

The Youth and the Economy

The economy group started with reflections on the existing realities concerning the youth and the economy. This was an initial stage in the development of core issues which would then form the basis for the review and make necessary suggestions for the amendment of the National Youth Policy (NYP). To address and formulate the current realities regarding the challenges the youths face in the economy, we came up with a plethora of issues, these issues consisted of:

1. The lack of skills and training
2. High rate of unemployment among the youth.
3. Limited access to finance
4. Lack of inclusion of youths in the economy or economic activities.
5. Low daily wage, youths do not take interest in taking up jobs which are insufficient to sustain their livelihood.
6. The lack of skills and training to take up agriculture.
7. Limited market/ access to market.
8. Lack of youth engagement in economic activities (“Youths are affected by those causes for which they are not responsible for”)
9. Lack of awareness on the economy of Bhutan.
10. The mindset of youths (dignity of labor)

We listed a total of 10 existing realities which we believed were quite prevalent in the current economy of the country from a plethora of realities. Out of the existing realities we have picked out, we were instructed to pick out core issues. We picked out three core issues:

1. High youth unemployment.
2. Lack of livelihood opportunities.
3. Quality training.

After identifying the core issues, we were further instructed to find out the causes for these existing realities. Given that we had identified the current realities, it was quite easy to identify the causes, therefore we got our heads together and listed the following causes:

- ❖ Professional incompetence. The mismatch of skills and job rooted in theory based education system.
- ❖ Limited practical and job related skills.
- ❖ Dignity of labor and interest in job which exerts a high social status.
- ❖ The market requirement for experienced professionals.
- ❖ Unattractive salary.
- ❖ Limited arable land and lack of potential to pursue an extensive mode of farming.
- ❖ Limited areas of economic engagement/employment.

It was quite interesting to find out that, the tasks we were assigned to were all inter-related, with each task we were fixing the jigsaw puzzle and we were inevitably on the verge of identifying the contemporary issues related to the youth and the economy. Moving on, the third task was based on the

default future or perhaps the inevitable consequences if the causes we identified were to be left unattended or if it persists. If this issues were to persists then the default future:

- ❖ Brain drain (migration and overseas employment), therefore the government does not reap the benefits of the investment in education.
- ❖ Delinquents denied security clearance and further increases crime rates.
- ❖ Dependency rate increases.
- ❖ Agriculture sector slackened.
- ❖ Outward remittances and foreign labors (construction sectors) and cultural degradation and faith issues.
- ❖ GDP falls (which is an associated problem of brain drain)

The next task we were assigned to was to find out the solutions to create an alternative future. Out of a plethora of solutions, we chose five solutions were applicable in the Bhutanese context;

- ❖ Awareness programs on agriculture as a form of self-employment.
- ❖ The development of technical and vocational skills.
- ❖ Subsidized employment (which would encourage private sectors as well as entrepreneurs)
- ❖ Integration of dignity of labor in the education curriculum.
- ❖ Education of financial literacy.

Therefore after finding out the solutions, we were finally instructed to forge a presentation out of the resources we have gathered from the formative tasks.

Background

Instead of providing an intricate background, we decided to provide a brief overview on what it is that we would be presenting on. We decided to highlight three core issues, which are High youth unemployment, Lack of livelihood opportunities and Lack of quality of training. Under each core issues we have numbered causes related to it and further, we have also provided our recommendations based on the national youth policy

1. High youth unemployment.

The causes surrounding high youth employment include lack of interest in agriculture. These are very well the lack of skills and training to take up agriculture, Unpredictability of yield. This leads to the fall in GDP contribution, agriculture contributed 30% to the GDP in 1999, 18% in 2000 and 15.5% in the year 2017. This clearly shows that agriculture has less to contribute to the GDP of the economy in the successive years. Therefore it is quite obvious that the reason for this fall in contribution is not the lack of resources but the lack in interest in agriculture by the youths. If this situation persists, then the impacts would be related to the increase in imports, economic dependency and eventually brain drain, domestically and internationally.

The recommendations we have on the basis of lack of interest in agriculture in context to the national youth policy is add the concept of feasibility, awareness on crop insurance and increased agricultural

activities in schools. These recommendations are directly related to National Youth Policy, under employment and training, policy statement 15; “To encourage young people to take up farming as an acceptable form of self-employment”. We believe that this statement is quite vague and therefore if the concepts which we have suggested were added then it would make some aspects vivid.

The second cause is lack of youth entrepreneurship development. The problems correlated to this issue would be the limited access to market, limited funds, selective on the basis of ideas and limited access to technology. Then the recommendations we would like to inquire about are to develop market oriented technical and vocational skills, to draw a link between the labor market and entrepreneurship opportunities, and skills development to ensure youths realize their full potential.

The recommendations we have provided are exclusively based on the National Youth Policy, statement 13 which states, “ To promote entrepreneurship capacity in all young people (both in and out of school)”. We believe that from the time the National Youth Policy was formulated which was in 2011 and the contemporary period, a lot of changes have occurred, we believe now that the key area of agenda does not revolve around promoting entrepreneurship in fact it now revolves around the development of entrepreneurship. Thus, we believe that if this was amended, it would be related to the contemporary context.

The third is the lack of dignity of labor, when it comes to employment, it is absolutely crucial to understand the problems associated with dignity of labor, first of all the a job where a person chooses to be employed depends on one’s mindset, the distinction between white collar and blue collar jobs which is associated with the social status in the society. The latter would be the problem of low wage rate, due to the fact that some jobs pay less is one of the problems of employment which is invariably related to dignity of labor, and the stigma derived from jobs which are believed to either defecate social status or raise one’s social status.

The recommendations we would like to suggest in the context of the National Youth Policy are the integration of dignity of labor in the education curriculum, the second one would be raise the wage for vocational or blue collared jobs in order to uplift it’s social status and interest and include the respectability of both skilled and unskilled labor. We believe that if these concepts were to be added, then it would develop a deep understanding of the value of work among the youths.

2. Lack of livelihood opportunities.

The second core issue, Lack of livelihood opportunities. In this core issue we decided to stress on the vulnerable groups as well as the disabled groups. The first is the lack of employment protection. This is concerned with job security and the lack of awareness of their rights and entitlements. One must understand one’s rights and entitlements because ignorance to it would lead one to be abused and exploited in work. The recommendations we would like to provide to ensure employees understand their rights and entitlements and protection of employees through secure jobs.

What causes juvenile delinquency? There are numerous causes for it, however we decided to identify three causes which are; job incompetency, dependency and deprivation of security clearance. The recommendations we have on the basis of juvenile delinquency are that it must be addressed in the National Youth Policy, and also to address it as a threat to youth unemployment.

The third is youths living with disabilities. There are limited opportunities for the disabled to earn a living. Their inefficiencies have acted as an economic barrier, therefore it bars them from participating in economic activities. Thus the recommendations we have on the basis of the disabled is the inclusion on vulnerable and disabled groups exclusively in the world of work, and the provision of creative job training programmes for youths living with disabilities.

3. Quality training.

When it comes to quality training, we have professional incompetence. There is the mismatch of skills where the education system is not job oriented, the unwillingness to intern most probably due to the absence of allowance and insufficient guidance from the organizations for undergraduates and finally the lack of financial literacy. Given that these conditions are applied, the impacts are brain drain, under-utilization of potential economic workers, the out-flux of money, increase in crime rates (illegal means of earning a living), increase in dependency rate and eventually leads to the fall in GDP.

The recommendations we have are quite specific and exclusively related to the National Youth Policy statement; 11. “To enable all young people to actively participate in the world of work” and policy statement; 14. “To support and assist employable youths for a certain period of time before they are gainfully employed”. On the basis of these policy statements, we would recommend we must encourage career guidance and counseling and the distinction “employable youth” is quite vague.

The last is limited access to technology, the reasons for this is the inadequate efforts have been made to attract and bring in technology and discouraged entrepreneurs due to lack of access to affordable modern competitive technology. The recommendations we have on the basis of limited access to technology is that the National Youth Policy did not stress on the availability of technology and the usage of technology when comes to youth unemployment and the second is that there is no relationship drawn between youth employment and access to technology.

To conclude, we would like to admit that our approach was quite narrow, however, we had to consider other policies too in order to see if there were no contradictions, for instance, the National employment policy was formulated on 2013 and the National youth policy was formulated on 2011, due to the fact that the National youth policy came first, we had to ask ourselves if during the formulation of the National employment policy, was the national youth policy referred to? If so, how? However, due to the constriction of time and resources, we did not have the means to actually pursue that particular question.

Vision Statement

“ A vibrant, creative and diversified economy that creates opportunities empowering youths as drivers of the Bhutanese economy”