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|  | THE NEWS, MARCH 4, 2013  The youth bulge |  |
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|  | **By Dr Ishrat Husain** |  |
|  | The focus on short-term economic difficulties – the fiscal deficit, inflation, the exchange rate and foreign exchange reserves – is rendering us oblivious to an impending human resource crisis. There is barely any awareness or realisation of this, among public policy makers or even opinion makers.http://magazine.thenews.com.pk/upload_image/10/4739_3-4-2013_1.jpg  There are three dimensions of this impending crisis:  (a) Inadequate capacity to absorb the additional five million students who will be demanding higher education because of demographic changes, the rising middle class and rapid urbanisation.  (b) The alarming shift away from enrolment in disciplines such as science, technology, engineering and mathematics to commerce, business administration, language and Islamic studies.  (c) The gender disparities that are depriving 50 percent of potential labour force from fully participating in productive economic activities.  Of 40 million persons between the ages of 15 and 24, only seven percent (or 2.8 million) are acquiring tertiary education. By 2030, the number of people within this age group will expand to 52 million and, assuming a 15 percent enrolment ratio in tertiary education, 7.8 million people will be acquiring tertiary education. To meet the demand generated by these numbers, we have to create an additional five million places at the tertiary education level in the next three plan periods – a jump of almost three times existing capacity. This entails heavy expenditure as well as careful planning (and implementation) of physical infrastructure, technology, faculty development, curriculum revision, etc.  This challenge is going to stare in our face at the time when the Higher Education Commission – a successful model of governance, resource allocation, quality assurance and development of high calibre faculty – is being pricked from all sides and may eventually collapse completely. Provincial government institutions need many more years before they can take the place of the HEC. And the loss to the system in these intervening years in terms of production of critical human resources required for the economy will be colossal.  Recent economic theory and empirical evidence suggest that one of the major reasons some countries find themselves in poverty traps are differences in the endowment of knowledge and the capability of poor countries to absorb new knowledge. The only way to break out of these poverty traps is the successful absorption of technology through technically trained and highly educated manpower.  The capacity of Pakistan to assimilate, adapt and widely diffuse emerging technologies is constrained by shortages of skilled, technical and vocational manpower, outdated educational systems and neglect of research and development (R&D). A highly competitive world has raised the demand for skilled workers and professionals, yet the record of Pakistan in meeting this demand is not very encouraging and the deficit in skills remains one of the major obstacles to successful technological diffusion.  An analysis of the Higher Secondary Education Part II Examination results of the Karachi Board reveals a very disconcerting picture. Of 113,716 candidates who passed Class X or Matriculation examinations, only 21 percent were from the pre-engineering group and just 15 percent from the pre-medical group – a combined 36 percent only. The largest groups were commerce (30 percent) and humanities (20 percent).  In the 1960s, the largest group enrolled at the University of Karachi was of science students. Today, the reverse is true. Of 22,000 students enrolled in 2012-13, only one-third are studying science subjects and the majority of students are enrolled in commerce, business administration and other subjects.  Besides the demands imposed by the knowledge economy, there is another compelling argument for education in science and technology. Wage inequality is a powerful contributor to rising total inequality. The skilled labour force and professionals enjoy huge premiums, with wage dispersion much wider than ever before and likely to grow further. Empirical estimates show that between one-third and one-half of overall income inequality can be accounted for by sharp differentials in wages and the premiums skilled labour fetches in the market relative to the unskilled is rising. Economic theory suggests that the rising premium earned by skilled manpower will attract investment in the supply of these skills but flawed public policies and capital market failures have not yet produced the desired response.http://magazine.thenews.com.pk/upload_image/10/4739_3-4-2013_2.jpg  Pakistan will therefore have to overcome this mismatch between the supply of university and college graduates produced and the current and prospective demands for skilled manpower by employers. The proliferation of higher education institutions with poor academic standards; assessments based on rote memorisation and teachers of dubious quality are producing armies of unemployable youth. Industries, including agri-business and services, by contrast, continue advertising for jobs that remain unfilled. As a result, the unemployed youth have become an attractive source of recruitment by terrorists, extremists, narcotics agents, warlords, criminal syndicates and mafias of all sorts.  The third dimension of this impending crisis is the gender disparity in education, science and technology. Not only are the female-male ratios skewed, there is inequitable distribution within the female population as well. Nearly half of young women in the rural areas had no chance to go to school, as compared to 14 percent of urban women. Drop-out ratios in the transition from primary to higher education are more pronounced in the case of females. If allowed to perpetuate, these gender disparities, particularly at the tertiary level, will be reflected in lower female labour force participation rates.  Gender inequality can be gauged by the fact that while the size of the male population with secondary education is 46.8 percent, the female ratio is 23.5 percent. Not only is access limited, quality and relevance are also not up to par. The low availability of well-qualified and competent teachers is among the serious constraints on the expansion of quality higher education among the backward areas of Baluchistan, FATA and Khyber Pakhtunkhawa. Those who are successful in obtaining degrees are forced to withdraw from the labour force when they get married – an unfortunate chauvinistic tendency among Pakistani males.  The impending crises can be averted, to some extent, by resorting to Information Communication Technology (ICT) tools. These can help Pakistan leapfrog the literacy and skills gap by augmenting the delivery of innovatively designed, learner-focused contents and enable people to read and write within a short period of time and for others to acquire marketable skills.  Teachers always need to update knowledge and skills and online resources provide them with excellent opportunities to learn through a rich resource base. Online courses from top universities of the world are now available through open sources and can be a powerful vehicle for learning and teaching. Women from conservative families can also benefit from this mode of learning while remaining within the four walls of their homes. The coverage and outreach of such programmes can be expanded by involving institutions run by the private sector, NGOs and civil society organisations. But the replication of successful models and experiments can only be undertaken with the active involvement of the government.  The writer is a former governor of the State Bank of Pakistan.  Enrolment in educational institutions |  |