

Essay CSS 2026 - Youth Bulge : A demographic dividend or a demographic disaster? Pakistan's youth and the road ahead

View



WAQAR HASSAN

company output and reduce barriers to employment for women and rural youth.

A neglected youth bulge is not a neutral event; it compounds other risks. Long-term joblessness weakens human capital, raises the chances of illegal work and lowers future income. Big NEET populations—especially for young women—mean a loss of current income and future innovation and entrepreneurship. Youth employment gender gaps are widest in lower-income countries, says the ILO's global youth trends. The dividend starts in classrooms and skill labs, not in job centers. Pakistan requires a dual approach: improve basic skills and expand job training for youth. Crucially, skills policy needs to consider gender: the World Bank notes that employer limitations and mobility issues prevent women from working in urban Pakistan—training isn't enough without safe transport, childcare and anti-bias rules.

Mass job creation stems from competitive small businesses and exporters, not government hiring. The policy mix is well known: simplify taxes and compliance for small firms; open trade and logistics bottlenecks; deepen credit for young and women-led businesses and crowd in private capital with predictable, rules-based regulation. According to the ILO, Pakistan must address its "jobs gap" by boosting growth and reducing formal sector hiring costs. The dividend is not only about wages; it is also about belonging. Youth councils, civic service programs and transparent local government can direct energy toward problem-solving instead of creating division.

Quarterly NEET dashboards, broken down by sex and district, must be published. Integrated aid for female NEETs, covering skills, transport, childcare and safe work, is key, especially for the

75% needing it. There is a need to provide SMEs with temporary payroll subsidies and social security contributions if they hire women, pay minimum wage and comply with safety rules, converting internships/apprenticeships to full-time roles. We must understand that absorbing all youth immediately is not possible. We must expand climate adaptation public works, such as canal lining, flood defenses and urban drainage, to offer decent transition jobs to those without formal education or employment. Economic inclusion is also a security policy; the IMF and World Bank's analyses of the MENA uprisings remind us what happens when a youth bulge meets stagnation and exclusion.

A youth dividend can be generated by focusing on inclusive opportunities for underprivileged youth, practical skill application and streamlined recruitment. A prime example is found in Punjab's digital skills initiatives, specifically in Lahore and Faisalabad. Short-term training programs in freelancing, e-commerce and software services have directly led to in-

"Pakistan's large youth population presents a decisive moment: with the right policies, skills and inclusion, it can become a powerful driver of growth, innovation, social cohesion and long-term national confidence."

creased earnings in these cities. Young graduates from non-elite educational backgrounds are now accessing global gig platforms for web development, graphic design and digital marketing. Taking such initiatives does not require miracles; they require focus, feedback, and follow-through. The youth of Pakistan are not a "problem" that should be managed. Creative, restless and connected, they are the nation's top renewable energy source. Demography has given us a window; economics and politics will decide what we do with it. Time is running out, but this time, it's on our side if we move in the right direction to make the youth bulge a demographic dividend.

—The writer is Commoner from 44th Common Educationist — Founder of WHI Institute, based in Sargodha.

(waqarhassancsp@gmail.com)

NO resource shapes a nation's destiny more decisively than its youth. More than minerals or markets strength, it is the energy, skills and aspirations of young people that determine whether a country rises or declines. Pakistan faces a demographic challenge, with the majority of its citizens under the age of 30. It can fuel growth, innovation and national confidence, but if mishandled, it can lead to unemployment, alienation and instability. Each year, many of Pakistan's youth enter the job market. Is it easy for young people to find employment? Certainly not! According to World Bank/ILO models, the unemployment rate for individuals aged 15–24 was roughly 9.9% in 2024.

The crisis is truly evident in NEET rates, which represent young people not in Education, Employment or Training. According to the UN Women's national assessment, 75% of young women (15–24) face significant hurdles like social obstacles, safety problems and caregiving duties, leading to a high NEET rate. The ILO says Pakistan's employment recovery is still fragile following floods and the pandemic, demanding job creation on an urgent basis. Uncared-for, an angry youth population can push politics and public order into risky situations.

History offers the flip side. Rigorous investment in schooling, health and jobs helped East Asia turn a similar youth wave into a demographic dividend a generation ago. In "Demographic Transitions and Economic Miracles in Emerging Asia", Bloom, Williamson and Harvard researchers argue that age-structure shifts and policies account for a third of East Asia's growth. The dividend is not automatic; it is enabled by skills, by competitive firms and by institutions that crowd in private investment.

Pakistan exhibits promising growth prospects. The digital economy is one. State Bank data shows ICT exports hit US\$3.2 billion in FY2024, up 24%, a record high, largely due to young engineers, designers and freelancers. Pakistan's freelance market is one of the world's fastest-growing, per UNDP, with millions earned annually and a workforce mainly aged 18–34. These are precisely the globally tradable, low-barrier opportunities that can absorb talent at scale—if skills and connectivity keep pace. Much more than tech is on the line. Pakistan's growth depends on numerous, sustainable and respectable jobs in areas like climate, agriculture, logistics and care in the next ten years. A careful plan is needed to create more jobs, boost