

AN OVERVIEW

The world faces continuing, though slowing, population growth of about 1.1 per cent per year. In the Asia and the Pacific region, growth is a little slower, just under 1 per cent per year. But there are enormous differences among parts of the region. According to the United Nations Population Division, the average annual growth is about 0.4 per cent in East Asia, 1.1 per cent in South-East Asia, 1.2 per cent in South Asia and 1.4 per cent in Oceania.

According to the United Nations medium population projection, the world's population will rise from 7.71 billion in 2019 to 9.74 billion in 2050, an increase of 2.02 billion or 26 per cent. Massive growth is projected for sub-Saharan Africa, about 99 per cent, accounting for almost exactly half of the global total. Growth in Asia and the Pacific will be much slower at just over 13 per cent.

Asia and the Pacific was home to 4.29 billion people in 2019 or 56 per cent of the world's population. The number is expected to increase to about 4.86 billion by 2050. But the region's proportion of the world's population will decline from 56 per cent in 2019 to about 50 per cent by 2050.



DEMOGRAPHIC MEGATRENDS AND THE 2030 AGENDA

Demographic megatrends from now until 2030 and beyond to 2050 have important implications for development. For a considerable time now, the ICPD Programme of Action has served as the overarching framework for the activities of UNFPA and other agencies concerned with population issues. The 2030 Agenda and the Programme of Action converge across several goals, targets and indicators, including a commitment to universal access to sexual and reproductive health and reproductive rights as well as promotion of gender equality and the empowerment of women. Changes in the way individuals are integrated into family and social groups are also arguably underemphasized in the 2030 Agenda.

The 2030 Agenda sets out 17 SDGs and 169 targets. The 2030 Agenda's overarching theme of "no one left behind" provides a particular focus on the most vulnerable and marginalized, which is also in keeping with the spirit of the ICPD Programme of Action. This provides an enormous challenge, however. For example, in both China and India, the incidence of poverty has definitely decreased, but inequality has widened. The same is true for Bangladesh, Indonesia and Viet Nam. With many people being left behind, it will be challenging to bring them into more inclusive development.

CONCLUSION

Countries in Asia and the Pacific have made remarkable progress in economic growth and human development over the past few decades, closely related to their success in moving towards demographic stability. But this stability in the aggregate masks considerable instability at the sub-regional and individual country levels, with some countries facing rapid population growth, some facing population decline, and a larger number located in a zone where future population growth will result mainly from demographic momentum, not from fertility above replacement level. There are certain commonalities in development policies needed to realize people's rights and choices, and to link demographic trends effectively with economic and human development as well as environmental sustainability, while leaving "nobody behind". But the diversity of Asia and the Pacific country situations means that policies to take maximum advantage of their demographic situation to achieve sustainable development have to be tailored according to individual country contexts.

This new policy research agenda, while varying across countries, needs to be consistent with the original vision inspiring the ICPD, and with strengthening and giving enhanced direction to that vision as well as to the objectives of the 2030 Agenda and the SDGs. Demographic trends are integral to meeting many of the goals, and must be taken seriously in this regard.



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SUSTAINABLE DEVELOPMENT, RIGHTS AND CHANGING DEMOGRAPHY

INTERACTIONS IN ASIA AND THE PACIFIC



●●● ECONOMIC GROWTH AND HUMAN DEVELOPMENT AND THEIR DEMOGRAPHIC UNDERPINNINGS

Over the past several decades, Asia and the Pacific has experienced slowing population growth and economic dynamism. The success of the “tiger” economies from the 1960s onwards, followed by China’s transformation from the late 1970s and India’s economic liberalization a little more than a decade later, placed some parts of the region at the forefront of world economic development. In parallel, an equally striking demographic transition took place.

At the same time, major differences have persisted across countries, and in most cases, across groups of people within them. The differences were less marked in the 1950s, when most people in most Asian countries were very poor, and had relatively high mortality rates, high fertility rates and low levels of education. Since then, East Asia has moved well ahead of the other parts of the region in economic and social development. Its performance in raising the educational attainment of both women and men has been outstanding, and it has reached very low fertility levels. Progress in South-East Asian countries has been more varied, but overall economic growth has been significant. Fertility has fallen to around replacement level. South Asia has not performed as well in terms of either human development or economic growth. Between 1990 and 2017, the gross national income (GNI) per capita (expressed in purchasing power parity (PPP) or current international \$) has increased by 5.1 times in South Asia, compared with 10.5 times in what the World Bank refers to as East Asia-Pacific excluding high income countries. But though fertility rates in South Asia declined more slowly than in East and South-East Asia up to the late 1980s, since then declines have been more rapid in South Asia, and by the late 2010s, overall fertility levels in South Asia were only slightly higher than in South-East Asia.

Demographic trends strongly influence development. In the 1960s and 1970s, the Asia and the Pacific region experienced very rapid population growth, resulting from a wide gap between falling death rates and still-high birth rates.

The differential growth of various age groups—broadly, working-age people, and younger and older people—has a number of implications. An important one is the “demographic window of opportunity”, a period of

variable duration but normally lasting more than half a century following a decline in fertility. During this time, the proportion of dependants to the working-age population decreases, remains low and finally begins to rise as the share of elderly increases. This “window of opportunity” can be turned into a “demographic dividend” if good use is made of the development opportunities it provides, and people as a whole are able to realize their reproductive rights and choices.

Asia and the Pacific countries today are at different stages of benefiting from the demographic dividend. Countries where fertility declined earliest are experiencing rising dependency ratios as large cohorts pass from working age to old age, with relatively few younger people to replace them, thus increasing the share of older people in the population. Countries nearing replacement level fertility are mostly now benefiting from low and still declining dependency ratios. Countries where the total fertility rate (TFR) is still above 3 are in the early stages of a decline in dependency ratios.

Countries that take maximum advantage of the demographic dividend can better position themselves to support an ageing population. Japan and the Republic of Korea have succeeded in this respect. There are actually two demographic dividends, which take place sequentially. The first is a direct consequence of the rise in the working-age share of the population. It is largely a consequence of a growing labour force supporting fewer children. Provided that additional job seekers find decent work (a very major proviso, not always met), average standards of living will be higher. The effect will be felt at the household level as well as at the economy-wide level. The second demographic dividend arises when faster growth of the working-age population leads to greater savings in the short run, and higher investment in human and physical capital and investment per worker in the long run.

While dividends can be significant, there is also the risk that benefits can be largely frittered away: with the first dividend by giving insufficient emphasis to investment in people’s rights to be healthy and educated, and to sound macroeconomic policy emphasizing the creation of decent work; and with the second (among other issues) by failing to maintain the pace of physical and human capital accumulation needed to spur labour productivity in countries with rapidly shrinking working-age populations.

●●● THE STATE OF DEVELOPMENT IN THREE SUB-REGIONS OF ASIA AND THE PACIFIC

Among Asia and the Pacific countries, basic indicators of development vary. East Asia is in general ahead, followed by South-East Asia and South Asia. Across the region as a whole, however, there are wide differences among countries. South-East Asia in particular shows an enormous range between Singapore, one of the world’s wealthiest countries; upper middle-income countries (Malaysia and Thailand); and several lower middle-income countries (Indonesia, the Philippines and Viet Nam), including poorer countries (Cambodia, Lao People’s Democratic Republic and Myanmar). Rankings in terms of human development, which depends on economic advances as well as investments in health and education, tend to mirror economic differences, but far from perfectly. Bangladesh, Sri Lanka and Viet Nam, which have made consistent investments in health and education services, rank more highly on human development indices than on measures of income alone.

The ranking of countries in terms of proportions of people living in poverty bears a fairly close relationship to their ranking in terms of per capita income. Most major Asia and the Pacific countries have shown substantial declines in proportions living in poverty since around 1980, a trend consistent with their generally substantial overall economic growth. Using the poverty headcount measure of \$1.90 per day (purchasing power parity or PPP) of the World Bank, poverty levels in Bangladesh, India, Lao People’s Democratic Republic and Nepal are higher than in other countries of the region. Poverty rates below 10 per cent are recorded in China, Mongolia, Philippines, Indonesia, Pakistan, Myanmar, Thailand and Viet Nam. The rate is below 5 per cent in China, Mongolia, and Viet Nam, and only just above zero in Thailand, although with issues around the comparability of data.

The three most populous countries of the region (China, India and Indonesia) contain 40 per cent of the world’s population and 71 per cent of the population of Asia and the Pacific. China has 86 per cent of East Asia’s population, India 71 per cent of South Asia’s and Indonesia 41 per cent of South-East Asia’s. A few brief comparisons of these countries will be useful in setting the scene.

Since 1980, China has sustained an average increase in GNI per capita of 9.1 per cent, India of 4.8 per cent and Indonesia of 3.7 per cent. While China’s growth was remarkably rapid, the growth in India and Indonesia, too, was rapid enough to enable substantial reductions in poverty. The latest figures, for 2018, show China having attained a gross domestic product (GDP) per capita (in PPP terms) of \$18,120, Indonesia of \$13,176 and India of \$7,795.

The performance of these countries in terms of gross educational enrolment ratios at the secondary school level mirrors their relative ranking in terms of per capita GDP. China has made remarkable progress in raising the ratio from less than 40 per cent in 1990 to very close to 100 per cent in 2013. Indonesia also made considerable progress, reaching a ratio of over 88 per cent in 2017, but India lagged by comparison. In terms of relative enrolments of males and females, though, India made good progress. Around 1990, females were only 36 per cent of secondary school students in India, 41 per cent in China and 45 per cent in Indonesia. By 2013, all three countries had reached a figure of around 47 to 48 per cent.

One key feature of development in Asia and the Pacific has been the rapid expansion of the middle class. Definitions of the middle class vary, but a 2010 report from the Asian Development Bank—defining it as those with consumption expenditures of \$2 to \$20 per person per day in 2005 PPP dollars—found that in developing Asian countries, the middle class rose from 21 per cent of the population in 1990 to 56 per cent by 2008, a remarkable increase. The numbers and proportions are much larger in China than in India, though growing rapidly in both countries.

The definition of the lower middle class including people consuming \$2 per day is very generous. Those consuming \$2 to \$4 per person per day are highly vulnerable to slipping back into poverty. This vulnerable group makes up more than half of the middle class in China and 75 per cent in South Asia. The Asian middle class has significantly lower income and spending relative to the Western middle class, although the growth of its expenditures has been remarkable, especially in China.

