



ILLUME

April-June 2019

Employment Creation

HRD
network

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ILLUME

HRDN with the vision to build competent human resource has dedicated 2019 to contribute, along with other stake holders, in empowering YOUTH: the Future of Pakistan. Summer Internship Program, commenced in June 2019, is one of the regular features of HRDN. To enhance the skills of interns through learning by doing and to prepare them for job market, various projects were assigned. HRDN's Quarterly ILLUME was likewise one of the tasks that was consigned to the intern Mr. Muhammad Qasim, Student of International Relations, Quaid-e-Azam University considering his interest towards inscription. We value his efforts and diligent work that he has placed into amassing this newsletter. Happy Reading ☺



Maria Qibtia
Po-Communications

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By Muhammad Qasim

EDITORIAL

There exists a mutual relationship between development and employment. Employment creation has always been a top priority for policy makers as well as for social partners and civil society. This is because labor is more than a factor of production; an essential element of any development process, of well-being and social cohesion.

Creating jobs is a keystone of any economic recovery program. Many activities can fall under the rubric of job creation, including immediate short-term opportunities that yield quick impact, or the development of more enduring livelihoods in the civil service or private sector. It is important to distinguish between these different activities, recognizing that sustainability and long-term impact should be duly considered in implementing any employment generation program.

Providing jobs is vital on many levels. Politically, employment opportunities give the population a stake in the peace process by providing young men and women with alternatives to violence. Economically, employment provides income to poor families, revives domestic demand for goods and services, and stimulates overall growth. Socially, employment can also promote social healing, encourage the return of displaced persons, and improve social welfare in the long run. Public works projects are effective ways to generate a lot of employment quickly while demonstrating progress

that benefits communities. Job opportunities can include small-scale food- or cash-for-work projects, such as cleaning up public places, repairing roads and facilities, or installing generators.

Government of Pakistan has initiated many programmes for youth for their skill development and explores overseas employment opportunities which will not only reduce the unemployment burden in the economy but will also enhance remittances. HRDN on its part have been always been an advocate of creating job opportunities for youth by launching internship programs and promoting capacity building in individuals. DAFI Plus Program was a four months project commissioned by the GIZ-Pakistan Office to support and facilitate the cause of DAFI scholars to acquire experience of the formal job market in relevance to their academic qualification.

In this very edition of illume, keeping in view the importance of mentioned topic “employment creation”, we have tried our best to give opportunity to youth by providing them internship opportunities, and job opportunities. This quarters illume includes regular activities of HRDN and interviews with government dignitaries.

We will be waiting for your feedback and suggestions at maria.qibtia@hrdn.net

Job creation: A political rhetoric

By ANAYA ROY

Job creation is course of providing new jobs for the unemployed. It is mostly a political rhetoric, for instance someone would suggest that the following taxation or funding program will create new job. Producing new and improved jobs is the key to boost the economic growth. At a national level, it requires a stable macroeconomic framework aligned with structured policies that may enhance business and skill development.

Practically speaking, Industry only hires more workers when needed to satisfy demand for its products or services and will only hire people they deem eligible to perform the task at hand while seeking lowest prices for that work. Generally, taxations and funding don't amend the demand for goods and have no measurable impact on demand for goods therefore not effecting unemployment at all. Job creation would occur if demands for goods and services sustainably grew and for that to happen there needs to be a base of buyers for. Since that is unlikely, consequently job creation fails because the consumers refuse to buy since they have insufficient money for them.

The second problem is that the jobs created in modern economy follow a complex and indirect pattern of specialization and trade. Many people have jobs that yield nothing that a consumer would buy directly such as corporate event planner, media relations person. For instance, a logistics person does not run a mart, drive the delivery trucks or make or sell the shampoos. But His 'yield' is important but intangible. Because these jobs came about when the complexity of the market grew. Simply put It's like the market is puzzles where the pieces are growing smaller and the picture is getting bigger.

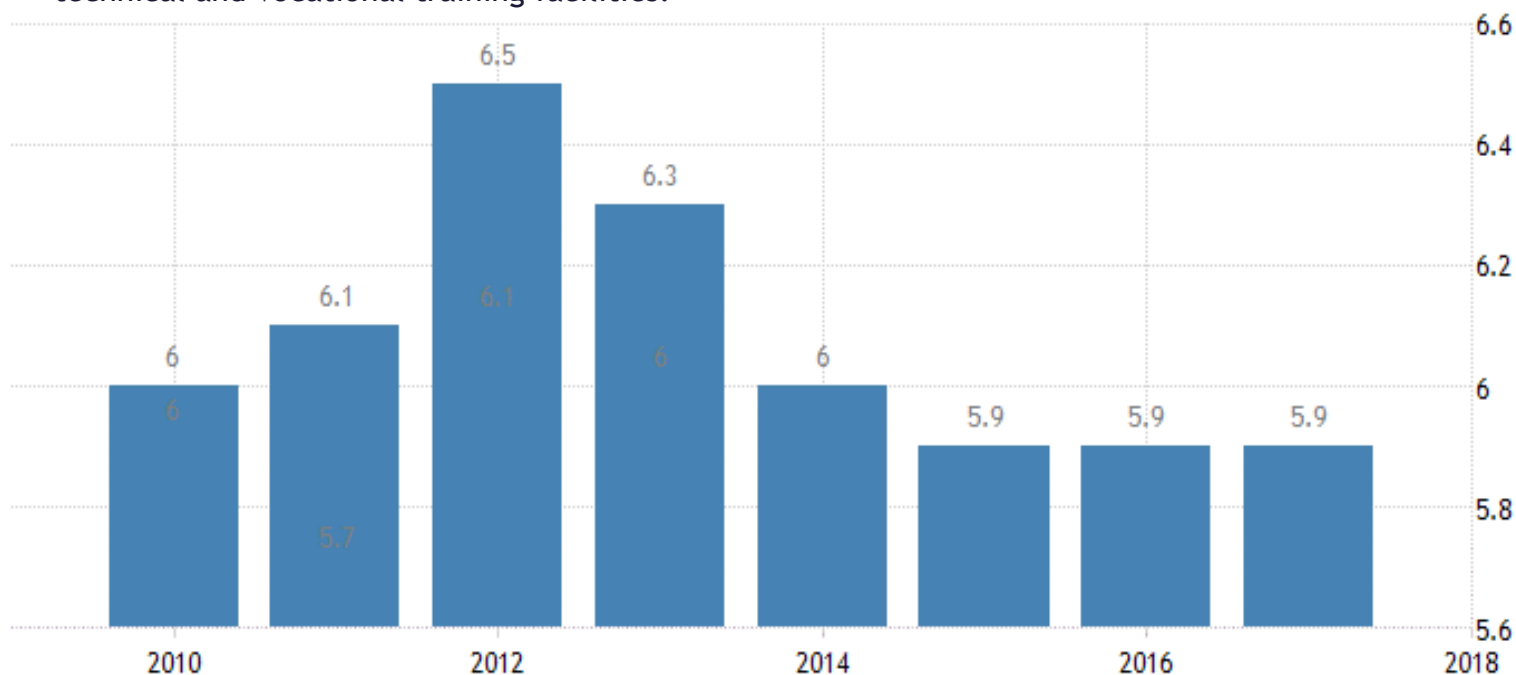
In today's time, Job creation is context sensitive. You create a new job and the demand and policy changes and then you end up on square one with high unemployment rate.

In today's time, Job creation is context sensitive. You create a new job and the demand and policy changes and then you end up on square one with high unemployment rate. There it's concluded that the patterns of specialization and trade need to be stable and established. And if we want to create stable pattern for stable jobs we need to infer from the current economic environment to the future. Which seems harder every passing moment since the legislations and clauses being vague and "to be determined": James Maddison puts it's very eloquently "what prudent merchant will hazard his fortunes in any new branch of commerce when he knows not that his plans may be rendered unlawful before they can be executed?

The unemployment rate of Pakistan is expected to reach 5.90% in 2020 according to the Trading Economics global macro model analysis expectations. Most of Pakistan 's labor force works in unorganized sector with low- productivity, low-income jobs. Due to the fast-economic growth over the years has been unaccompanied by significant employment growth. Creating jobs in the country is the central challenge. The basic reason for this fiasco would be Lack of investment, opportunities, resources, energy crisis, high age retirement, poor education system and they list stands long.

The government is trying to reduce unemployment rate through bank loans and small business finance companies (SBFC). What can be done is that the govt. Should try to boost exports through broadening the tax base and lowering tariffs, develop package of development of agriculture sector, regulatory measure to attract foreign investments, provide more technical and vocational training facilities.

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Employment creation around the globe

By ALI SHAN

Being one of the most populous country of the world Pakistan is blessed with plenty of human resources but still Pakistan is ranked in the third world countries and despite having great number of human resources Pakistan is unable to create job opportunities. The most recent Human Development Report by the United Nations Development programs (UNDP) recommends Pakistan's working age population incorporates around 3.5 million jobless people. An extra 1.4 million individuals of working age will join the work power each year for the following five years. The growth in employment creation is necessary for Pakistan, to come up with appropriate strategies to tackle the issues of economic crises. Many developing countries are focusing on their business to create employment. Development finance institutions like the U.S.-based Overseas Private Investment Corporation (OPIC) were built on the understanding that the challenges the world face are greater than any government can address on its own. They also reflect the conviction that business can serve as a force for good in development. The creation of good jobs in the developing world, including in some of the world's poorest countries, is catalytic. The new projects OPIC supported just last year are projected to create almost 20,000 permanent jobs and an additional 37,000 temporary jobs in Latin America, the Middle East, Africa and Asia.

Developed countries like China, Japan, United states of America, Germany are focused towards their goals of creating employment and they are successful in achieving this goal. Supporting real foundation ventures, for example, air terminals, medical clinics and power plants, creates construction jobs that come with strong occupational health and safety standards.

Excluding agriculture, there are 104 million self-employed and unpaid family workers in developing countries, representing 37 per cent of the non-agricultural workforce. Self-employed persons and the small firms which they establish have enormous potential for rapidly generating large numbers of new jobs and raising productivity to increase incomes, provided the right policy measures are in place to support them. Japan's economic growth has relied heavily on the proliferation of small rural enterprises. Today, 74 per cent of the Japanese workforce is employed by small and medium-sized firms. China created 101 million jobs between 1985 and 1991, 70 per cent in 'township and village enterprises', of which nearly half are privately owned. In many countries, a large proportion of small enterprises is established by women and employ predominately women. A proper blend of arrangements concentrating on access to innovation, preparing, credit, showcasing and conveyance channels can considerably quicken

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independent work, especially in the casual segment and rustic territories, and among women. Creation of new types of systems and organizations can create markets and jobs in many ways.

Pakistan can create employment by using their resources and by adopting the employment models of developed nations, they need to focus on their education system, need to open business opportunities for youth. Every government in Pakistan came up with new models to create employment but failed to provide jobs to their citizens. Pakistan needs around 7 to 8 percent growth rate in order to create two million jobs for the youth entering the job market, said Namoos Zaheer. (An official of World Bank while leading a delegation at the meet-up with businessmen of Karachi.) In the creation of jobs in various manufacturing and service sectors, Karachi must play a leading role but unfortunately, the city has been neglected for a very long period. Karachi is the country's financial and economic hub, generating 12-15 percent of Pakistan's gross domestic product (GDP), and is a powerhouse of manufacturing employment in the country. Different strategies for job creation may include

- Reducing input costs by reducing the tax burden on key inputs like energy
- By giving loans for new investments in key sectors
- Heavy investments in training and technical education by engaging world class institutions
- Making a social sector a priority for government investments

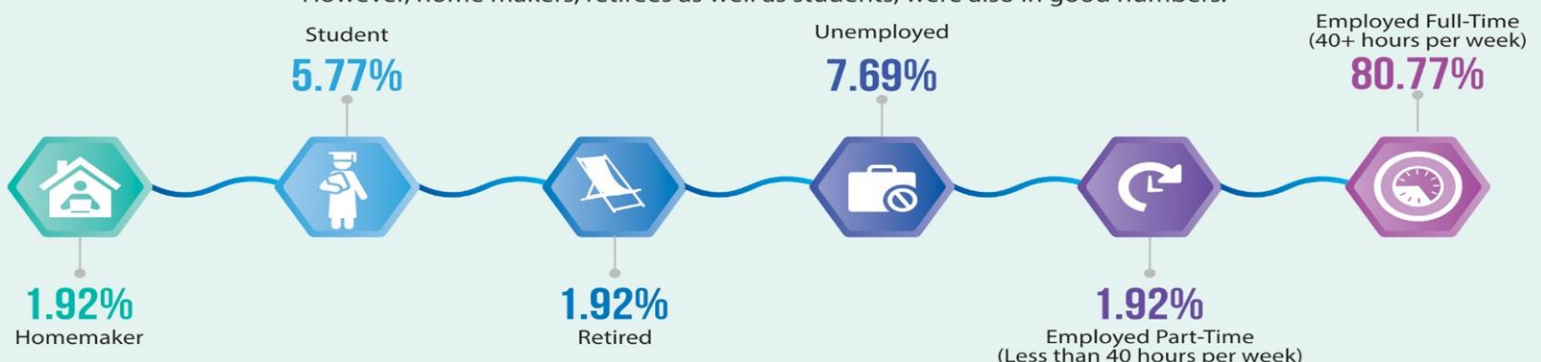
Government had to work hard to create employment opportunities and it can only be possible if our policymakers are determined to employ powerful strategies. The best step is to enhance the working ability of the institutions, by making mark in industrialization. CPEC is one of the projects in Pakistan that is creating job opportunities, the government needs to sign more projects with various other countries that can create employment in Pakistan. The foremost thing is to implement those strategies that are made by government and to improve them in public and private sectors.



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EMPLOYMENT STATUS

A large proportion of respondents included 'employed' (91percent). However, home makers, retirees as well as students, were also in good numbers.



ILLUME INTERVIEW CORNER

Interview with Mr. Akbar Durrani

Youth Employment and Private Sector Development Specialist
UNDP



ILLUME: What is Youth Employment Program of UNDP? Give a brief introduction?

Mr. Akbar Durani: It is merger of different smaller projects such as social engagement, economic development, entrepreneurship come up with a larger program “YOUTH EMPOWERMENT PROGRAM” its major focus is on

- Youth engagement and social activities, to engage them in different activities.
- Economic empowerment which includes employment, entrepreneurship, either to university or college students.

We have been working in Karachi from past four years, and smaller projects have merged into larger ones. We collaborate with the companies, pledge the demand from those companies and we offer job training to the youngsters of the vulnerable area of Karachi. We provide training like washing, back end checking, quality checking.

We have trained over 1400 youngsters and now they know much about the factory equipment.

ILLUME: How UNDP have worked with youth in KP government by training thirty 3300 young males and females with skills on demand by IT in industry and support their job placement?

Mr. Akbar Durani: Our college graduates are highly in demand for the information and technology center. We provide skills like data analyzing and computing by the help of KP IT board.

Talking about employment, we are initiating behavioral change to initiate their own business by telling them about revenue, profit, loss etc. for the people who want to start their small businesses. We are only working in KP and have been training students as talking about the results we have just started the projects so the surveys would be conducted within sometime. For instance, there was much behavioral change in them.

ILLUME: UNDP has started a program Fori Mazdoori. Would you like to tell us about that?

Mr. Akbar Durani: UNDP and Fori Mazdoori have partnered to reinforce the advanced spine of Pakistani work showcase. The association will fortify the continuous arrangement of a nexus of coordinated efforts for a stage with an open-API structure. Both parties will work together under the framework of UNDP Kamyab Jawan - Youth Empowerment Programme and explore specific activities that will contribute towards the monetary strengthening of the adolescent by empowering and empowering their more extensive advanced incorporation subsequently adding to the accomplishment of sustainable Development goal. The Fori Mazdoori platform allows potential employers to search for skilled workforce near a digital user which also enables the workers to become the part of Fori data base by walking into any of Fori enabled physical retailer outlets across Pakistan. Fori Mazdoori has setup the retail network by working together through unique partnerships with the telecommunication sector, banks and courier companies with major physical retail presence.

By mentioning the current employment in Pakistan, he explained that this program is going to help the youth but not only youth the people of all ages which are unemployed. This program will provide connect you to over 53000 professionals around the world.

ILLUME: Any message for Youth?

Mr. Akbar Durani: Get the education and skills to work in agency. This is era of development and they should focus on building up their skills because the nature of work is changing, there is a need to keep moving with modern world. Keep them motivated, keep up with the technology, and keep the energy level high so they shall not be left behind.

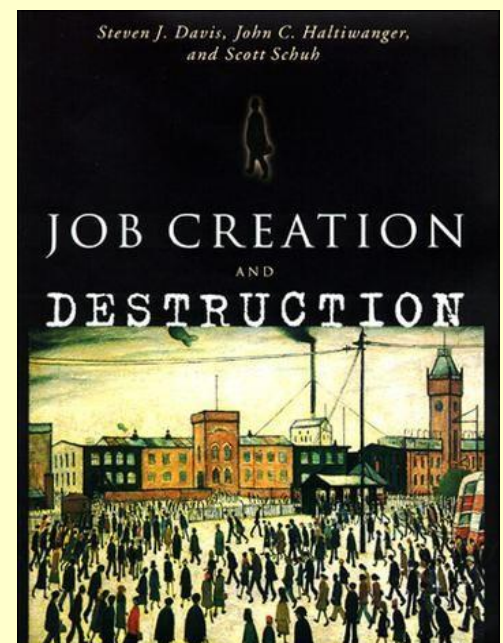
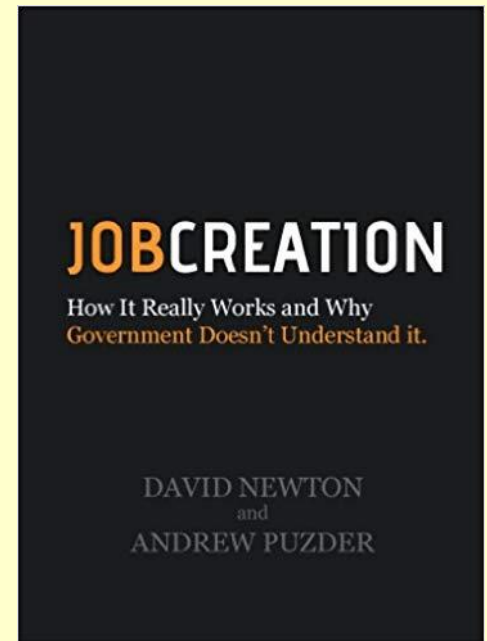
BOOK REVIEWS

Job Creation: How It Really Works and Why Government Doesn't Understand It (Job Creation USA, Volume 1)

Entrepreneurship professor David Newton and corporate CEO Andrew Puzder show how The Certainty Factor is the primary driver of economic growth and explain the core principles of how robust job creation really works. The American private sector has always been the initiator of new employment. Entrepreneurial ventures and R+D investments consistently introduce the product and service innovations that create new industries, expand existing markets, and put millions of people to work. But government doesn't understand it. Government's misguided attempts to orchestrate labor markets and the economy through higher taxes, increased regulatory requirements, and wealth redistribution are antithetical to both job creation and American free enterprise. Centralized government planning and federal intrusion into the private sector have long track records of consistent failure, as runaway deficit-spending, endless borrowing, and higher taxes do nothing except create more economic uncertainty that discourages venture investment, profit incentives, and job creation. The authors provide a framework for instilling strong optimism among U.S. businesses to renew domestic investments in profit-making opportunities that will create millions of new jobs in the coming years.

Job creation and destruction

Job Creation and Destruction is the culmination of a long, ongoing research program at the Center for Economic Studies. Using the most complete plant- level data source currently available—the Longitudinal Research Data constructed by the Census Bureau—it focuses on the U.S. manufacturing sector from 1972 to 1988 and develops a statistical portrait of the microeconomic adjustments to the many economic events that affect businesses and workers. The picture that emerges is one of large, persistent, and highly concentrated gross job flows, with job destruction dominating the cyclical features of net job flows.



Re-discovering Pakistani Traditional Cuisine' held on June 28th, 2019

Pakistan is diverse in its culture and also considered to be one of the most famous for its traditional cuisine. These mouth-watering cuisines can easily make you amazed about the diverse food and rich culture Pakistan has stored. HRDN and IRM collaboratively came up with the idea to re-introduce the elapsed traditional Pakistani Cuisine to HRDN members and other guests.

In connection to this, HRDN in collaboration with IRM celebrated 'Pakistani Traditional Cuisine' in a form of flamboyant event on June 28th, 2019 at IRM Rooftop, IRM Complex, Islamabad.

HRDN introduced various scrumptious cuisines from different regions of Pakistan. Through which the vast culture and colors of Pakistan were highlighted and the guests were able to reconnect, bond and network over food in a contented ambiance. Traditional music like Sattar and Violin was also presented during the event by renowned musicians i.e. Mr. Raees Ahmed, Tamgha-e-Imtiaz and Mr. Wajeeh Nizami. Generous sponsors of the event were Hashoo Foundation and IRM. The startling arrangement at the rooftop were done by IRM team that was applauded by all the guests. Distinguished guests who were the part of this eventful occasion included Mr. Iftikhar Durani (Special Assistant to Prime Minister), Moroccan Ambassador, Few renowned Parliamentarians, CEOs of various NGOs, Several senior serving and retired Army officers, Staff and BoD Members of IRM and HRDN members.



CEO AND CHAIRPERSON HRDN WITH MR. IFTIKHAR DURRANI, SPECIAL ASSISTANT TO PRIME MINISTER



CEO AND CHAIRPERSON HRDN WITH SENIOR HRDN MEMBERS



H.E. MR. MOHAMED KARMUNE MOROCCON AMBASSADOR TO PAKISTAN WITH HRDN TEAM



REPRESENTATIVE FROM HASHOO FOUNDATION

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HRDN Upcoming Events

Sr No.	Activity	Tentative date
1	Workshop on ' Media Anchoring and Public Relations ' for YWLC participants	July, 2019
2	Workshop on ' Pursuing Social Action Project to achieve Sustainable Development Goals ' for YWLC participants (in collaboration with OXFAM)	August, 2019
3	6th Join a Movement (JAM) to UZBEKISTAN (TASHKENT – SAMARKAND)	September, 2019

Get yourself registered!
We are open for memberships.

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