DEMOGRAPHIC CHANGE AND DEVELOPMENT

UNITED NATIONS EXPERT GROUP MEETING ON POLICY RESPONSES TO LOW FERTILITY
NOVEMBER 2, 2015

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Drawn from Global Monitoring Report 2015/2016

Using demography to identify economic and development potential

Demographic dividend

Age structure changes vary across countries

| Growth of Working-age Population Share, 2015-30	Total Fertility Rate, 1985		Total Fertility Rate, 2015	
	<2.1	>=2.1	<4	>=4
<= 0	Post-dividend	Late-dividend		
>0			Early-dividend	Pre-dividend

Note: The working-age population is defined as the share of the population aged between 15 and 64 years. Total fertility rate is the average number of births per woman in her lifetime.

Potential for demographic dividend parallels demographic transition

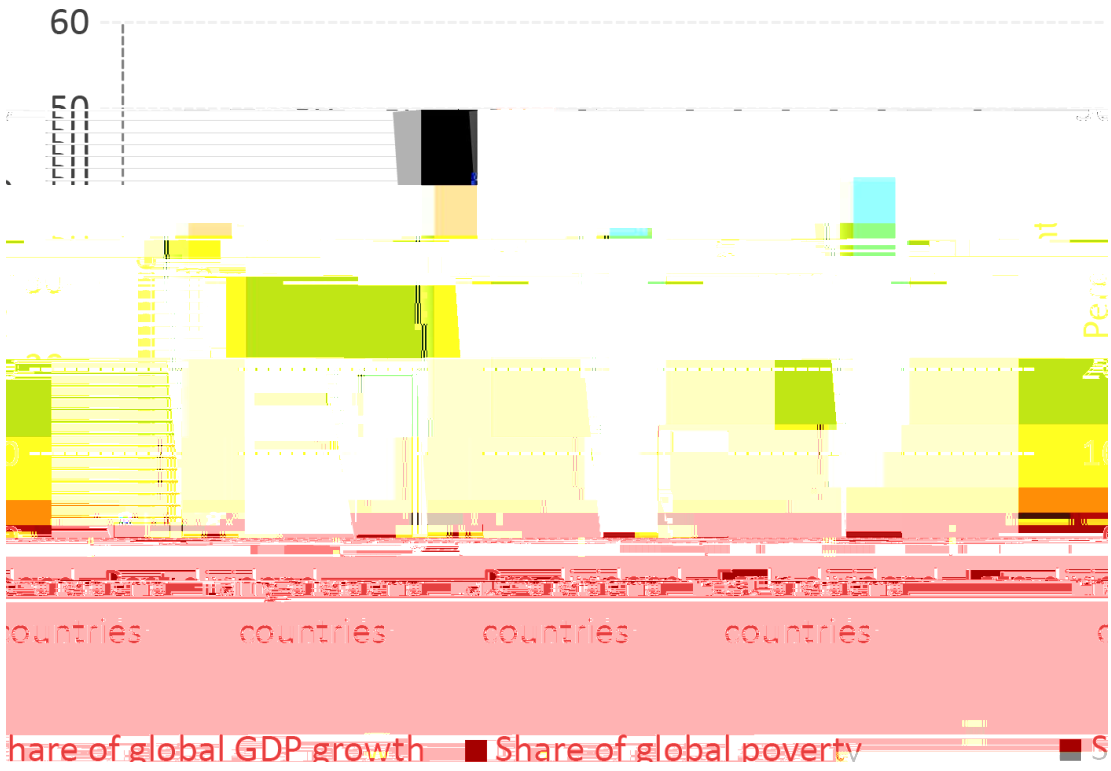# Most low-income countries are pre-dividend while most high-income countries are post-dividend

The world through the lens of the demographic typology
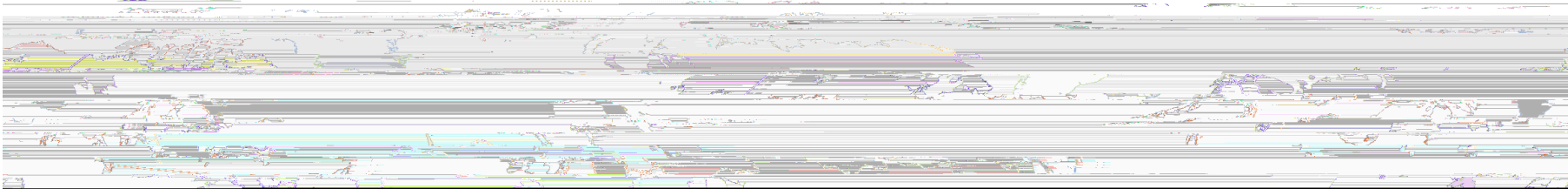
Centers of global poverty and engines of global growth

centers of global poverty in 2015
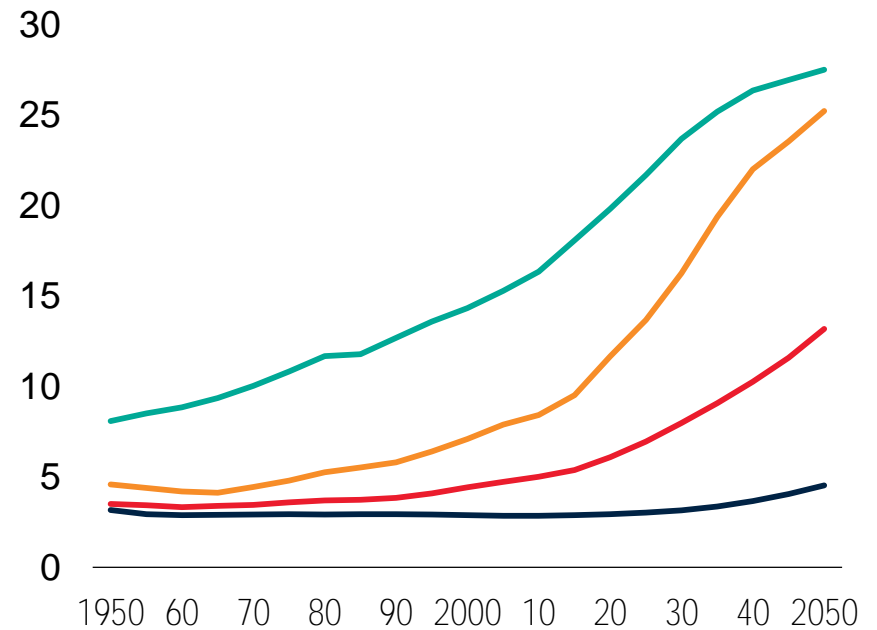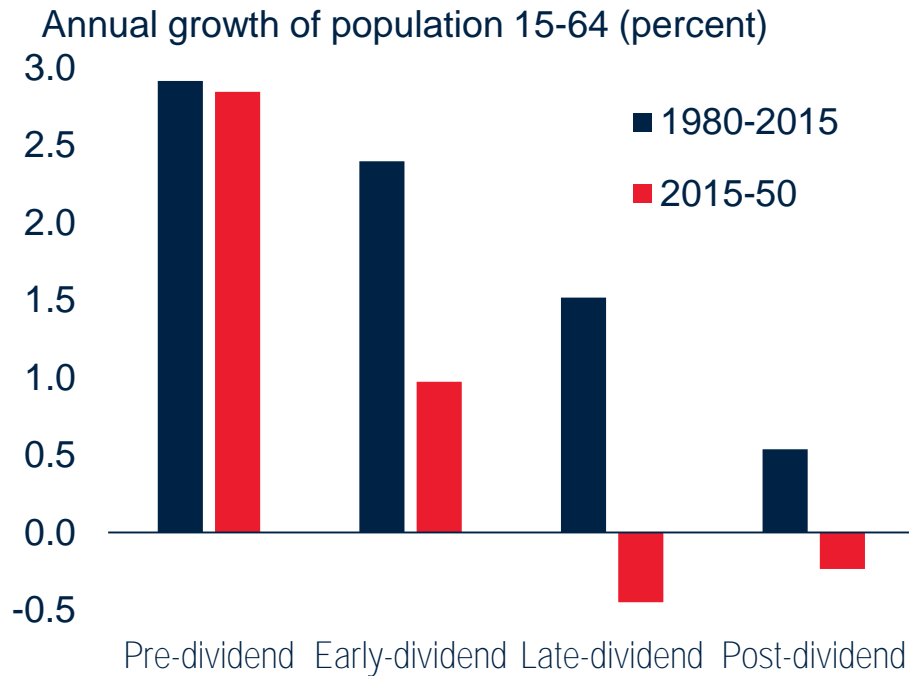while the **engines of global growth** accounted for 78 percent of global economic growth since 2000

Note: Based on data from Povcalnet

Prospects of development and demographic disparities
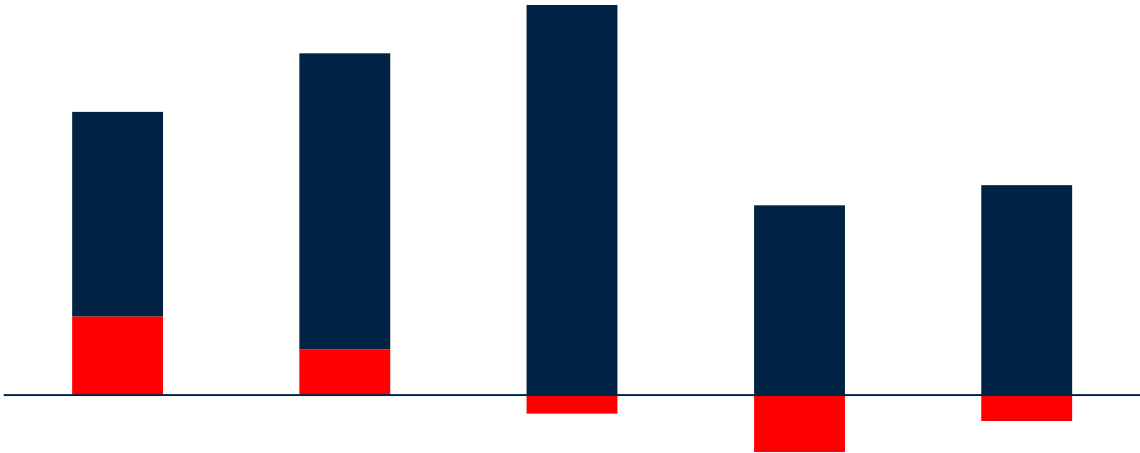
Annual growth of population 15-64 (percent)

Demographic change could be drag on growth in low-fertility countries and subsequently on the world as a whole

Average GDP per capita (annualized) growth over 2015-2030, percentage points

GMR 2015/2016

Priorities for the engines of global growth

Sustaining productivity growth

    Continued mobilization of savings for productive investment

    Ensure public policies across encourage labor force participation of both sexes

    Design cost-effective, sustainable welfare systems

Adapting to aging

    Reform welfare systems for fiscal sustainability while ensuring social protection

    Raise labor force participation rates & productivity of everyone, at all ages

    Pursue policies that encourage fe4p21>> BDC 7o3a7(ev)-3(ery)13(o/MCID

Leveraging greater globalization

Many policy priorities focused on harnessing or addressing demographic change within country

Scope for leveraging demographic differences between countries for own growth as well as positive development spillovers

    Migration

    Trade

    Capital flows

Channels are complementary

Generally, migration more constrained than trade and capital flows

Thank You

Global Monitoring Report 2015/2015

www.worldbank.org/gmr

Questions or comments?

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