BEHAVIORAL ASPECTS OF YOUTH IN PAKISTAN: UN-EMPLOYMENT AND ENTREPRENEURSHIP

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ABSTRACT

Pakistan is one of the youngest countries (in terms of average age of the people) in the world; here the ratio of youth is more than 64% of the total population. This high ratio may serve as an opportunity as well as a threat for any country. The fertile youth population can be utilized effectively conditioned to provision of a progressive and secure economic political and social environment. Engaging youth to serve as a demographic dividend is a crucial task for any government; engaging them in employment is might be the effective way of utilizing them as a resource, but making them socially and financially empowered might do miracle for the nation. Instead of job seeker they become employer if they start their own ventures. However, in Pakistan generally and in Karachi specifically unemployment rate is increasing at an alarming ratio owing to several substantial numbers of reasons.

For this research questionnaire method is used to establish the result and try to determine how unemployment affected the youth’s behavior, attitude and their personality. A set of questions were prepared and filled by the recent pass outs from different graduates and masters level universities in Karachi, because such students are the most relevant samples of youth who strive for better future and professional life. Data is collected from 250 students of different universities through Snowball sampling.

This research is an attempt to study the impact of unemployment on youth behavior and mindsets. Further we will try to explore if unemployment has an impact on productivity and standard of living. Finally we will ask the reasons of not being self-employed/entrepreneur by the respondents.

Keywords: Un-employed Youth, Behavior of Un-employed Youth, Reason not being entrepreneur, increasing un-employed literate Youth

INTRODUCTION

Pakistan is a developing country striving to maintain its economic, diplomatic and cultural presence in the world. The country is blessed with many resources but one abundant resource is its human capital. Around the globe countries rich in human capital are engaging in mechanism where their human resources can be significantly utilized for the development of a progressive nation; however along with the increasing population Pakistan is also faced with the issue of a youth bulge – A common phenomenon in the developing countries where the population comprises mainly of children and young adults. According to the National Human Development Report – 2017 ‘Unleashing the potential of a Young Pakistan’ (Kundi, 2018), 64% of the total population is below the age of 30 while 29% is between the ages of 15 and 29 years. It is also worth to mention that Pakistan is not only one of the youngest nations in the world; rather it follows Afghanistan as the second lead in the South Asian region. It is crucial to understand that a youth bulge has the tendency to pose as a threat to national progress if young people are not effectively and efficiently engaged and the
dependency ratio remains high; however, with effective planning and creation of opportunities for youth engagement the large cohort of young people can be utilized as demographic dividend that would directly contribute towards the increase in the basic economic indicators such as Gross National Income and Income per capita etc.

“In a country with a youth bulge, as the young adults enter the working age, the country’s dependency ratio-- that is the ratio of the non-working age population to the working age population—will decline. If the increase in the number of working age individuals can be fully employed in productive activities, other things being equal, the level of average income per capita should increase as a result. The youth bulge will become a demographic dividend. However, if a large cohort of young people cannot find employment and earn satisfactory income, the youth bulge will become a demographic bomb, because a large mass of frustrated youth is likely to become a potential source of social and political instability. Therefore, one basic measure of a country’s success in turning the youth bulge into a demographic dividend is the youth (un)employment rate. Unfortunately, the recent record has not been favorable. While unemployment rates are naturally higher for young people, given their limited work experience, the double digit unemployment rates are worrisome. Typically, the prevailing youth unemployment rates are about twice the rate of the general workforce. The situation in the Middle East and North Africa (MENA) and in the countries of Europe and Central Asia is particularly troubling: youth unemployment is on the order of 20 percent or even higher. In addition, informality is more prevalent among youth in MENA, so even for those who are employed, there may be problems with job quality” (Lin, 2012)

International Labor Organization estimates the youth (individuals 15-24 years of age) unemployment rate in Pakistan in 2017 was 5.9% 17 (International Labor Organization, 2018). This percentage indicates an alarming situation owing to the anticipation that Pakistan would remain among the youngest countries for the next three generations. Thus once of the greatest challenges the Government of Pakistan faces is the efficient utilization of youth as a positive force for economic transformation and as critical enhancement tool for national progress, subsequently it is of utmost importance to provide the young cohorts with various meaningful engagement opportunities at the intellectual, social, economic and political levels. Employment remains the most preferred form of engagement in case of a youth bulge owing to its multi-facet implications. The paper intends to address the behavioral impact of unemployment on young people, to observe the extent to which unemployment decreases individual’s productive capabilities, to identify the causes of unemployment, identify measures that can contribute to reduction of number of unengaged youth, exploring the possibilities of encouraging entrepreneurship as an alternate means to engage youth in Pakistan.

LITERATURE REVIEW

It requires no extensive research to comprehend that education or vocational trainings to empower youth to explore employment opportunities. Shortly after the independence of Pakistan, Mohammed Ali Jinnah said prophetically during one of his speeches on 24th September 1947, “Education is a matter of life and death for Pakistan. The world is progressing so rapidly that without the requisite advance in education, not only shall we be left behind others but we may be wiped out altogether.” (Thompson, 2012)

However, unlike the founding fathers commitment and hope, Pakistan is presenting a series of unfortunate alarming indicators in terms of education; the UNDP report 2017 highlights

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17The unemployment rate measures the number of people actively looking for a job as a percentage of the labor force.
that employability of the young individuals in immensely effected by several factors including education. The country is exhibiting the world’s lowest completion rates of primary education; further alarming is the knowledge that highest enrolment rates are at the primary level, and as the level of education increase from primary to middle and matric levels (10th Grade), the number of enrolled students decrease. Under an education emergency, Pakistan has been suggested to increase its net enrolment ratio to a yearly growth of 3.8 (currently 0.92) percent in order to reach the goal of zero out-of-school children by 2030 (Najam & Bari, 2017).

The problem of youth unemployment is becoming evidently chronic in Pakistan, where thousands of students are graduating with various academic and professional qualifications; these young people are often unable to find appropriate jobs that suit their qualification and interests. Youth unemployment is often considered as an economic problem, however its social and psychological implications are more profound that the economic costs and consequences. A saturated job market leading to increased unemployment among youth causes the socio-economic and political environment hostile and insecure.

A comprehensive study by the Population Action International (PAI) suggests a strong correlation between countries prone to civil conflicts and those with unengaged youth populations (Beehner, 2007). The term ‘youth bulge’ is fairly new term, coined by German social scientist Gunnar Heinsohn in the mid-1990s but it became more familiar to the academic scholars and groups following the work of political scientists Gray Fuller and Jack A. Goldstone (Hafez & Slyomovics, 2013). The study suggests a strong correlation between employable youth that are unable to find appropriate economic engagement for prolonged periods of time, due to limited resources and weak policy and judicial structures, are often experience diminishing self-esteem and increased frustration (Cincotta, 2008). It further adds that frustration in youth may lead them to engage in extralegal means to earn financial benefits. PAI further explores that between 1970 and 1999, 80% of civil conflicts occurred in countries where 60 percent of the population or more were under the age of 30. Nonetheless, there are 67 counties with youth bulges, of which 60 are experiencing violent conflicts, suggesting a strong association between civil conflicts and large youth populations (Beehner, 2007). 62 countries are considered “very young,” according to PAI, which means that two-thirds of their populations are under the age of thirty (and less than 6% are above the age of sixty). Countries that fit this profile include Nigeria, Afghanistan, and Pakistan.

Volumes of literature is available pertinent to various aspects of unemployment, ranging from economic costs and benefits analysis, implication as a social or human development indicator, identification of causes and consequences, to remedial actions and various other aspects of unemployed youth. Studies confirm that there is a negative and significant impact of lengthy episodes of unemployment for young individuals in Pakistan. However, the intensity of these economic, social and psychological costs varies with the unemployment spell(Gul, Zaman, Khan, & Ahmed, 2012). Researchers often attribute unemployment to the lack of connectivity between labor market requirements and the relevant work education and training (Ghayur, 1989); however there exists and inverse relation between relevant training (technical/vocational) and youth unemployment that can be contribute immensely in increasing employability of youth in Pakistan (Qayyum, 2007). Although older people find it hard to find new jobs however, the rate of youth unemployment is projected to be far greater owing to their zeal to look for more competitive and compatible jobs, even if the organizations are right sizing their structures younger employees are often made to leave first

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18Population Action International (PAI) is a Washington-based private advocacy group available at [https://pai.org/publications/](https://pai.org/publications/) accessed on March 7, 2019
as compared to older employees (Axelrad, Malul, & Luski, 2018). In Pakistan unemployment is affecting the single people more as compared to married people mainly due to the increased commitment due to after-marriage responsibility (Qayyum, 2007), since owing to the economic conditions of the country it is now neither convenient nor easy to change employers and therefore married people compromise to work for low-paid jobs. Consequently there is a prominent difference in the unemployment rates between rural and urban population, unemployed is more in the urban centers as compared to the rural communities (Qayyum, 2007), out of the many reasons, the two major causes are the frail economic conditions of businesses in the urban areas, and the advent of modern technology that has reduced the demand for skilled workers working manually. Moreover the unemployment is lower for males than females (Sadaquat & Sheikh, 2011), which is logically interpreted on grounds that in Pakistan in most families’ males are the only breadwinners and female family members are often discouraged to pursue higher education and professional career, consequently Ahmad and Azim attributed these results to restrictive mobility of Pakistani females and other constraints in employment (Ahmad & Azim, 2010).

In a nut shell youth unemployment in Pakistan is the consequence of many economic, social and political dimensions such as

1. An exponential rise in the population of the country endorses a positive relation between population growth and rate of unemployment (Kalim, 2003).
2. Compressed economic conditions of the country and the saturation in the labor market (Chaudry & Hamid, 1998);
3. Youth are not facilitated (especially technical and vocational training) with relevant job skills, technical trainings and vocational trainings nor are they provided with practical exposure to professional working environment and corporate dynamics (through internship programs, structured mentorship and research analysis etc. at the initial academic levels) (McGuinness, Whelan, & Bergin, 2016);
4. Young people often do not have the facilitation and guidance to “how” and “where” look for relevant opportunities;
5. In Pakistan, there are limited career options to choose from therefore if an individual does not aspire to be medical practitioner, an engineering associate or a business associate, he/she may not be left with many choices to pursue a professional career and financial stability;
6. Political instability, weak government policy devising institutions, minimum wage laws, inflexible wage structure for the masses and lack of monitoring of labor demand and supply mechanisms disable economic growth and create a significant negative impact on business activities that leads to reduced job opportunities (Maqbool, Mehmood, Sattar, & Bhalli, 2013);
7. Government’s role in generating job opportunities has been mostly politically motivated to gratify the voters and please the campaign fund raisers and political supporters, subsequently such jobs often result in becoming a further burden on weak government institution and cause employee overload that leads to right sizing after a few years by the new government (Ali, 2018);
8. The youth dependency ratio is very high in Pakistan owing to the cultural norms on depending on parents for financial needs till completion of academic qualification or in case of females mostly till marriage, low incomes and below subsistence wages are also responsible for the perpetuation of the vicious circle of unemployment in Pakistan (Lin, 2012).
9. Despite the youth bulge, this significant segment of the population often faces neglect while government is devising public policy, specifically youth opinions, international
practices and participation mechanisms are often ignored when establishing policies for reducing unemployment in youth and producing opportunities for youth engagement. The research intends to highlight opportunities and corrective measures through which young people can be utilized as a demographic dividend.

RESEARCH OBJECTIVES

This research study will be guided by the following objectives.

1. To analyze the effect of youth unemployment on individuals’ attitudes and behaviors.
2. To observe the impact of unemployment in decreased productivity.
3. To explore if self-employment / entrepreneurship can be utilized to reduce youth unemployment.
4. To analyze the economic and social impact of youth unemployment in managing a standard of living.

RESEARCH METHODOLOGY

The research is quantitative, for which a questionnaire was developed after literature review. The variables involved are unemployment, behavior / attitude of unemployed youth, productivity of unemployed youth, perceived family support, perceived government support, job satisfaction and engagement, entrepreneur mindset and opportunities. The population was the recent graduates and master students. The quantity of 250 was sampled through snowball sampling techniques as these types of individuals are usually connected with each other.

Research Questionnaire

Table 1. A snapshot of the questionnaire

<table>
<thead>
<tr>
<th>Name:</th>
<th>Age:</th>
<th>Gender:</th>
<th>Qualification:</th>
<th>Pass out Year:</th>
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Q 1: When did you get the job, after completing your education?
   a. Immediately
   b. Within a year
   c. After more than a year
   d. Still unemployed

Q 2: Number of people in your family working?
   a. All are working
   b. Half of them are working
   c. 1 or 2 are working
   d. My Family is dependent on me

Q 3: Do you think, due to low level of family income, you did not get higher and relevant education?
   a. Yes
   b. No
   c. To some extend

Q 4: If you are working, the working environment is satisfactory for you?
   a. Yes
   b. No
   c. Don’t Know
   d. Not working

Q 5: Does the level of work is fitted with your qualification or you deserve more than this?
   a. I deserve more
b. I’m happy with my work

c. As far as I have job, it doesn’t matter

Q 6: Does unemployment create negative influences on personality?
   a. Yes
   b. No
   c. May be

Q 7: Do you think unemployment affects your spirit of patriotism?
   a. Yes
   b. No
   c. May be

Q 8: Do you think due to unemployment brain drain increases?
   a. Yes
   b. No
   c. Unemployment has no relation with brain drain
   d. Brain Drain is due to other factors

Q 9: Does crime rate increase due to the unemployment?
   a. Yes
   b. No
   c. Maybe
   d. Crime rate increases by other factors

Q 10: Do you think youth got drug addicted due to unemployment?
   a. Yes
   b. No
   c. May be
   d. Drugs addiction is due to other factors

Q 11: Do you think overall unemployment effected on productivity?
   a. Productivity decreases
   b. Productivity has no effect
   c. Don’t Know

Q 12: Are you facilitated by any government support program?
   a. Yes
   b. No
   c. Never heard about any such program

Q 13: Do you ever think to do your own Business (Entrepreneurship)?
   a. Yes  b. No

   What stops you?
   i. Lack of finance
   ii. Lack of support from family
   iii. Lack of support from Government
   iv. Fear of being failed

   Others: __________________

   Reason?
   i. Never had any idea
   ii. No self confidence
   iii. No Knowledge about entrepreneurship
   iv. I am not an initiator

   Others: __________________
ANALYSIS AND DISCUSSIONS
The overall demonstration of the questions with discussion

Q 1: When did you get the job? After completing your education?

55% of youth in the given data is still unemployed after completing education for more than a year. Only 12% and 10% of the pass outs get job immediately or within a year. This is an alarming situation.

Educational institutions must provide education based on practical life and job oriented curriculum should be introduced.

Q 2: Number of people in your family working?

Unlike America and Europe here in Pakistan only one or two family members are working or try to get work and the rest of the family is dependent on them.

We should aware them that all family members should make their contribution. Entrepreneur mindset generally and Social Entrepreneur initiatives can be the solution for this disparity.

Q 3: Do you think, due to low level of family income, you did not get higher and relevant education?

Majority of the respondents i.e. 51% think that low income is not the main obstacle in having good and high education.

That support our argument of proper career counselling may lead to better education level and later better professional life.
Q 4: If you are working, the working environment is satisfactory for you?

From response of Q1 we find 45% respondents are working among them a huge 51% of 45% are not satisfy with the job environment, means they are not doing work in their comfort zone. This will lead to unrest, de-motivated, frustrated and less productive youth.

Q 5: Does the level of work is fitted with your qualification or you deserve more than this?

From Q1, out of 45% of the respondents who are working only 26% of the respondents working with happy feeling rest 21% strive for some better and a huge 53% of the youth is in the state of don’t care. This is an alarming situation for the entire country that people are working just for their survival not as a passion.

Q 6: Does unemployment create negative influences on personality?

Only 25% of the respondents think that there are some other factors that influenced the personality, maximum number 52% of the total respondents thinks that unemployment has harmful and negative impact upon the personality of the youth. As much as they remain unemployed their personalities will be damaged and, their potential fore will move from productive to destructive direction.
Q 7: Do you think unemployment affect your spirit of patriotism?

Youth and patriotism is an essential combination for the prosperity of any nation. The results show if youth did not get proper jobs the spirit of patriotism will compromise as 43% and 19% youth feels that either unemployment completely or partially effects the patriotism. While 38% feels that spirit of patriotism is not dependent on job status.

Q 8: Do you think due to unemployment brain drain increases?

33% of the youth thinks that unemployment is the main reason of motivation for the people to move abroad, 40% of them think the main reason of brain drain might be something else. Only 21% and 6% of the youth think unemployment has no relation with brain drain. It has been observed that many people who were not getting opportunity in Pakistan went abroad and did wonders.

Q 9: Does crime rate increase due to the unemployment?

The obvious respond was yes by the majority of 51% of the youth who think crime rate is directly proportional to the level of unemployment and if we add 17% who are in opinion of doubt it makes almost 70% of the respondents who feel better job opportunities might decrease the crime rate from the country. 23% of the respondents say increase in crime is due to some other factors.
Q 10: Do you think youth got drug addicted due to unemployment?

Other than many national and social issues caused due to unemployment, drug addiction is the most destructive factor. If a literate youth do not get job they will get dishearten and due to lack of way out and frustration, they start drugs to overcome their pain of being non productive member of the family and society.

27% think it’s because of other issues then unemployment

Q 11: Do you think overall unemployment effected on productivity?

The general impression is that unemployment is due to the lack of resources or opportunities. The reality is it’s because of mismanagement of administration and recourses. It eventually affects the overall productivity of the country in all domains.

40% of the youth blame the increasing rate of unemployment is the reason of decreasing the productivity.

Q 12: Do you get facilitated by any government support program?

Only 17% of the respondents were supported by the government program while a huge 52% of the youth never heard about any such program in spite government have many projects running. 31% knows about such program but did not avail any of them. Means government needs not only to initiate such program but also have to communicate them to the youth.
Q13: Do you ever think to do your own Business?

Statistics shows that 78% of the youth have will to be an entrepreneur but did not start own business. Through this result we can say that our youth is in good frame of mind but and need proper guidelines to excel.

If yes, what stops You

From Q12, out of 78% of the respondents who had ideas and will to do their own business 34% fail to do so because of finance and 30% did not get support from competent authorities. Another reason is due to lack of family support that is 23%. The good thing is only 4% of the youth did not initiate any business by the fear of being failed; they are ready to accept the challenges. That shows the positive and brave mindset of Pakistani youth.

If No, Reason

From Q12, out of 22% of the respondents who never had ideas or will to do their own business 34% did not have proper knowledge and 29% lack in ideas to initiate. Rest of the respondents either have no self confidence or fear to initiate.
CONCLUSION

Aim of this research is to explore the social and economic stimulants which may cause unemployment, specifically Youth Unemployment. From the survey analysis the following implications have been extracted:

1. The study states that unemployment is high due to mal functioning of education and training system. Also the findings state that unemployment increase by education level. This need to be analyzed in more detail.
2. It will be very informative if youth unemployment by education level will be calculated on the basis of demand and supply. Demand can be projected using sectional growth and employment.
3. The unemployment in youth badly affects the overall productivity and the spirit of patriotism of country negatively.
4. Unemployment in youth can lead to youth’s dissatisfaction and low self-esteem.
5. Discourage youth participations level, lacks in initiating any creativity and development of ideas decreases. Reduces confidence to do something productive for country.

RECOMMENDATIONS

Keeping in view the finding and conclusion, the recommendations are:

1. To safeguard the economic conditions from the shocks of a youth bulge the government must take immediate corrective measures to manage young people. One such initiative is the revival of industries and other financial institutions in Pakistan that helps in engaging youth along with the provision of the doorway to economic stability. This by far is the most effective yet most challenging and tedious task that the current government in Pakistan is expected to materialize.
2. At the national level, the last policy for youth (15–29 years) was formulated in 2008. While under the 18th Constitutional Amendment matters of youth development have been devolved to provincial governments with no intervention from the federal government. Unfortunately, the provincial governments have shown little interest in devising policies for youth development. Till the last information gathered, all provinces have already developed youth policies essentially on the pattern of the 2008 national policy. The youth policies of Punjab and Khyber Pakhtunkhwa have been approved (in 2012 and 2016, respectively) but Sindh and Balochistan still have draft policies (dated 2016 and 2015, respectively). These policies comprise of comprehensive framework that covers multiple aspects of youth empowerment including economic, social, education, health and political development. Thus the only hurdle that is keeping from these policies to materialize are the issues of policy implementation.
3. It is significant to understand that substantial increase in the unemployment rate is an impending threat; while the country strives to make informed decisions to reduce unemployment and creating a demographic dividend from the youth bulge, government must also consider the implications of an exponentially increasing population, it must initiate serious and committed efforts towards population control and management
4. Encourage self-employment through serious and focused academic efforts such as relevant curriculum advancement and effective policy development to protect small

19 Pakistan has elected a new government in July 2018 through General Elections.
and medium enterprise so that skilled labor may efficiently transit towards self-employment creating more opportunities for other labors in the market. A small effort in this regard is being made by Kashaf Foundation Ltd, First Women Bank Ltd, Microfinance Bank Ltd; However owing to huge population similar efforts must be taken up with convenient procedures and operations to facilitate small industries.

5. Social Enterprise is a unique budding concept that can be efficiently utilized to reduce unemployment, increase economic dependence of individuals or other personal and government sources while also engaging their energies in community development, support and social change. Although this phenomenon is mildly explored in Pakistan, however similar social enterprise models have found to be tremendously successful in the developing countries, for example Kashaf Foundation in Pakistan and Garmeen Bank in Bangladesh.

6. Embracing and intervening through efficient use of technological advancements can create opportunities employment opportunities for work-from-home individuals, individuals with special needs, females and part time workers, thus managing the demand and supply of the labor workforce through establishing employee network regardless of the location.

REFERENCES


