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Past and Future Demographic Trends:
Fears, Facts and Policy Implications

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At ICPD 1994

Cairo, September 13, 1994. All the countries have approved one of the most transformative and consequential agreements of the United Nations, the Programme of Action of the International Conference on Population and Development (ICPD). During the past 30 years, with its application you have changed the world for the better. I am honoured to be here celebrating with you, the leaders of this movement. You saved lives, helped empower

unless there is a fertility rise or a significant increase in the number of immigrants, in about 60 countries from all regions their population size would decrease. However, the population in many countries is still rising, as in the case of Sub-Saharan African countries, which would add close to 900 million between today and 2050. These countries and others from Asia still have considerable demographic inertia that will allow them to increase their population for many more decades, even if population growth rates are declining. These countries will need huge investments to strengthen human capital.

But a critical challenge in terms of population growth, particularly in Sub-Saharan Africa and parts of Asia, is brought by rapid urbanization. By 2050, 68% of people will be living in urban areas. Cities in Africa, like Kinshasa and Luanda, have added a second floor every 15 years or less in the last three decades, posing significant urban planning challenges. I always asked myself how local governments can overcome these challenges. The short answer is that they can't. UN HABITAT estimates that by 2020, half of the urban population in Sub-Saharan Africa live in slums, with rates in Kinshasa and Luanda at 78% and 63%, respectively.

Urbanization also intersects with climate change. Globally, over 815 million people live in "low elevation coastal zones", and 84% are in urban areas, heightening their vulnerability to climate change-related risks like heatwaves, which have a more pronounced impact in cities due to the heat island effect. Just this month, on April 3, Mali recorded 48.5°C, and the Gabriel-Touré Hospital at Bamako announced an important surge in excess deaths.

can lead to higher savings for retirement and more investments in youth. Other benefits come from increased work participation by women and a fairer division of unpaid care work (gender dividend).

As population ageing is one of the expected results of the demographic transition, we may expect that policymakers know well about coming trends and inform sound policy decisions. But how prepared are middle and low-income countries for these changes? If we take the case of pensions, they are not ready to ensure older people's economic security in the future. For example, in most countries of Latin America and the Caribbean, partially because of employment informality, an average of 45% of workers are not contributing to or affiliated with a pension scheme, with little change over many years, even after significant pension system reforms that took place in the region. The situation in Asia is not so different. Some countries are facing the challenge of low coverage, particularly for the poor, by increasing coverage of employed workers, and by increasing pension benefits for those over 65 through non-contributory (social pensions), which are gaining importance as a tool to stave off the adverse effects of this trend and decrease poverty in older age. But this may not be sufficient or can become too costly.

Although many elderly rely on alternative income sources, such as family support, this source is also at risk. Questions about who is currently taking care of older adults or who will take care of them in the future are increasingly important, especially in countries where fertility is very low, simply because the number of family members that can provide care is becoming increasingly reduced. Many see the "care economy" as an excellent opportunity for countries dealing with this deficit. ILO, for example, has estimated that by 2035, long-term care services for older people in Indonesia will help create about 4.3 million direct jobs.

When it comes to population ageing, our progress as a society must be measured by how the demand for social services by an increased number of older people will be addressed, considering many older people will become

Developed economies that face the risk of population and labour force decline and increased ageing can