non-formal technical and vocational training (See Janjua and Irfan 2008). It can thus be argued that the wellbeing of Pakistan’s citizenry is inextricably linked to the health of the informal sector and private entrepreneurship.

The informal sector in Pakistan encompasses a diverse range of activities ranging from manufacturing to services, retail and wholesale, which is not only associated with domestic commerce but also supports the export sector producing high quality exports. It produces traditional as well as relatively modern outputs, and includes subsistence-level activities along with thriving businesses⁵. Owing to the small scale of their operations, enterprises in the informal sector are unregulated. They fall outside the domain of labor laws and regulations of the social welfare department.

In the above context, it is pertinent to look at pathways to skill acquisition and subsequent employment (See Janjua and Janjua 2008). There are four major pathways to technical and vocational skill acquisition in Pakistan:

⁵ Aftab (2006)
a. Informal training under ‘Ustad Shagird’ arrangement (Master Apprenticeship)

b. Immersion in family Businesses

c. Formal training in vocational and technical training institutes and short-term programs

d. On-Job-Training(OJT)

e. Formal apprenticeship

The principal source of informal skill acquisition is the *ustad-shagird* (master-apprentice) system, followed by family and on-the-job training. Much has been written on the *ustad-shagird* system in Pakistan. At the same time, the role of the family as a provider of training and economic activity is also documented. The formal training programs at vocational and technical training institutes hardly train 1% of the total labor force. Little, however, is known about on-the-job training systems, the profile of individuals who undergo such training and trade areas where these are prevalent in Pakistan. The formal apprenticeship training program has its own problems and has not met success in Pakistan.⁶

### 1.4 Socio-Cultural Context of Skill Acquisition and Employment

*Socio-cultural factors exert strong influences on individuals' career choices in Pakistan.* There are powerful norms around what economic roles individuals can or cannot perform based on their wealth, education, caste and gender. By and large, Pakistani society is averse to manual work and jobs involving "sweat and grease" are considered undesirable.⁷ Such perceptions are particularly strong among the relatively wealthy and educated, who prefer "clean jobs" (desk-based, clerical, supervisory or administrative positions). It has often been observed that the educated can remain voluntarily jobless for long periods of time in their search for the right form of employment.⁸

Related to the above, the society holds a strong inclination for formal employment, especially in the public sector. In fact, in most situations, a central reason for acquiring education is to gain the requisite qualifications for formal sector jobs. Public service is particularly sought after, as it is considered permanent, honorable and a source of security. More often than not, individuals prefer a permanent government sector job over a higher paid role in the informal sector. Regardless of preferences, however, very few individuals are actually assimilated in such positions whilst informal sector is the biggest employer.

Caste is also an important determinant of choice of trade in Pakistan. Since the notion of caste was institutionalized under the feudal system, with economic responsibilities hierarchically delineated therein, this factor is especially pertinent to areas where feudalism is still entrenched, i.e. rural areas in South Punjab and Sindh. While the caste system is not as strong in other regions of the country, its effects can nonetheless be felt to varying degrees – ranging, in the extreme, from an outright inability to...

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⁶ Kardar 1999

⁷ This is not to say that large numbers of individuals do not perform manual work in Pakistan. Further, strong sentiments exist in favour of migration to foreign countries, where workers are typically expected to perform manual work. However, it has been documented that even skilled manual workers, e.g. auto-mechanics, refer to the lack of physical cleanliness associated with their jobs as undesirable.

⁸ Ghayur (1997)
move out of socially prescribed economic positions to less intense forms of discrimination like verbal abuse.

Finally, it is possible to trace a strong association among gender and economic activity in Pakistan. In stereotypical representation, women are expected to care for the family, while men are viewed as breadwinners. If a woman must work, usually out of sheer economic necessity, she is expected to do so in, so called, respectable vocations like dressmaking, teaching, nursing etc. In this context, those forms of work are preferred which do not require women to leave their homes, which subsequently explain the presence of large numbers of female home-based piece-rate workers in various industries in the country. In fact, according to the Labour Force Survey 2006-07, 56.7% of all female informal sector workers were involved in ‘crafts and related trades’.

1.5 Pathways to Job Market and Employment

The pathways to employment for formal and informal sector are distinct. All public sector employment falls under formal sector while private sector employment is characterized as formal and informal both. The informal employment can occur in both formal and informal sectors contrary to formal employment. The figure below succinctly defines pathways to skills acquisition and job market.

1.6 Career Counseling and job Placement

The above diagram shows that informal pathways dominate the job market, which creates sense of dependence, helplessness, peer pressure, and influence in youth’s career choices. Career counseling and
job placement opportunities for youth are almost non-existent; however, there are few exceptions, for instance, organizations like LUMS and IBA has successfully placed their graduates against private sector apprenticeship and subsequent employment opportunities. Similarly, ROZEE.com and CareerPakistan.com have been recently established to cater for the higher end job market. On the other hand, the uneducated and educated youth with no access and awareness of IT remains excluded. The public sector sponsored apprenticeship training program, which focused on mobilizing training s in organized private sector enterprises, for less educated and skilled youth has miserably failed. The problem of mismatch between supply and demand for skills is also impeding growth. With fewer employment opportunities on the demand side, a huge bulk of new entrants on the supply side remains underserved in the job market.

There is a need to promote career counseling services at community and school level to not only guide young minds, but to harness their potential and help them achieve their dreams.

1.7 Economy and Youth at Risk

*Increasing youth dependency lowers economic growth and total factor productivity:* Harnessing the potential of youth is not only important in social and economic terms for youth at individual level, but also in terms of overall economic growth as well. Kogel (2003) has shown that an increase in youth dependency ratio reduces ‘residual’ growth, which is used for the measurement of total factor productivity growth. Therefore, the age structure (demographic dividend) if not properly harnessed can affect output per worker. Prolonged youth dependency in the absence of opportunities for youth can undermine growth potential of the economy resulting in a vicious circle.

Our preliminary estimates suggest that 40.9% of employed youth (aged 15-24 years) in year 2007, contributed hardly 18%-28% (avg 23%) to GDP (See Appendix-I). It is important to note that youth’s labor force participation rate (44.2%) is almost same as those of the adult population. Being young, energetic, dynamic, innovative, and productive (as they adopt today’s tech more easily) the youth share in GDP can be increased manifolds. It is an untapped resource and will remain if ways to engage them are not explored.

*On the economic front, increasing unemployment is exposing youth to greater risks of lower future wages; longer redundancy spells as adults compromising their skill set; increased income poverty; and vulnerability to crime and violence.* In addition, young people with disabilities continue to face enormous challenges in the labor market. This may result in large economic and social costs on society. The spillover effects of global economic recession and the recent catastrophic floods have not only worsened the economic prospects but of the labor market as well. Long-term youth unemployment may increase disappointment; promote low self-esteem; and amplify vulnerability among youth in Pakistan. As a consequence they may fall for drugs, disease, crime and violence. A recent event of lynching of two youth in Sailkot Pakistan by a mob, involving youth among aggressors, have made headlines all over the world.
Figure 6: Activity Patterns of Out of Labor Force Youth

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household</td>
<td>65%</td>
</tr>
<tr>
<td>Students</td>
<td>32%</td>
</tr>
<tr>
<td>Others</td>
<td>3%</td>
</tr>
</tbody>
</table>

Source: National Youth Policy, Ministry of Youth Affairs

Students: All those persons who spent their entire time in attending some kind of school/institution.
Household: All persons who spent all of their time in performing/managing household duties.
Others: It includes person living on charity/support, baggers, mentally retarded etc.

There is an immediate need to tackle both short-term and long-term unemployment of youth so that they do not become a significant burden on society as well as public budgets. In order to overcome these difficulties in the long-run, there is a need to overcome disparity between the education and training of young people in the context of growing burden on cities and urban centers. The youth issues have been ignored in past and credible statistics for policy analysis is not available for policy making. For the purpose, there is a need to embark on an action oriented research on youth social and economic issues; including employment and entrepreneurship challenges.

II. Leveraging from Risk to Strength

Young people are the future of Pakistan and their aspirations matter; therefore, not only every young person counts but children as well, because they pass from a formative phase of youth towards adulthood. The youth strategy shall look at Pakistani youth with a ‘big picture’, a global perspective, and develop a strategy to make them a productive and integral part of the global knowledge based economy. There is a clear need to understand youth and develop a policy for them. The following are the objectives of the youth strategy:

1. A globalized and socialized youth
2. Understand youth and their needs from community and society
3. Review out policy to provide infrastructure that youth community and society might need
4. Education and other developmental opportunities available to youth
5. Economic opportunities as they enter the labor force.
Working with Youth requires understanding of their issues, barriers to hidden potentials, and pathways to different milestones in life. It not only requires patience, but overcoming barriers to communications. Youth requires, guidance, encouragement, recognition, and above all a chance to prove themselves.

2.1 Understanding Youth Trajectories

In order to unlock youth’s potential they should be provided missing facilities in family, schools, communities, social networks and society, markets and at workplace. However, it requires one to understand trajectories taken by youth throughout their development phase towards adulthood and family life. The following trajectories, in order of occurrences, starting from childhood to youth and adulthood are considered distinct in their characterizing:

a) Trajectory of basic education, learning and life skill development (starting from childhood to teen years)
b) Trajectory of transitioning from learning to world of work
c) Trajectories of citizenship and responsibilities
d) Trajectories of financial independence and autonomy in relation to one’s family and married life

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9 Base don work of Sandra Franke (2010)
There is a need to understand and fill the research gap with reference to youth trajectories in Pakistan to inform policy making process. Some of the research areas needing immediate attention are as follows:

a. Youth dependency, TFP, Value Added and Share in GDP  
b. Youth Education and Skill Development  
c. Youth Employment, Livelihood, and Entrepreneurship  
d. Youth Social Capital and Networking  
e. Youth Sexual Health  
f. Youth Violence and Suicide Prevention  
g. Youth Drug Prevention  
h. Youth Security and Justice Issues

**2.2 Harnessing Youth Potential: It’s my Life**
If articulated in youth’s words then we should say don’t consider me (youth) restless, rather harness my (youth) energy and potential. Lack of employment opportunity can lead youth to social exclusion, which may lead one to seclusion and self imposed isolation harming their prospects for embarking upon stable sources of job and livelihood; resulting in a burden on family and society. It most be noted that, if provided with opportunities, youth can be more productive as they embrace new ideas, knowledge, innovation and technologies faster than the older generation. For instance, introduction of computer technology, voice messaging, social networking, internet and wireless access has hardly brought any change in many public sector organizations, which still rely on old management for day to operations. Introduction of computer has only created new posts of computer operators in many government offices while officials are reluctant to use new technologies themselves. On the other hand, private sector companies especially in the IT, banking and finance, and some other services sector are tapping this potential in youth and have become leaders in growth.

Imparting essential life skills is necessary to channel youth energies into a positive force; especially skills in building team spirit, motivation, sharing ideas, problem solving, conflict resolution, assertiveness, communication and networking, managing workload, time management, decision making, and graduating from fellowship to leadership. In Ali Khan of Youth Engagement Services (YES) Pakistan’s words, the emphasis should be from considering young people as problems to treating them as most promising resource for the socio-economic development of the country. While providing services for youth they should be engaged in the same as well.

2.2.1 Opening Windows of Opportunities

In order to promote youth development their participation and interaction with family, community, market and development practitioners is necessary. The youth needs to be empowered in citizenship for active participation in community and society; however, this requires a change the way decision-makers and institutions work at all levels, including local and national. For the purpose it is imperative for the policy makers (who mostly belong to older generation) to connect with young people.

The following are considered pre-requisites for opening windows of opportunities for Youth:

- Access to Quality Education
- Access to Health Services
- Access to Finance
- Access to Markets
- Feedback in Policy Making
- Participation in Governance, Accountability and Compliance
2.2.2 Facilitating Youth Entrepreneurship

The unemployment rates among youth is much higher than (quote figure here) than adults. Lack of employment opportunities can lead to hopelessness, despair as family and community start considering youth as burden. It is pertinent to mention that providing opportunities for youth entrepreneurship is the best alternative to lack of employment opportunities.

The Ministry of Youth Affairs in collaboration with Islamabad Chamber of Commerce and Industries (ICCI), and Center for International Private Enterprise (CIPE) discusses the necessity of business environment for youth in its concept paper highlighting the need for education, business skill training, mentorship and access to finance. One more set of requirements need to be included into their list, which is re-zoning of spaces for commercial and private use in cities and missing facilities including markets, roads, social and economic networking forums, transportations, enforcement of copy right laws, dispute resolution systems, and venture capitals for ambitious start ups. The government must play the role of facilitator in this regard and modify zoning and business laws along with an increased focus on the provision of public community infrastructures.

Starting ones own business is not that easy in Pakistan especially for a novice. The Young Business Forum has identified a number of challenges faced by young entrepreneurs (See CIPE 2008):
• Young people lack the skills to establish and operate a business.
• The educational system does not address the concept of entrepreneurship, and teachers do not provide guidance to students on this topic.
• Elders discourage young people from opening businesses.
• There is a lack of effective counseling and guidance for becoming a successful entrepreneur.
• There is a lack of access to finance for young entrepreneurs.
• Potential entrepreneurs are reluctant to take the risk to open a business.
• A number of Government policies create hurdles for establishing and operating businesses.

A youth conference was also held which unanimously passed specific recommendations to Ministry of Youth Affairs for the National Youth Policy (NYP), including entrepreneurship, skill development, microfinance, internship and job placement (See Appendix-II). These recommendations need to be adopted at a wider scale along with provision of missing facilities discussed earlier.

2.3 Synthesizing

It requires interaction of family, community, market and government both at local and national level to provide balancing forces to youth for productive interactions (see figure in section 2.2.2). Based on the above discussion one can synthesize (summarize) the youth springboard in NDA as presented in figure on next page.
Figure: Youth: A Springboard for NDA

Youth Driving Force:
- Identity/Family
- Health/Education/Skill
- Internships/Jobs
- Innovation/Activity
- Risk Taking/Entrepreneurship
- Technology Adoption
- Productivity
- Self Respect
- Communication/Reputation

Community Springboard:
- Neighborhood
- Fellowship/Engagement/Connection
- Sharing/Collaboration
- Values/Norms
- Social Capital
- Politicking/Voting/Citizenship
- Tolerance/Peace/Leadership and Following

Markets: Influence Aggregators:
- Gender Neutrality
- Equal Opportunities
- Networking
- Social and Economic Justice
- Information & Broadcasting

National Character:
- Economic Growth
- Governance
- Law and Order
- Competitiveness & Int Trade
- Social Protection
- Human Security
- National Reputation
Recommendations

(This section is under process and will flow from youth feedback as we go along and increase participation of youth in NDA)

While no official surveys on youth perceptions have been conducted the surveys commissioned by foreign media and think tanks have their own objectives; therefore, there is a need to study growing despair, and ensuing violence among Pakistani youth which is deep rooted in the conditions of their lives.

August 2010-2011 has been declared as International Youth Year by the UN; therefore the Centre for Poverty Reduction and Social Policy Development (CPRSPD) has prepared an agenda for research on youth issues as part of its social policy development mandate. The feedback generated from research will be incorporated in youth strategy and New Development Approach (NDA) towards Economic Growth Strategy in Pakistan.
References


Appendix - I

Youth’s Contribution to GDP

This is a back of the envelope calculation, but I use a rigorous calculation algorithm by recovering number of hrs worked by different age groups from Time Use Survey of Pakistan (2007). Then I approximate per hr GDP for Pakistan. While 40.9% (youth empl/pop) of the 15-24 years was employed in year 2007, they contributed hardly 18%-28% (avg 23%) to GDP. It is important to note that youth’s labor force participation rate (44.2%) is almost same as those of the adult population.

A range of GDP share is given using conservative-liberal estimates. In order to estimate share of different age groups, first we calculate hrs worked by different age groups towards SNA activities and then calculate per hr GDP for Pakistan. The overall per hour GDP for working age population of 10 years and above is Pak Rs. 55.21 for year 2006-07. Then we multiply per hr GDP with total number of SNA hrs worked in year 2007 by each age group with per hr GDP. For conservative estimates we assume that children’s per hr GDP is 20% of the adult workers and of youth is 55% (This assumption is based on wage differentials). For liberal estimate I assume the value of per hr GDP is same across different age groups. The basic premise would be that employers hire children and youth in place of adults as they have to pay less in terms of wage; however, they reap a higher returns. The younger workers are not paid according to their productivity but their contribution is not much less than the adult workers. Hence Pak Rs 55.21 per/hr is used for calculating liberal estimates.

<table>
<thead>
<tr>
<th>Age</th>
<th>Share in GDP Cons Est. – liberal Est.</th>
<th>Share in Working age Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-14 Years</td>
<td>1.4%-6%</td>
<td>9.0</td>
</tr>
<tr>
<td>15-24 Years</td>
<td>18%-28%</td>
<td>28.2</td>
</tr>
<tr>
<td>25-65 Years</td>
<td>78%-66%</td>
<td>60.3</td>
</tr>
<tr>
<td>66 and above</td>
<td>2.5%-2%</td>
<td>2.5</td>
</tr>
</tbody>
</table>

Using a slightly Different Age Distribution

<table>
<thead>
<tr>
<th>Age</th>
<th>Share in GDP Cons Est. – liberal Est.</th>
<th>Share in Working age Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-24 Years</td>
<td>21%-33%</td>
<td>37.2</td>
</tr>
<tr>
<td>25-65 Years</td>
<td>76%-65%</td>
<td>60.3</td>
</tr>
<tr>
<td>66 and above</td>
<td>2.5%-2%</td>
<td>2.5</td>
</tr>
</tbody>
</table>

I suggest a more rigorous algorithm based on LFS and TUS 2007 to estimate youth productivity and contribution to GDP. This kind of analysis has never been done in any country and talking about youth.
productivity with just anecdotal evidence is not sufficient. It will allow us to do sectoral, skill, age group, and gender level/based analysis.