

**Towards a Strategy for Employment-oriented  
Human Development**

**DR. ISHRAT HUSAIN**

**His Excellency the President of Pakistan, Governor Sindh, Mr. Chancellor,  
President and Members, Board of Governors, Faculty Members, Ladies and  
Gentlemen.**

Let me first of all thank the President of the Institute of Business Management, Mr. Shahjehan S. Karim, for inviting me to be the guest speaker on the 3<sup>rd</sup> Annual Convocation of the Institute of Business Management. It is indeed a pleasure to know that the Institute has achieved a place of prominence among the academic institutions in the area of Business Management and Finance in a very short time. This is reflected, among other things, in the market evaluation of the graduates of the Institute which is the ultimate test of competence. This has been made possible through the commitment of the Institutes' Management to high standards of academic performance, engaging a highly qualified faculty and attaining a very low staff-student ratio. Such a performance is particularly significant at a time when a plethora of similar institutions that have cropped up in the field all over the country, have failed to attain the required standard of academic performance. The College of Business Management is offering high level degree courses in a variety of fields. In particular, the Internship Program and the

research orientation of the MBA Program reflect the scope and quality of courses. It is a welcome development that the Institute is giving due importance to enhancing Pakistan's international contacts through conferences and other academic activities. The present as well as the proposed activities of the Institute, alluded to by the President of the Institute, leave no doubt in my mind that not only the academic standard attained so far will be maintained but will be improved further to make the Institute a pride-worthy center of the academic excellence.

On this occasion, I wish to share some of my thoughts with the audience on a subject which is of critical importance to the future generations of this country. We, the Pakistanis excel in articulating our differences openly and publicly. But if there is one particular aspect of our economic and social life on which there appears to be almost a consensus it is on investing in human development. Academics, researchers, public opinion leaders, media, pundits, policy makers, practitioners all agree that this is the issue which deserves top national priority. It is true that we have neglected human development for a long time and are therefore suffering today for this omission. Countries which were less advanced than us have surpassed us because they invested in education in ways that enhanced their productivity. The challenges which we face in the 21<sup>st</sup> century and the threats which the forces of globalisation pose to weaker and ill-prepared economics have made it even more incumbent upon us to produce the kind of manpower that is equipped to meet these challenges forcefully.

**Education plays the pivotal role in this thrust towards Human Development. Aside from its economic value there are other intrinsic values which good and sound education imbibe in the citizens of a nation. Tolerance of others' view points, respect for human rights and dignity, appreciation of the cultural diversity, fostering of civic responsibilities and nurturing the elements of national cohesion in a multi-ethnic society are some of the values which good and sound education can confer and promote.**

**At the same time we should be aware that half-baked and poorly designed educational systems can create the entirely opposite effects. Limited access to education, high pricing of quality education, use of educational degrees as an entitlement for government positions and privileges can generate large benefits for a small class of the population to the exclusion of the majority. In order to protect these privileges and entitlements this class of educated elite exploits cultural, religious and ethnic differences to their personal advantage. They help widen the existing gaps and create misunderstandings and tensions among different segments of the society and interpret the interests of their classes, biradris, tribes and provinces etc., in terms of their own selfish interests.**

**A dysfunctional system of education perpetrates narrow selfish and parochial values compared to the broader, collective, harmonious national interests which a well-designed system can inculcate. The difference in these two diverse outcomes lies in the choice a country makes in the strategy of educational**

development. East Asian countries have by and large made considerable strides by pursuing a strategy of education which has catalysed achievement of high economic growth with distribution of benefits shared widely by the population. Employment opportunities were created by the system for those entering the labour force. On the other hand, Sri Lanka and Cuba, have attained almost universal literacy and have high indicators of human development. But the problem in both these countries is that this high level of human development and educational attainment has not translated itself into equally high level of economic betterment for the majority of the population. Per capita incomes are stagnating, unemployment rates are rising, social tensions are escalating and emigration rates are high. What accounts for such sharp differences in the outcomes when both sets of countries had given priority to education and invested in human development. The trick lies in designing a strategy of educational development and the delivery mechanism which are consistent with other facets of development particularly with productive employment. How can we ensure this consistent approach? There are several ingredients which are associated with success factors.

First, the macroeconomic policies and the enabling environment should ensure stability, generate impulses for equitable growth, inspire confidence among domestic and foreign investors to invest and create new employment opportunities. Fiscal monetary, exchange rate, trade, agriculture, labour market policies should all be linked in a consistent framework.

Second, the trade regime should be open, flexible and integrated with the World economy. Those who argue for an insular, inward looking economy having little to do with the rest of the World are condemning the country to a low level equilibrium of poverty. A small economy with a national income of \$ 60 billion can achieve much higher incomes by capturing market shares in an ever-growing pie of world trade.

Third, the education system, at the primary level, should be universal, compulsory, free and financed by the State. But the delivery system for primary schooling should be broad based and open to the private sector, NGOs, community and village organizations. The State can finance these institutions directly or through aid-in-grant, stipends for the students from the poor families.

Fourth, the post-primary schooling should have a truncated approach. Those who terminate at the high school level should be equipped with the skills and training in the fields of agriculture, industry, services which can earn them middle level skilled jobs in the economy. Those who wish to pursue higher education should be selected purely on merit and aptitude through a rigorous system of screening. The poor among those selected should again be provided financial assistance to pursue their studies.

I would today devote most of my remarks to higher education. In terms of the content of higher education we should place emphasis on natural sciences, mathematics, technology, business management. At present we are producing

surpluses of graduates and post graduates in arts and humanities while there is a shortage of quality manpower in science and technology. The curriculum of these courses in science and technology should be re-designed to reflect the demands of the labour markets. Practical and hands-on problem solving approaches and real life projects should be made part of the curriculum and given equal weight with the theoretical and conceptual exposition.

Coming close to the subject in which you have received training, i.e. business administration, there is a need to combine class-room instruction, case-study method, assignment with a company to solve a particular problem with increased use of interactive learning through Internet. The abundant resources which have become available within the reach of each and every individual through the Internet are being hardly utilised. Sitting at your home in Karachi you can now access the most recent literature on financial sector development or new accounting techniques or personnel management. Those who confine themselves to the narrow domain of their syllabus or memorise course material to pass their examinations are minimising their chances of employability.

Life-long and secure employment with the Government or a private established firm have become a reminiscence from the past. The new term is employability which means life-long and continuous learning and adaptation to an ever changing environment around you. Those of you who believe that the degree you have obtained today is the end-all of your education and learning are sadly

**mistaken. This training has exposed you to the methodology, techniques and resources for learning. This is just the beginning of a long, arduous road which you have to traverse every day of your life if you have to remain employable. The World is becoming highly competitive and it is only those, who can bring in new skills and innovative ways of doing things, will have demand for their services. Those who believe that their experience in one set of jobs will take them far in their lives will find that they were on the wrong track. What you can contribute to the productivity, efficiency, market share and profitability of the company will determine whether you have a job or not, whether you will advance in your careers or not.**

**One other area where the present system of education in Pakistan has not helped us very much is the emergence of new entrepreneurs. All of you must have heard stories about students at MIT, Caltech, Harvard Business School who never completed their studies, never scored 'As' at their examinations but had an idea which they worked hard to translate into a workable business. Some of them became millionaires overnight, some of them became paupers but each of them took a risk. Unless some of you choose to take risk and decide to forego a well planned, secure career path for yourself Pakistan will never be able to create a class of dynamic entrepreneurs who thrive on ideas, niches, opportunities and thus provide a competitive edge for Pakistani products and services. I hope and trust that at least 5 or 10 among you will look beyond the restricted horizon of finding a job with a**

**multinational corporation and try to use your entrepreneurial juices to set up new businesses and new firms of your own.**

**I have rambled a lot in this long discourse but the main message I want to convey is that we have to develop a new strategy of human development in which employability, continuous learning, adaptation and skill acquisition are given primacy instead of obtaining degrees, memorising materials to pass examinations and becoming complacent after securing a job. This strategy requires a different set of values, mindset and actions by individuals, educational institutions, employers and the government planners. Unless we all work together to put this strategy in practice we will be ill-equipped to face the emerging challenges of globalisation and integration.**

**In conclusion, let me once again offer my congratulations to those graduating today. I wish them best of luck in their chosen paths and hope that at least some of them will emerge as leaders in their respective professions.**