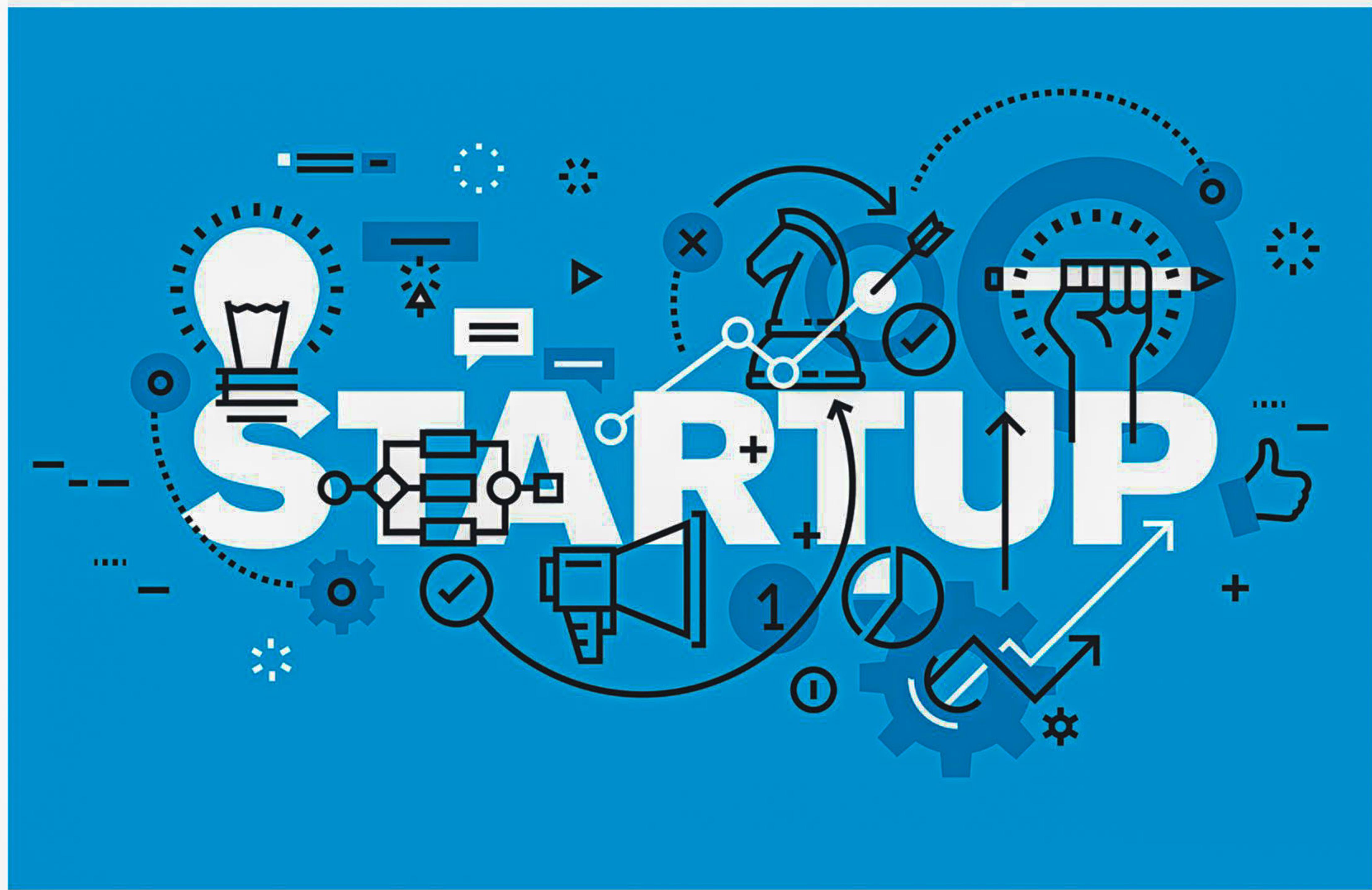


# ENTREPRENEURSHIP AS A KEY TO YOUTH EMPLOYMENT

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## Some ways to reduce youth unemployment



আন্তর্জাতিক ইসলামী বিশ্ববিদ্যালয় চট্টগ্রাম  
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CONTINUED FROM PAGE 32

If we want to encourage the young citizens of our country to become the great inventors and entrepreneurs of tomorrow, then we must also support them through easier access to financing and better government policies.

Given the way our financial sector has been performing, it can be said broadly that it has made the possibility of financing new businesses extremely difficult for young people. When banks grapple with non-performing loans (NPLs) in ways that our financial institutions are at this moment, they become reluctant to finance new business ventures even when those ventures show great promise to succeed. This form of "overheating" in the financial/loan market may contribute quite substantially in preventing new businesses from setting up and flourishing, by making it difficult for potential entrepreneurs to get access to financing through the traditional banking channels. This should provide another reason for the government to fix the numerous problems that are plaguing our financial sector—and have been for a very long time.

Through improved regulatory oversight and strict adherence to banking policies, the government could ensure that businesses that have the capability of becoming big employment generators in future, are able to establish themselves with the help of the necessary financial assistance from banks.

But even if it manages to increase the contribution of banks in financing new businesses, the amount of funds that can be made available to young people may not be optimised through that alone. To optimise resource allocation, the government therefore could also partner up with the private sector and encourage established corporations to work and perhaps even invest a part of their R&D budgets in the innovative ideas of start-ups and new businesses if they see some benefit in it.

Along a different path, one major aspect of focus for the government

takes to succeed in just about any other country in the world where corruption is not as high as it is in ours.

As a result, many of these brilliant young individuals tend to go abroad to either start their own business, or to work for some of the biggest and most reputed companies in the world. While some may think that's a good thing as it reduces competition in our domestic job market, that is actually the wrong way of looking at it. As we are seeing increasingly around the world, it is new ideas and inventions that are now the central generators of employment, as automation continues to rapidly replace humans in performing more rudimentary jobs. Therefore, what we are actually losing are highly qualified people whose creative abilities could

**The government needs to realise that at the end of the day, businesses tend to thrive where there is more freedom and less bureaucracy. It is with this in mind that the government should adjust its existing policies, as well as formulate new ones.**

generate many more jobs than are being left for others to grab in their absence.

And even besides that, those who are choosing to get employed at established companies in Bangladesh, simply because of the overwhelming red-tape and other troubles of setting up a business

Although these steps along with others can help young people become self-employed and owners of their own businesses, not everyone is tuned nor aspires to become an entrepreneur. Which is why, government policies must be set up considering how to benefit these people also.

What is odd about unemployment being higher among the more educated sections of our youth is that a large percentage of the top echelons of managerial positions in different industries of our country are being held by foreign workers. Aside from reducing the scope of employment for Bangladeshis, what this also does is cause large outflows of money from our domestic economy in the form of remittances.

There is, however, nothing wrong with businesses looking to hire the most qualified employees they can find. What we should concern ourselves with is trying to find out why those who are being considered as the most qualified for top managerial positions are not Bangladeshis. That is, what capabilities are lacking in our workers, and what can be done to change it.

As is well known, Bangladesh is currently enjoying what is recognised as a period of "demographic dividend". Unfortunately, we haven't really been "enjoying" it as much as we've been scratching our heads, trying to figure out what approach to pursue to make the most of this demographic dividend.

Yet, the truth of the matter is that there is no one "best" approach. And to get the best outcome, what is needed is the application of different measures that, when combined together, can connect and create net positive outcomes when it comes to generating more job opportunities, especially for our young people. Be that through encouraging young people to start their own businesses, or by providing them with greater skills as per the demands of the labour market.

What is obvious is that whoever fails to adapt quickly to the demands of our changing times will eventually get left behind. Thus it is up to us and our policymakers to make the choice of not falling into that category by being proactive, rather than reactive, in our actions, and to try and make the most of the opportunities that are coming our way, during the Fourth Industrial Revolution.

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