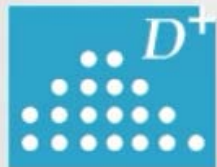




**HEALTH
POLICY
PROJECT**



The Demographic Dividend

A Window of Opportunity for the Next Generation

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Elizabeth Leahy Madsen**

Nigeria National Family Planning Conference
November 2012



USAID
FROM THE AMERICAN PEOPLE

What is the demographic dividend?

- A boost in economic growth promoted by a larger working-age population
- Promoted by the demographic transition: lower mortality and fertility rates
- Demographic change opens an opportunity for a dividend
- But for the dividend to be realized, socioeconomic changes must also be in place



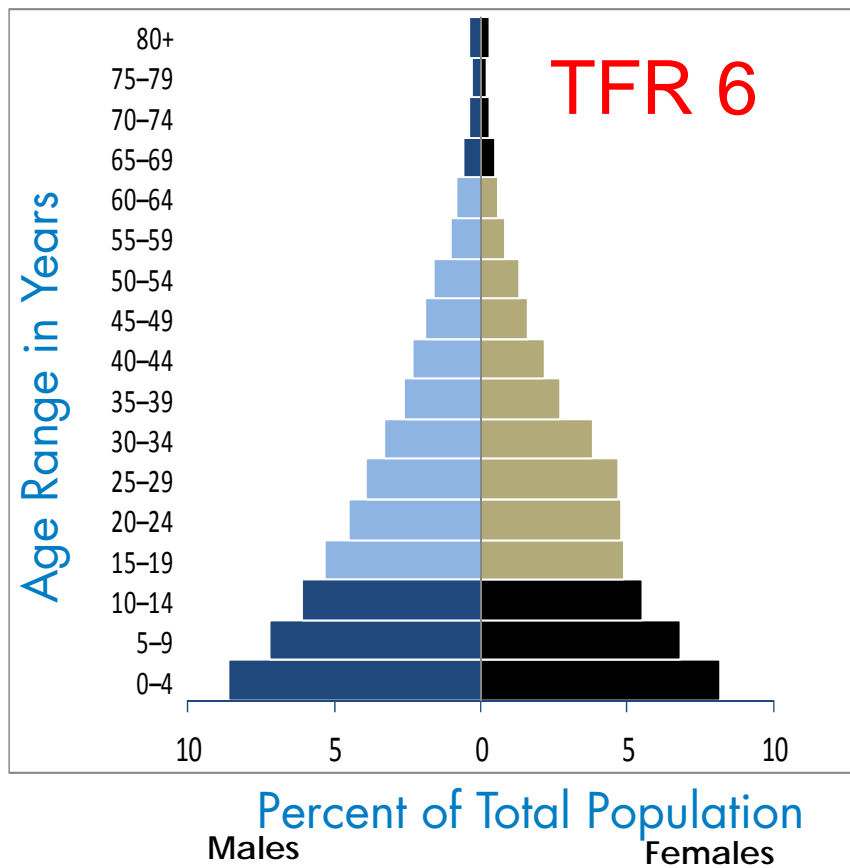


Dividend =

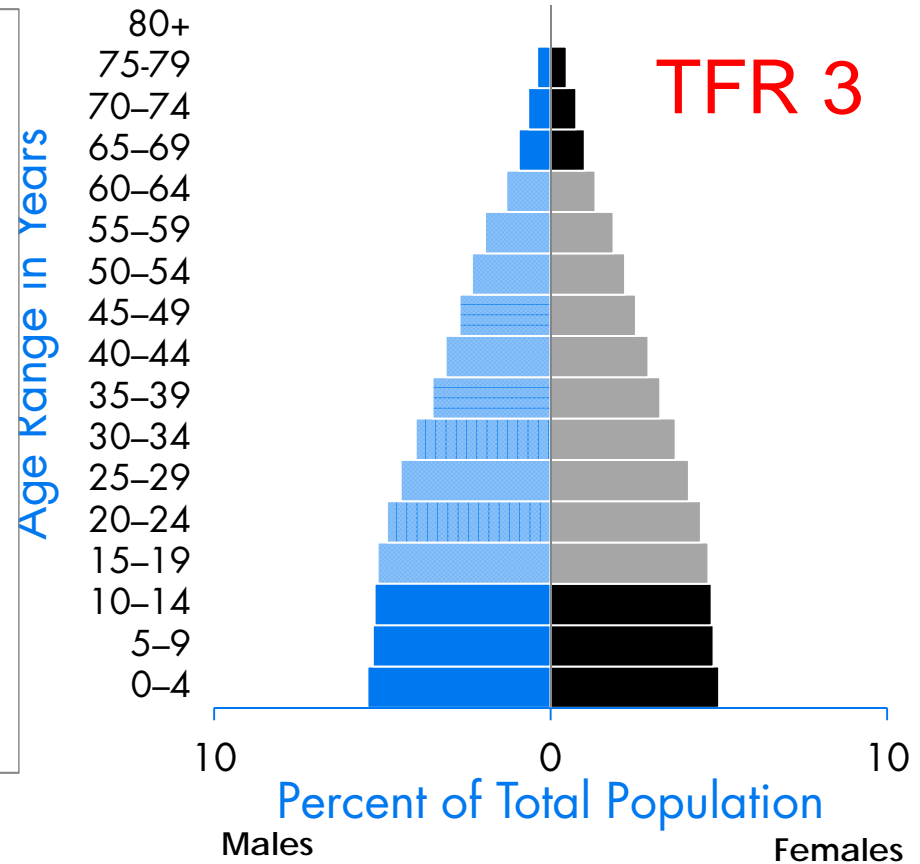
***Demographic
opportunity***

+ Socioeconomic policies

Different stages of opportunity

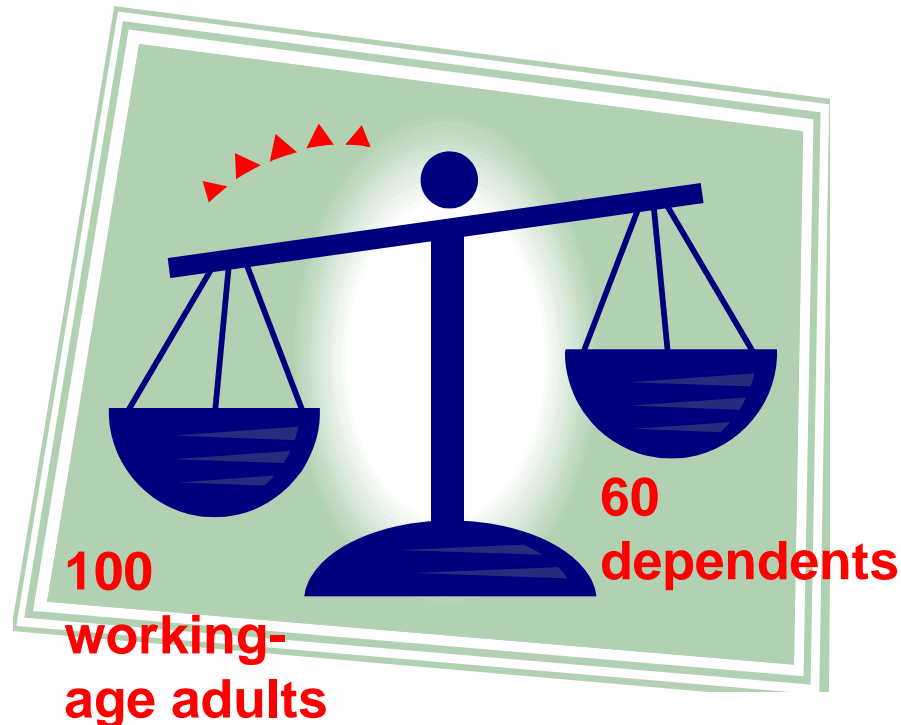


Nigeria 2010



India 2010

Demographic dividend opens when...

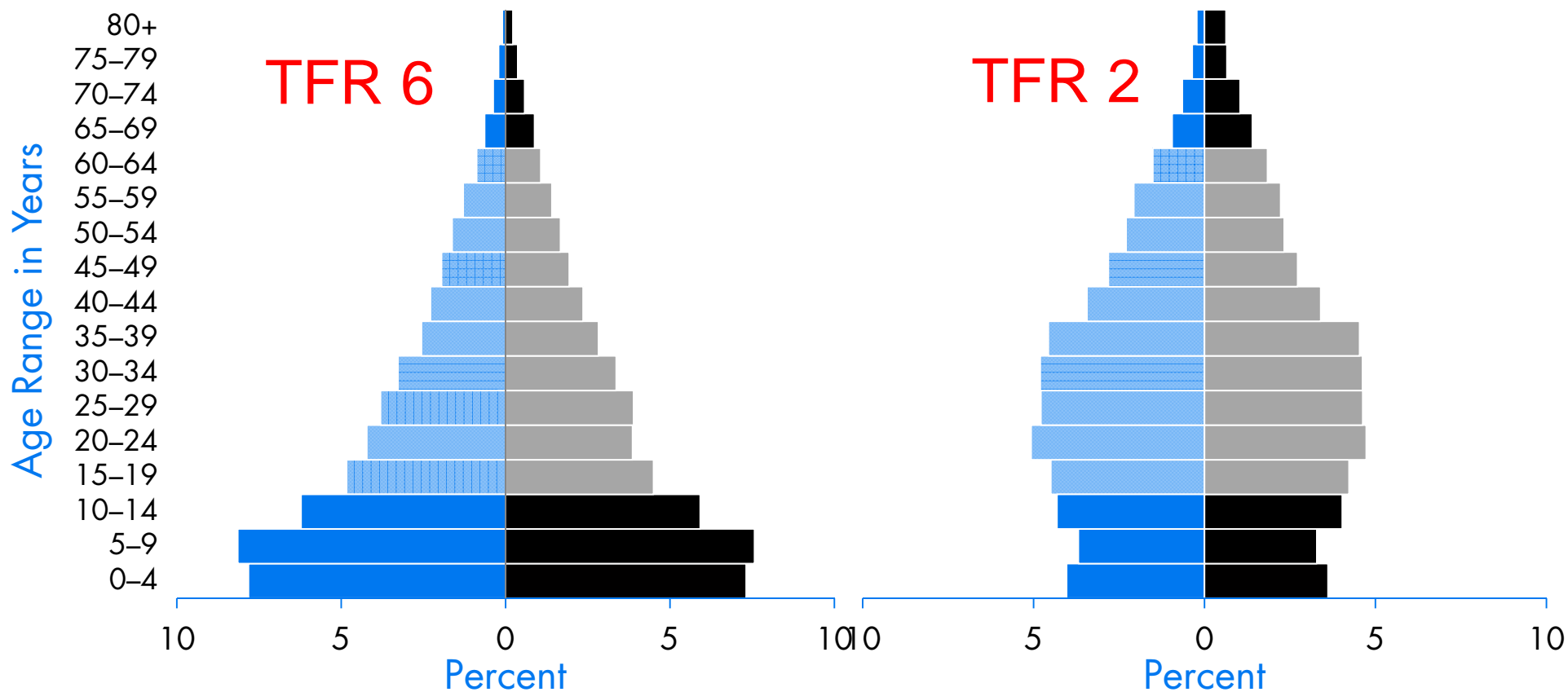


In Nigeria, every **100** working-age adults is supporting **86** dependents

This tends to occur once TFR is around 3

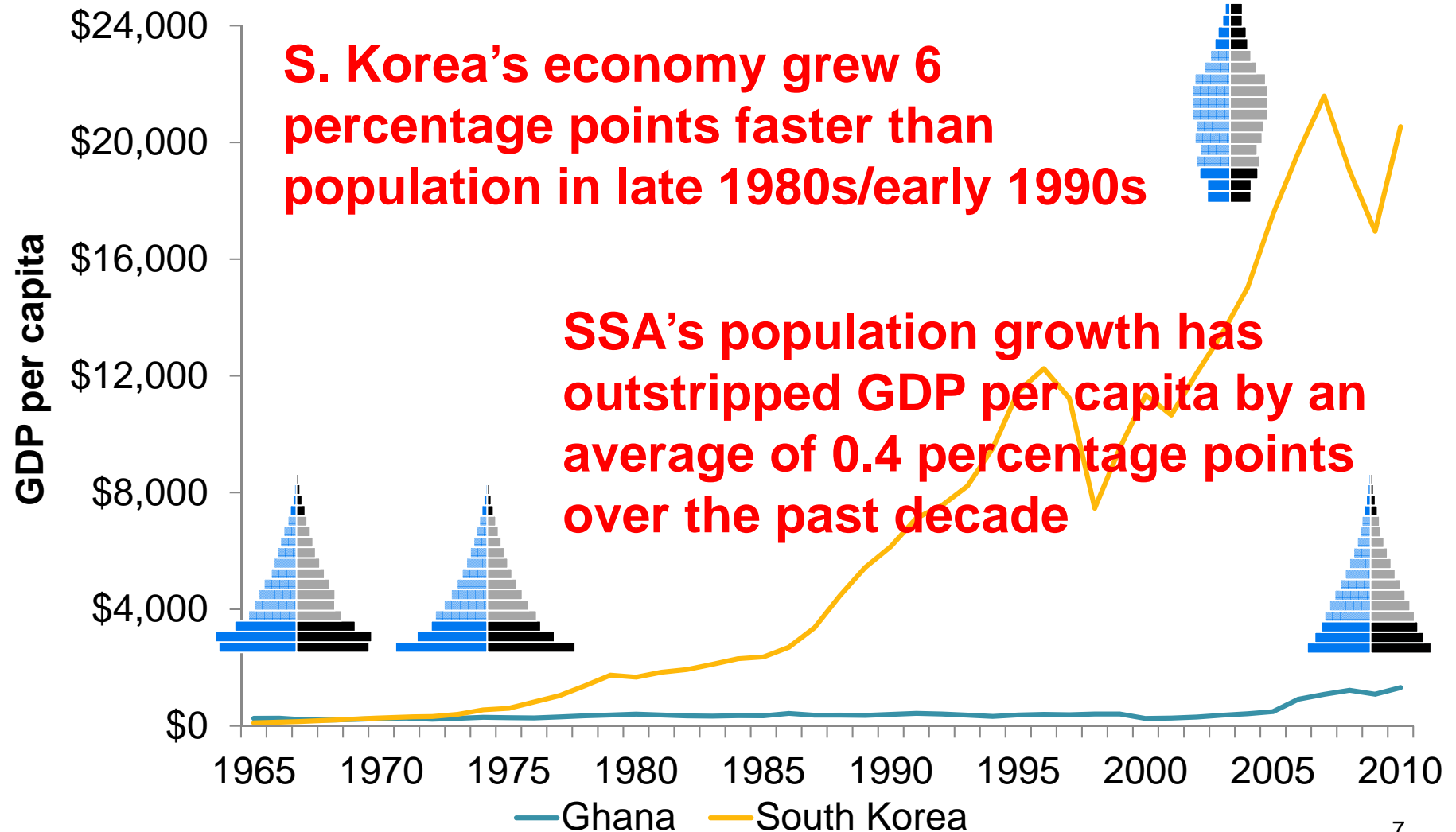
SSA Countries with TFR below 3—Botswana, Cape Verde, South Africa, Reunion, Mauritius

South Korea, 1965 to 1995

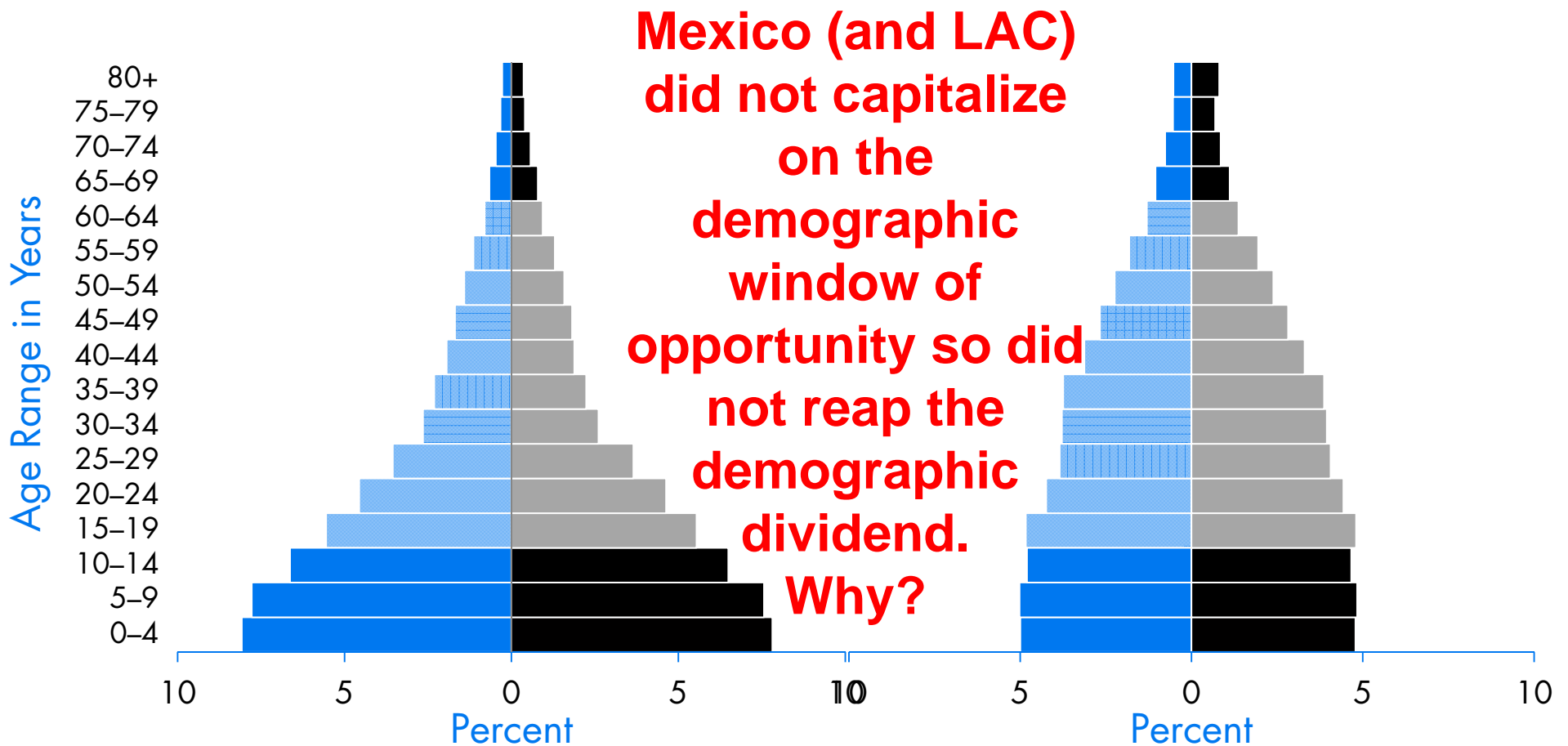


Source: United Nations, *World Population Prospects: The 2010 Revision*.

Two diverging paths



Mexico, 1980 to 2010





Dividend =

Demographic opportunity +

***Socioeconomic
policies***



It happened
in Asia ...

A demographic
dividend raised
per capita incomes
by 2 percentage
points per year.

What worked in East Asia

- Emphasis on education (especially secondary+)
- High savings rates
- Secure financial system
- Openness to trade
- Flexible labor market



And, it can
happen again
in Africa!



**Share of
children under
15 needs to fall
below 30% of
total population**

faster growth

**No country in
SSA has reached
the 30%
threshold yet**

Socioeconomic policies required

- Build human capital
- Achieve gender equity
- Stabilize the financial sector
- Improve transparency and governance

Governments such as Nigeria's need to start investing in all of these policies—in addition to FP—to be ready when the demographic window opens.



Photo by Nestlé



Thank You!

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