

# Youth Aspirations and Future in Bhutan's Transformation

*Dinh-Long and Kunzang Wangmo, UNDP*

Bhutan's youth recorded the highest happiness score of 0.797 compared with the national score of 0.781, as per the GNH Report 2022. However, they encounter a myriad of challenges that hinder their full potential.

## Youth Unemployment

In 2023, the national unemployment rate stood at 3.5 percent. The youth unemployment rate is exponentially high at 15.9 percent, with male youth at 13.4 percent and females at 18.3 percent. Particularly impacted by the COVID-19 pandemic are industries with high employment potential, such as tourism and hospitality. Multiple interventions are undertaken by the government to maintain the labour market's optimism and close the gap between the supply and demand for talents and jobs. Nonetheless, there is still a huge mismatch in the demand and supply of skills, which could get worse given how quickly the labour market is evolving.

## Outward Migration

In recent years, the productive section of the population has been seen migrating to Australia, the USA, and Canada. In early 2023, the outward migration was recorded at an exponential number of 5,000 every month. The pursuit of higher income, better economic opportunity, greater financial security, a more secure future, higher living standards, and access to better education are some of the reasons. Since the inception of the Overseas Employment Programme in 2013, 8,606 Bhutanese have moved to the Middle East as of June 2023, of which 6,082 are in Kuwait, 884 in Qatar, 1,413 in UAE, 203 in Bahrain, and 24 in Oman. The Overseas Employment Programme is targeted at youth with a minimum of 10th standard qualification.

## Mental Health and Societal Pressure

Bhutanese youths are experiencing unnecessary pressure from traditional social standards and expectations which may have an adverse effect on their mental health. Anxiety, depression and other psychological difficulties can result from things like family expectations, academic stress, and the stigma associated with mental health issues.

There were 11,038 cases of mental disorders reported in the Annual Health Bulletin of 2023. Anxiety disorders topped the list among young people, accounting for 36 percent of cases, closely followed by depression at 23 percent. Female youths experience anxiety and depression at twice the rate of male youths. Nonetheless, a higher proportion of young males were noted to have mental health disorders associated with substance and alcohol addiction.

Bhutan graduated from the status of Least Developed Country on 13 December 2023, amidst the COVID pandemic and economic distress. Furthermore, Bhutan aims for a \$10 billion GDP and to be recognised as a “high-income nation” that adheres to SDGs and GNHH’s guiding values of inclusivity, resilience, and sustainability.

Productive people are essential for achieving enormous national ambition. Young people should obtain the knowledge and skills necessary to participate in a productive economy. They also require access to a job market that can employ them once they enter the workforce. Bhutan has 199,111 vibrant youths, comprising 25 percent of the total population. It is estimated that the number of youths worldwide will increase by seven percent in 2030, reaching around 1.3 billion. However, because of the declining fertility rate and rising migration, Bhutan’s young population is shrinking.

## Education

The literacy rate of the young population had made a significant improvement, from 86 percent in 2012 to 98 percent in 2022<sup>1</sup>. The net enrollment rate in basic education is 92.71 percent, with female enrollment rate at 96.32 percent and male enrollment at 89.22 percent. However, the

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1 World Bank: <https://data.worldbank.org/indicator/SE.ADT.1524.LT.ZS?locations=BT>

enrollment rate at tertiary level in Bhutan has seen a gradual decline since 2019. In 2023, the growth in enrollment in tertiary education is negative (-16.4 percent). The tertiary education within Bhutan in 2023 was 15.96 percent, as opposed to an 18.36 percent enrollment rate outside Bhutan. This indicates youths' preference for education outside Bhutan.

## **Entrepreneurship and Start-ups**

Entrepreneurship is another area where Bhutan's youth are demonstrating their interest. By 2023, a total of 3,664 youths had undergone entrepreneurship training under the skills development plan and start-up programme.

During the 12<sup>th</sup> Plan (2019-2023) period, there were 170 new start-ups and 555 jobs created, through diverse government initiatives, namely the start-up incubation centres, Fablabs at tertiary institutes, and platforms for business idea growth. Inspired by GNH and guided by principles of sustainability, young entrepreneurs are promoting organic agriculture, waste management, eco-tourism, traditional crafts, and digitised services.

These entrepreneurial endeavours are not only generating employment opportunities but also contributing to the diversification of Bhutan's economy. For instance, 61 start-ups completed the springboard programme with success. A global initiative to develop a start-up ecosystem, the springboard is jointly implemented by the Ministry of Industry, Commerce and Employment and UNDP in Bhutan. Yoga Yangchen, Mobile Gaming Community, and Home Décor and Floristry were a few unconventional business ideas that have grown over the years and with springboard learning. Twenty new firms have applied to the Springboard programme in 2024.

## **The Era of Transformation and Opportunities it Offers**

### ***Gyalsung (National Service)***

Gyalsung is Bhutan's national service for youths who are 18 years in 2023, or born in 2005 and later. It is a year-long mandatory programme to empower youths to actualise their full potential and dreams. The prestigious programme is guided by the Gyalsung Act, of 2022. The Act applies to all Bhutanese youth living in Bhutan and outside. A total of 12,184 youths

registered in February 2024, as the first batch of Gyalsung. Around 13,000 youths are expected to undertake Gyalsung every year.

All youths enrolled will undergo basic military training, national education, life-skills other specialised training. They will have the opportunity to improve their capabilities, further enhance their knowledge, skills, and competencies to succeed in life and contribute to nation-building. Youths from vulnerable backgrounds will particularly benefit as they will be exposed to opportunities in education and the job market. Young Bhutanese from Australia, USA, Canada and other countries will have the opportunity to immerse themselves in Bhutanese culture and values of *tha damtshig* and *ley jumdrej*.

### **New Government in 2024 with Focus on Youth Development**

The People's Democratic Party assumed political power on 28 January 2024. There is political leadership, as their manifesto highlights the importance of youth development. They pledged to provide unemployment support allowance and skill-building programmes, and offer ongoing career counselling, to facilitate a seamless transition from educational institutions to the job market.

A dedicated youth chapter in the manifesto highlights entrepreneurship development, business incubation centres, employment facilitation services, and technical and vocational education. Youths will be able to participate in overseas study and employment programmes. With globalisation and digital-enabled freelance job options, young people today are extending the job market beyond Bhutan's boundaries. Concessional education loans will be made available for young people to upgrade their skills and education.

### **Economic Development Focus in the 13th Plan (2024-2028)**

Bhutan is aiming to become a high-income nation with a GDP of \$10 billion in 2034. The 13th Plan envisions a healthy, prosperous, and secure Bhutan, built on the three key pillars of "prosperity, people and progress", and aims to achieve half of the target GDP, i.e. \$5 billion.

The economic transformation has the highest budget of \$1 billion out of the total outlay of \$6.1 billion. The plan highlights development in fields

of technology and creative green solutions, STEM education, high-quality infrastructures, alternative renewable energy, and active private sector engagement in the development arena, all without compromising social sectors like health and basic education.

An estimated 173,606 jobs is projected in the 13th Plan in diverse fields: 125,160 employment opportunities in agriculture and livestock; 1,446 jobs in mining; 30,000 jobs in tourism; 10,000 jobs in manufacturing; 2,000 jobs in construction; and 5,000 digital entrepreneurs' opportunities. The objective is to achieve full employment of 97.5% with quality jobs by 2028. Young people will need to make wise career decisions that align with the growth of the economic sectors. With this background information, they will be able to make educated decisions regarding their future careers and professional growth.

### **Bhutan's Shifting Digital Environment and How It Affects Young People**

Bhutan's digital environment is evolving quickly. In Bhutan, 99.6% of homes have access to the Internet. The government, corporate industry, financial sector, service providers and citizens were all compelled to go online due to the COVID-19 lockdowns and social distancing measures.

The younger generation needs to keep up with the most recent advancements, particularly in the digital sphere. A total of 19,724 requests for foundational ID have been received as of January 25, 2024, following the National Digital Identity (NDI) Act, 2023. Admission to Gyalsung, De-suung, education, and training institutes is online. G2C services, online banking, and taxation systems are embracing Bhutan NDI at a rapid pace.

However, some young people may fall behind if they do not always have the means to keep pace with the changing digital landscape. Most young people these days use mobile devices as their primary means of accessing government websites that provide online services—like those for college admissions and security clearance—which need to be made mobile-responsive.

Bhutan reported in the press recently that bitcoin profits serviced half of the wage of civil servants. The cryptocurrency news is rapidly spreading,

generating interest among people. A casual Facebook community for Bitcoin admirers in Bhutan was established. This group has over 820 followers, sharing learning information on the crypto landscape.

Another group called the Bhutan AI community was established by young enthusiasts for artificial intelligence, with the goal of fostering an inclusive AI ecosystem so that all Bhutanese citizens are aware of the AI landscape and can be mobilised to support policies and development that will enable AI.

### **Gelephu Mindfulness City**

Bhutanese youth will play a critical role in the development of the Gelephu Special Administrative Area. The Gelephu Mindfulness City (GMC) is a special zone that is being built in the southern foothills of Bhutan. It is a big project, spanning over 2,500 square kilometres, and everyone in Bhutan is excited about it. The goal of GMC is to boost Bhutan's economy. It will attract people from all over the world, potentially reaching a population of one million.

Right now, GMC is a blank canvas for developers to create the only mindfulness city based on the principles of Gross National Happiness. In an effort to prepare for GMC, young business people from Zhemgang have begun a coffee planting enterprise on roughly 300 acres. Similarly, young people can get ready for the business, investment, and employment opportunities that GMC provides.

There are similar projects around the world such as the NEOM (Saudi Arabia) city project that stretches over 170 square kilometres and aims to cater to a massive population of nine million by 2039, offering a staggering 380,000 new jobs. Telosa (United States) is a futuristic US city envisioned to attract five million residents by 2050 within a 600-square-kilometre footprint. The ambitious project carries a hefty price tag of \$400 billion investment over 40 years. Such city projects create futuristic and innovative talents around the globe. With GMC development picking up, young Bhutanese talent, both within and abroad, is expected to be absorbed into GMC and Bhutan.

## Conclusion

Despite Bhutan's national goal of happiness, young people face significant obstacles. Youth unemployment, worsened by the pandemic's impact on tourism, is a significant barrier. Many skilled youths seek opportunities abroad, highlighting the need for sustainable growth within Bhutan. However, Bhutan's youth exhibit resilience. Educational achievements and rising interest in entrepreneurship reflect their vibrant spirit. Programmes like Gyalsung demonstrate a commitment to nurturing talent and fostering national contribution.

With the government emphasising youth development and ambitious economic plans, Bhutan is poised for transformation. The goal of becoming a high-income nation by 2034, aligned with principles of inclusivity and sustainability, emphasises the pivotal role of youth. Digital advancements and projects like Gelephu Mindfulness City offer unprecedented opportunities for youth innovation. To succeed in this transformation, Bhutan must prioritise investments in education, entrepreneurship support, and mental health initiatives. By empowering its youth and creating an enabling environment, Bhutan can realise a brighter and more prosperous future.

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