

THE POTENTIAL OF YOUTH FOR A DEMOGRAPHIC DIVIDEND

INVESTING IN HEALTH, EDUCATION, AND JOB CREATION

Investments in youth—particularly health and education—foster opportunities for developing a skilled and healthy labor force. Through strengthening health programs to address the full range of child, youth, and adult needs, children can grow into healthy adults who can contribute more significantly to economic growth. Education allows young people to learn skills to take on higher-quality jobs in a changing and growing economy. Through these investments, nations develop a labor force well equipped to move into new opportunities that emerge from a demographic dividend.

Three key areas of investment support young people's needs now and lead to a well-prepared and productive labor force in the future:

- **Strengthening Health Programs.** Improvements in health programs can foster the development of a population that is healthy and capable of contributing to economic growth.
- **Expanding Educational Opportunities.** Improvements in the quality of education and school completion prepare young women and men with the abilities they need to move into formal-sector jobs, earn higher wages, and contribute to a demographic dividend.
- **Creating Jobs.** Identifying sectors of the economy that can expand and foster job growth is essential to absorbing the incoming numbers of youth entering the workforce.

All these investments are necessary to harness the potential of Africa's young people for social and economic development—fostering increased prosperity for the country. They pay off in improving the health and well-being of current populations, and they help position countries to achieve the accelerated economic growth resulting from a demographic dividend.

GOOD HEALTH FOSTERS ECONOMIC GROWTH

A healthy transition to adulthood lays the groundwork for a healthy adult population—critical to realizing a demographic dividend. Healthy people are more productive, bringing greater resources and income to families and higher levels of economic growth for nations.

Public health programs help prevent health problems that can undermine a person's performance in school and on the job. Starting with infants and children, programs that promote good health and prevent disease and infection will help them grow and develop physically and intellectually. Health programs that provide immunizations and prevent and treat infectious diseases ensure that children are healthy and stay in school. Good nutrition—especially during the first 1,000 days of life—promotes physical, mental, and emotional growth and development among infants and young children, thereby

Defining the Demographic Dividend

The demographic dividend is the accelerated economic growth that may result from a rapid decline in a country's fertility and the subsequent change in the population age structure. With fewer births each year, a country's working-age population grows larger in relation to the young dependent population. With more people in the labor force and fewer young people to support, a country has a window of opportunity for rapid economic growth if the right social and economic investments and policies are made in health, education, governance, and the economy. Investments in today's youth population can position a country to achieve a demographic dividend, but the gains are neither automatic nor guaranteed.

fostering better intellectual capacity.¹ These positive health outcomes ultimately contribute to better educational outcomes and a more productive and higher-skilled labor force.

As children grow into adolescents, new health needs emerge, along with an opportunity to encourage healthy behaviors. Access to reproductive health information and services enables adolescents to avoid unplanned pregnancies and to prevent HIV and sexually transmitted infections—all of which can undermine educational opportunities. For adolescents, family planning information and services can help delay their first pregnancy until an age when they are physically, psychologically, and socially prepared for childbearing.

Addressing HIV prevention and sustaining treatment among both younger and older adults is vital to improving the health of Africa's population and the economic well-being of the continent. Health programs for adolescents also need to focus on prevention of smoking, drugs, alcohol, sedentary lifestyles, and obesity—all of which can adversely shape the rest of their lives and negatively affect a country's health care system and its economic development.

EDUCATION PREPARES YOUNG PEOPLE FOR HIGHER-SKILLED JOBS

Educated adults and their children are healthier and their contributions to economic growth are also greater than people with less education. Education for girls—especially at the secondary and higher levels—is a key development strategy because it increases the number of skilled adults who can participate in the labor force. Educated women tend to marry and start childbearing later, as well as have smaller families, a contributing factor for a demographic dividend.²

Primary education completion rates in sub-Saharan Africa are improving; current estimates show that 63 percent of girls and 71 percent of boys complete primary school.³ However, these completion rates are not uniform across the continent. Only 47 percent of girls and 64 percent of boys complete primary school in Central Africa, compared to 86 percent and 85 percent, respectively, in southern Africa.⁴ While primary school is important, the skills acquired through secondary and higher education lead to higher-paying jobs that accompany the demographic dividend. Research indicates that each additional year of primary school that a girl completes boosts her wages later in life by 10 percent to 20 percent. Returns on secondary school are even higher: Each additional year of secondary school increases her earnings by 15 percent to 25 percent.⁵

As boys and girls progress through school, the skills they learn become increasingly complex. Reading and math skills learned in early primary school are critical to virtually all types of work today. Yet skills acquired through secondary and higher education—the ability to gather information, understand social systems, and develop financial literacy—are vital to creating and filling higher-paying jobs. Governments need to invest in raising the quality of education to adequately build these skills for youth, while also providing more opportunities for vocational training to adapt to changing workforce needs. Postsecondary education programs

must adapt to the changing needs of the global economy by focusing efforts on engineering, mathematics, science, and other marketable skills that will make Africans more competitive in the international labor market.

The links between education and economic development are well established. Women who are educated are also more likely to work outside the home. Although 15 percent of women in sub-Saharan Africa earn formal wages and salaries, far more participate in the informal sector, and the skills and experience acquired through secondary education could position them to take on higher-paying jobs in the formal sector or have better chances of securing financial support for small businesses.⁶

CREATING JOBS FOR SKILLED YOUTH

Although population growth rates are slowing in many African countries, the size of Africa's large youth population—the youth bulge—will continue to grow. By 2050, there will be more than 400 million Africans between the ages of 15 and 24, more than double the number today.⁷ Adding such a large youth cohort to the working-age population means that African nations are faced with the challenge of creating sufficient, stable employment opportunities. Consequences for the economy should it fail to provide jobs for them include: a large number of unemployed or inactive youth, a growing informal sector with low productivity, and a smaller share of wage-employed workers.

To overcome this scenario, governments must develop economic policies that promote growth in sectors that are both labor-intensive and can contribute substantially to employment and GDP growth, such as manufacturing, retail, technology, and services. A successful jobs creation strategy must identify and promote expansion in these sectors in order to absorb the coming growth in the working-age population. As youth transition to healthy adulthood and gain job skills through education, jobs must be available if the current large number of youth is to become a dividend for a nation and spur accelerated economic growth.

THE PROMISE OF A DEMOGRAPHIC DIVIDEND: HARNESSING THE YOUTH BULGE

If today's large group of young people cannot find employment and earn satisfactory income, the youth bulge could undermine economic growth, peace, and security. Experiences from many countries have shown that a large population of jobless, frustrated youth has the potential to become a source of social and political instability.⁸ The right investments, however, will allow countries to harness the youth bulge for economic growth and improve the lives of young people today and in the future.

The extent to which Africa will be able to benefit from its youth and reap the rewards of the demographic dividend depends heavily on favorable policies. Key policy actions needed are those that expand youth opportunities, give them the skills to participate fully in the economy and public life, and promote healthy behaviors. To seize the potential of youth, leaders need to immediately prioritize the following policy actions:

Invest in child survival and health programs. Focus on simple child survival interventions (immunizations, prevention and treatment of infectious diseases, nutrition education) that ensure that children do not die before their fifth birthday and that they grow into healthier more productive adults. Reducing child deaths also stimulates a desire for smaller, healthier families that will set the stage for economic growth.

Invest in the reproductive health needs of both married and unmarried youth. Invest in programs and policies to reduce unintended pregnancies, delay and space births, and prevent the transmission of HIV and other sexually transmitted infections among adolescents. Removing barriers to family planning and reproductive health information, counseling, and services, and providing youth-friendly services that include contraceptive methods for free or at a very low cost are essential to increasing youth uptake of family planning.

Improve the quantity and quality of schooling. Expand school enrollments, especially for girls, and ensure minimum standards of quality—a driving force for improved quality of life and for lowering fertility. Ensure that secondary school and university education are relevant for the skills needed in the workforce, and provide equal educational and job training opportunities for girls and boys.

Enact and enforce laws to prevent early marriage (before age 18). Girls who marry young typically have children early and have more children than their peers who stay in school longer and marry later. They are also less able to contribute to the productive sectors of the economy and reach their full potential.

Enhance the job market. Ease barriers to starting work and encourage flexibility in hiring and job mobility, ensuring equal access to employment for young men and women. Providing incentives to businesses for job creation and encouraging private-sector firms to invest in training can accelerate job expansion.

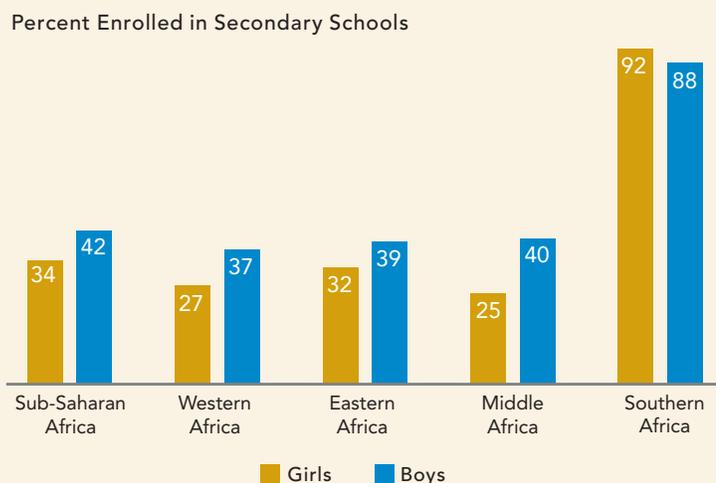
Pursue multisectoral approaches. Establish coordination mechanisms to combine the efforts of various government departments across ministries to enhance youth skills and opportunities. It is particularly important to link health and education programs and capitalize on potential synergies.

Encourage young people's participation. Enlist youth in designing and implementing policies, programs, and services that are directed at them. Youth involvement helps ensure that policy actions are relevant, and helps develop youth as partners and leaders in development. It's important that youth are viewed as assets and active agents of change, who can contribute their energy, idealism, and insights to a nation's growth and progress.

In a context where investments in child survival, family planning, and girls' education are lowering fertility and enabling the population age structure to change, accelerated investments in health, education, and job creation will maximize the potential of today's young people. Failure to take advantage of the demographic dividend could reduce development prospects, while policies and programs to enhance it could reap substantial rewards.

Variation in Secondary School Enrollment Across Sub-Saharan Africa, 2005/2010

The dramatic variation in secondary school enrollment ratios suggests uneven opportunities for realizing a demographic dividend throughout sub-Saharan Africa. In western, eastern, and central Africa, less than one-third of girls and only about 40 percent of boys are enrolled in secondary school, compared to 92 percent and 88 percent, respectively, in southern Africa. With such variations across regions and between boys and girls, some regions will lag significantly in achieving a demographic dividend without investing more in education.



Note: Data refer to most recent estimate available during the period 2005-2010.

Source: Donna Clifton and Ashley Frost, *The World's Women and Girls 2011 Data Sheet* (Washington, DC: Population Reference Bureau, 2011).

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