

# The demographic bonus: how prepared is Africa for the gains?<sup>1</sup>

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## Abstract

*This paper examines the prospects of Africa's changing age structure in favor of a temporary surge in the proportion of the working age population and the possibility of benefitting from the implied human endowment via appropriate development strategies a la South-East Asia.*

*An attempt to gauge the preparedness of sub-Saharan African countries in order to take advantage of the incipient demographic bonus, using South-East Asia as the platform of best practices, shows that sub-Saharan Africa must, on the average, grow the GDP to a higher level, reduce both public and private consumption expenditure in order to save and deepen more her investments in education at all levels and also enhance private spending on health. Besides, intra-African comparisons on the development efforts towards the attainment of the MDGs shows that a lot of sub-Saharan African countries are too slow to adapt to the changing age structure with appropriate social and human capital development policies and programs.*

*Other important variables required, from the South-East Asian experience, are more investments in physical infrastructures, services and industrial production which are essential for employment generation in the economy.*

## Introduction

As most of the African countries, like South Asia, are approaching the peak of their youth dependency and gradually transiting into the second stage of a temporary surge in the working age population, a situation that is almost terminating in the East Asian countries before the onset of ageing, the following inquiries appear to be timely and pertinent:

- a. What is the state of Africa's demographic transition at this point in the millennium?
- b. What are the *a priori* socio-economic implications of the changes in the youth dependency burden and the temporary bulge in the proportion of the prime working ages?
- c. How prepared is Africa to take advantage of the demographic bonus in term of her human capital invest-

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ments vis-à-vis those of South East Asian countries at comparable stages of demographic development?

- d. What are the possible outcomes of inappropriate development policies for human capital development in

the context of Africa's demographic transition?

## The state of Africa's demographic transition

**TABLE I** Trends in age distribution in Africa subregions and South East Asia (1970-2020)  
**Age Groups**

0-14 YEARS							15-24 YEARS					
YEAR	SSA	EAST	SOUTH	WEST	NORTH	SEA	SSA	EAST	SOUTH	WEST	NORTH	SEA
1970	44.4	45.8	42.4	43.7	45.2	38.1	18.5	18.6	18.8	18.3	18.6	19.0
1980	45.2	46.3	42.1	44.0	43.5	34.2	18.6	19.1	19.6	18.5	19.7	19.0
1990	45.4	46.2	39.6	45.6	42.2	27.3	19.2	19.4	20.2	18.0	19.4	21.0
2000	43.0	45.2	34.6	44.0	36.4	24.6	20.0	20.1	20.6	20.1	21.1	15.3
2010	42.4	43.7	31.1	42.6	31.4	19.2	20.3	20.5	20.3	20.0	20.0	16.2
2020	39.7	41.1	29.3	39.0	29.0	18.0	20.2	20.3	18.0	20.1	17.1	12.3
25-59 YEARS							60 YEARS AND OVER					
YEAR	SSA	EAST	SOUTH	WEST	NORTH	SEA	SSA	EAST	SOUTH	WEST	NORTH	SEA
1970	32.2	31.0	33.3	33.1	30.6	35.8	4.0	4.6	5.5	4.0	5.6	7.1
1980	31.2	30.0	33.2	31.8	31.2	38.0	4.8	4.6	5.1	4.8	5.6	7.0
1990	30.7	29.0	35.1	30.8	32.7	42.4	4.7	4.5	5.1	4.7	5.7	6.3
2000	31.3	30.1	38.0	31.2	36.1	48.0	4.8	4.6	5.0	4.7	6.4	11.2
2010	32.4	31.1	41.4	32.6	41.4	50.7	4.0	4.7	7.2	4.8	7.2	13.0
2020	34.8	33.6	42.5	34.0	44.0	51.4	5.3	5.0	6.3	5.1	6.0	18.3

### Notes

SSA-Sub-Saharan Africa; EAST-Eastern Africa; SOUTH-Southern Africa; WEST-Western Africa; NORTH-Northern Africa; SEA-South-East Asia; **Source:** United Nations Population Division, Population Estimates, The 2001 Revision.

While the question raised by Livi Bacci (1994) about when a demographic transition begins is relevant to our discussion of the state of Africa's demographic transition, recently available data and their diagnosis suggest that the region as a whole is experiencing the beginning of a fertility decline (Dudley Kirk & Bernard Pillel, 1998; J. Cleland, I. Timaeus and N. Onuoha, 1991).

The Demographic and Health Sur-

veys conducted between 1986 and 1992 indicated that although fertility levels in the mid-1980s were still high and contraceptive prevalence low in most countries, successive surveys conducted till 1995 showed the evidence of an initial fertility decline in two-thirds of the countries of sub-Saharan Africa. In most of these countries, the magnitude of the decline is modest. The fertility transition has not begun everywhere at

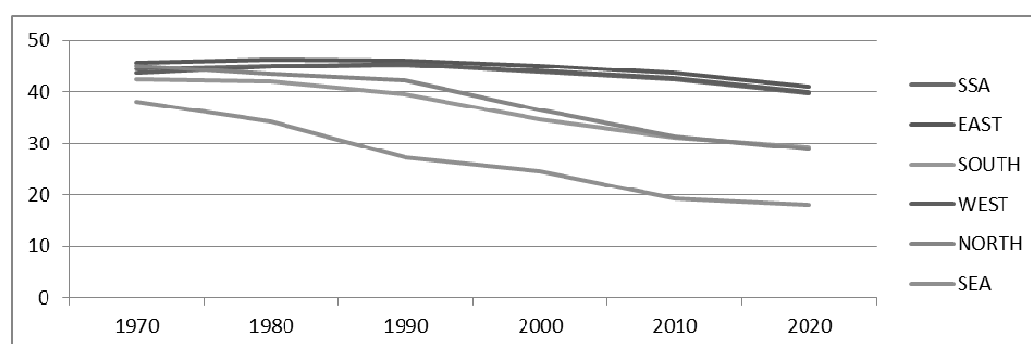
the same rate, and there are clear regional differentials. In particular, it would seem that in a group of countries in East and Southern Africa, the fertility transition is now well established and progressing at a rapid pace than in West Africa.

It is conclusive that fertility has declined substantially during the 1980s in Kenya, Zimbabwe, Botswana, South Africa and North Sudan; it has declined somewhat in Tanzania, Swaziland, Senegal and Southern Nigeria, but it has not declined in the other countries with recent data. Besides, fertility changes have been greater among urban and educated women living in areas of lower childhood mortality while countries more advanced in the transition

are those where strong and efficient family planning programs have been implemented (Dudley Kirk et al., op.cit). May (1994) also opined that the HIV/AIDS epidemic could contribute to the decline in fertility because of the effect of the epidemic on increased foetal wastage and higher incidence of mis-carriage among HIV-positive women.

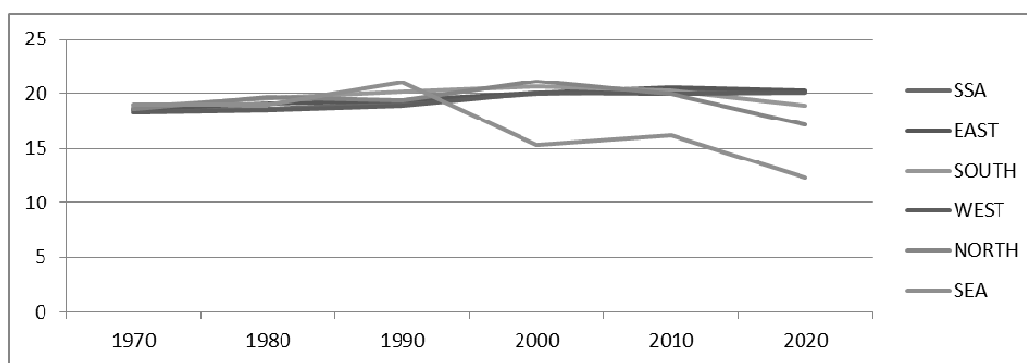
With the diagnosis of the onset of a fertility decline and its possible diffusion to the other countries, it is predictable that this phenomenon, if sustained, would lead to a change in the age structure of the population and eventually make it less youthful as the proportion of the population in their prime working ages increases.<sup>2</sup>

**Figure 1** Trends in age distribution in Africa subregions and South East Asia (1970-2020) in graph

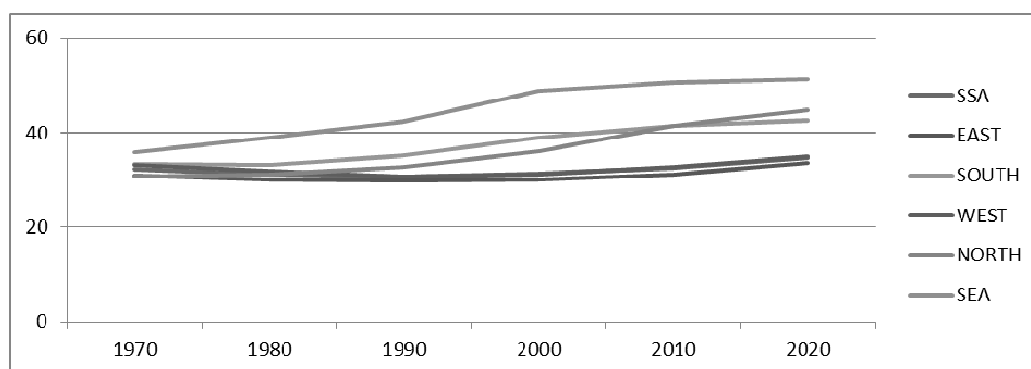


0-14 years

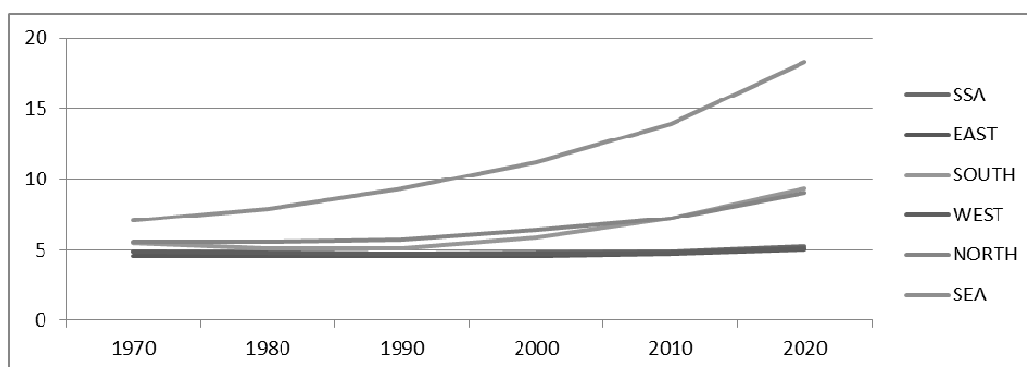
2. The future course of the onset of decline in fertility could be modified. For example, it was observed that fertility stalled in mid-transition in some countries in Asia, Latin America, Southern Europe, and in Ghana and Kenya in Africa in the 1990s, and in some cases declined less rapidly than the levels projected earlier due to the levelling off in a number of fertility determinants including contraceptive use, the demand for contraception and the number of wanted births (John Bongaarts, 2006). It is also speculated that the incipient fertility decline being experienced could suffer from a "backlash" in terms of fertility increase that could be brought about by the HIV/AIDS epidemic and the related high levels of mortality (May, 1994 op.cit). Finally, the onset of a fertility decline observed from the 1980s does not tell us whether it will spread to the whole continent or whether it will be restricted to a few countries for sometimes yet. Besides, it is too early to know the pace of this decline (J. Cleland et al., op.cit.)



15-24 years



25-59 years



60 and above

Table I and Fig I present the trajectory of age distribution in Africa from 1970 till 2020 and that of South East Asian

countries for the purpose of comparison. The United Nation's medium variant projections utilized for the African

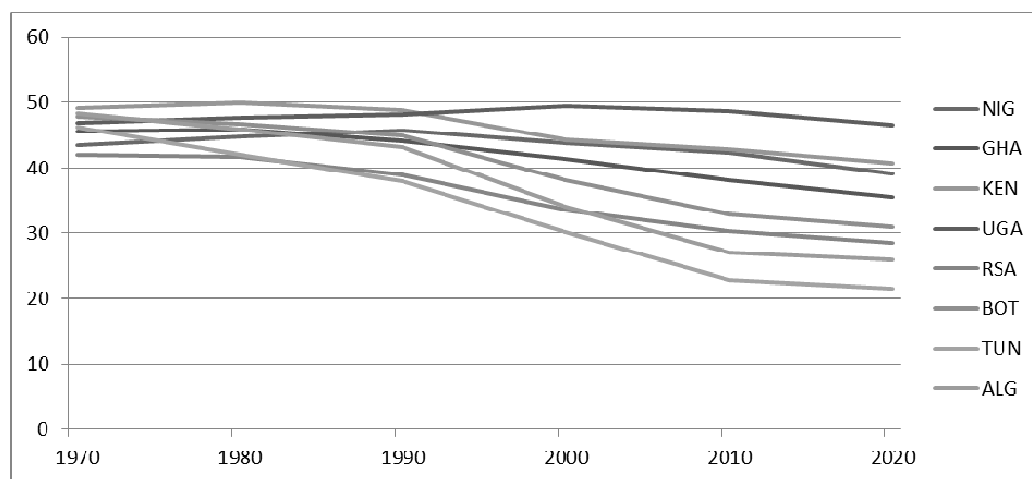
sub-regions and South East Asia are based on the assumption of a continued downward trend in mortality coupled with the lowering of fertility levels but at differing rates.

For sub-Saharan Africa, as a whole, the proportion of dependent children under 15 years of age did not show any consistent decline until the 1990s when there was adequate statistical evidence that fertility rates had begun a downward trend. This trend was accompanied by slight increases in the proportion of young entrants into the labor force (15-24 years old) and major increases, from 30.4 to 34.8 percent, in the proportion of the prime working age population (25-54 years old). This pattern of age distribution is shared by the East and Western African countries

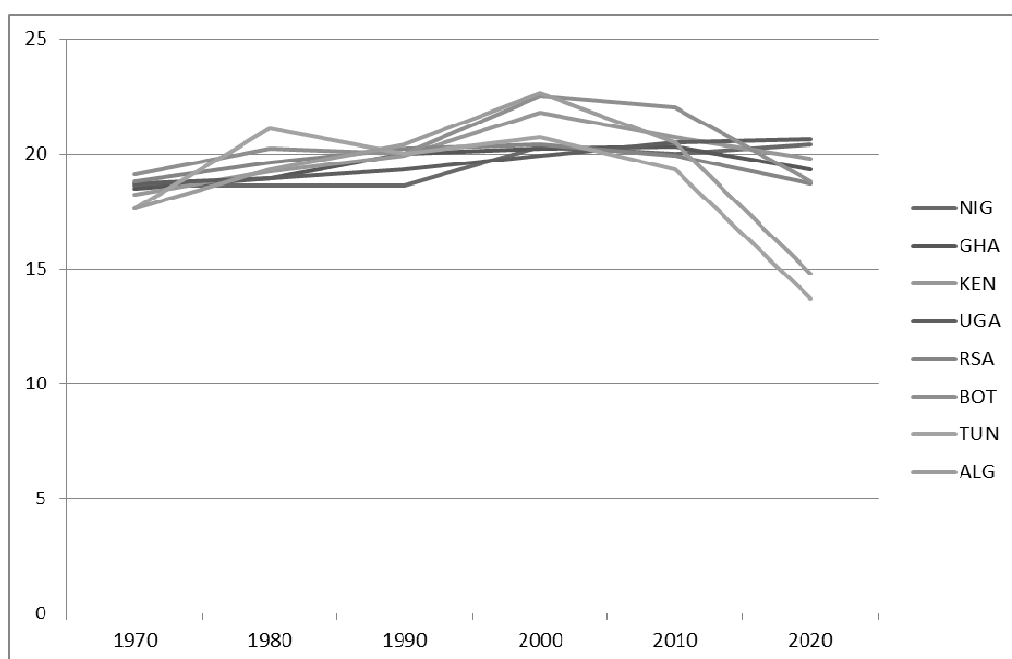
while the South and Northern patterns reflect more substantial changes, depicting more rapid changes in fertility declines.

In contrast, the South East Asian region reflects a much earlier transition in family size behavior as the proportion of dependent children below 15 years of age started a downward decline twenty years or more earlier than sub-Saharan Africa did. Besides, the proportion of young entrants into the labor force increased from 1970 to 1990 and it is expected to decline substantially till 2020 while the proportion of the prime working age population experienced an accelerated increase from 1970 and it is expected to maintain the momentum of growth till 2020 (from over 35 to 51 percent.).

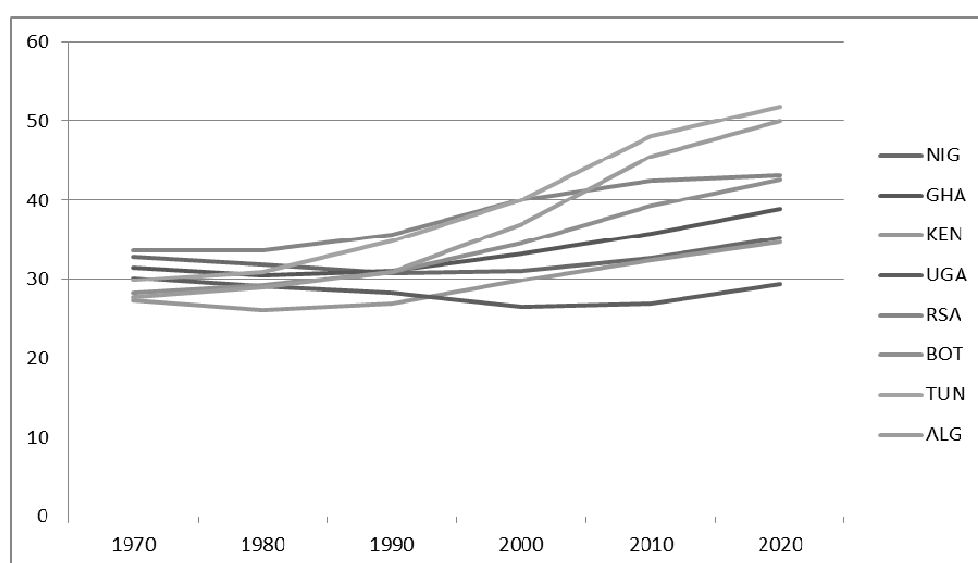
**Fig. 2** Trends in age distribution in selected African countries, representing the sub-regions (1970-2020) in graph



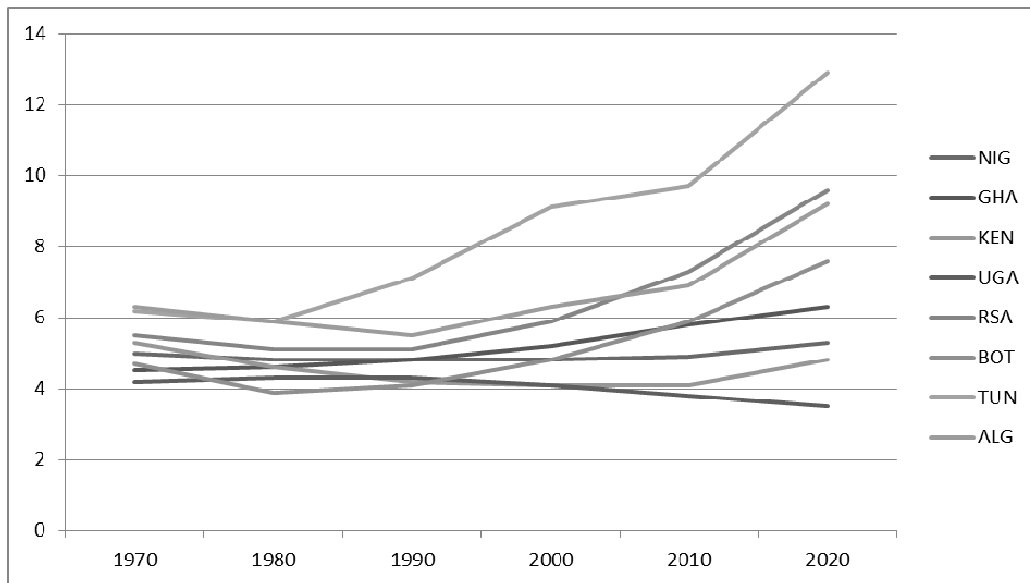
0-14 years



15-24 years



25-59 years



60 and above

While the trend in the age distribution of South East Asian region represents a complete shift from a very young population to a working age and gradually expanding aged population as shown in Table 1/Fig 1, what we are witnessing in Africa as a whole, as depicted in Table 2/Fig 2, is that countries like Nigeria, Ghana, Kenya, RSA, Botswana, Tunisia and Algeria are likely to have between one-third and a half of their population in the prime working ages of 25-54 years before the end of this decade, accompanied by substantial reductions in child dependency especially in countries like Kenya, RSA, Botswana, Tunisia and Algeria.

What are the socio-economic implications of the nascent age transition in Africa?

The unprecedented growth in the population of developing countries after the World War II was interpreted by policy makers and social science scholars in

the West as a serious impediment to development that would rob the developing nations of the opportunity to improve their standard of living. Prominent among these views were those expressed by Coale and Hoover (1958), National Academy of Sciences (1971). The latter emphasized the adverse effects of rapid population growth on capital formation, improvement in social services, and the dangers of growing unemployment resulting from the accompanying rapid growth of the labor force.

In the 1980s, a widely held view that contrasted strongly with the earlier one, that rapid population growth is anti-development in the developing countries, emerged (Kelley 1988; National Research Council 1986; Julian Simon 1981). The view held was that population growth was not anti-development but that it could either be neutral or positive to economic growth. In recent times, the experience of the

South East Asian countries in the 1980s and 1990s with respect to the influence of demographic factors on economic growth has brought to the fore the potential economic consequences of the changes in age structure of the population as the society transits from a dominant youth population to a working age population; a process which is temporary along the demographic transition continuum and eventually terminates with ageing of the population (Birdsall and Sinding, 2001).

One of the most important findings from this demographic process is that it creates, but for a limited period of time, a demographic “window of opportunity”, at times referred to as “bonus” or “dividend” in terms of a larger ratio of potential workers to non-workers, meaning that more workers are responsible for fewer children. Theoretically, this phenomenon has many potential economic advantages. For example, the reduction in the ratio of youthful dependents to working-age adults should enable countries to increase their stock of physical and human capital in terms of schools and well-trained teachers, health care facilities and well-trained health workers, and modern communication networks and well-trained workers to staff them (Merrick, 2002).

This is predicated on the expectation that societies with a high proportion of prime-age workers will enjoy higher per capita incomes, save more than those with higher proportions of young or old people, and increase

investments to further boost economic growth. This is because the young and the old tend to consume more output than they generate, unlike working-age individuals whose contribution to output and to savings tends to be more than commensurate with their consumption. In addition, a fall in youth dependency ratio permits greater investment in schooling per child and a substantial increase in female labor force participation, rising levels of women’s education and increased demand for labor by a growing formal sector.

How prepared is sub-Saharan Africa for the demographic bonus?

#### 1. Comparing sub-Saharan Africa and South East Asia

On the basis of Table 1 depicting the trends in age distribution of the population in sub-Saharan Africa (SSA) and South East Asia (EA), the latter is much ahead of the former in terms of the onset of fertility decline, as a precursor to the evolution of the prime working age population by at least 2 decades. In other words, most of the SSA countries seem to have arrived at SEA state of demographic transition of the 1960s in the 1980s. For the purpose of illustration therefore, it appears expedient to juxtapose the socio-economic indicators of development of the SEA countries from the 1960s with those of the SSA from the 1980s in order to gauge the distance between the two regions in terms of the socio-economic variables associated with the former’s demographic bonus.



**Table 2** Trends in age distribution in selected African countries, representing the sub-regions (1970-2020)

0-14 YEARS									15-24 YEARS							
YEAR	NIG	GHA	KEN	UGA	RSA	BOT	TUN	ALG	NIG	GHA	KEN	UGA	RSA	BOT	TUN	ALG
1970	43.5	45.5	49.1	46.9	42.0	47.9	46.3	48.4	18.6	18.5	18.2	18.7	18.8	19.1	17.6	17.6
1980	44.7	45.9	50.0	47.7	41.6	46.7	42.0	45.9	18.6	18.9	19.2	18.9	19.6	20.2	21.1	19.3
1990	45.8	44.1	48.9	48.1	39.0	45.0	38.0	43.1	18.6	20.0	19.9	19.3	20.2	20.0	20.0	20.4
2000	43.8	41.3	44.2	49.4	33.6	38.1	30.1	34.1	20.3	20.2	21.8	19.9	20.4	22.5	20.7	22.6
2010	42.4	38.1	42.8	48.7	30.3	32.9	22.9	27.0	20.0	20.3	20.7	20.5	19.9	22.0	19.3	20.5
2020	39.1	35.5	40.7	46.5	28.6	31.0	21.6	26.0	20.4	19.3	19.8	20.6	18.7	18.8	13.7	14.8
25-59 YEARS									60 YEARS AND OVER							
1970	32.9	31.5	27.4	30.2	33.7	28.3	29.9	27.7	5.0	4.5	5.3	4.2	5.5	4.7	6.2	6.3
1980	31.9	30.6	26.2	29.1	33.7	29.2	31.0	28.9	4.8	4.6	4.6	4.3	5.1	3.9	5.9	5.9
1990	30.8	31.1	27.0	28.3	35.7	30.9	34.9	31.0	4.8	4.8	4.2	4.3	5.1	4.1	7.1	5.5
2000	31.1	33.3	29.9	26.6	40.1	34.6	40.1	37.0	4.8	5.2	4.1	4.1	5.9	4.8	9.1	6.3
2010	32.7	35.8	32.4	27.0	42.5	39.2	48.1	45.6	4.9	5.8	4.1	3.8	7.3	5.9	9.7	6.9
2020	35.2	38.9	34.7	29.4	43.1	42.6	51.8	50.0	5.3	6.3	4.8	3.5	9.6	7.6	12.9	9.2

**Table 3** Selected socio-economic indicators for sub-Saharan Africa and Southeast Asia, 1960-2009

Southeast Asia (1960-2009)													Sub-Saharan Africa (1980-2009)						
SI	60	65	70	75	80	85	90	95	2000	2005	2009	80	85	90	95	2000	2005	2009	
DS	-	-	34.2	30.3	31.1	31.4	33.7	31.8	29.2	29.3	27.1	25.3	21.4	17.1	15.7	16.4	15.0	16.4	
GC	11.3	10.8	10.6	13.1	14.0	14.0	13.4	14.3	15.7	16.2	17.8	15.1	16.0	17.5	15.5	15.4	16.7	17.3	
HHC	-	-	55.1	56.6	54.8	54.6	52.8	53.8	55.1	54.5	55.1	58.0	61.7	65.3	68.8	68.7	67.0	66.3	
GDP	8.0	6.6	5.4	3.3	3.3	6.2	5.6	4.0	4.6	4.8	-0.08	4.1	1.3	1.1	3.8	3.5	5.7	1.7	

**Notes:**

SI-Socio-economic indicators;

DS-Domestic savings (% of GDP);

GC-Government consumption expenditure (% OF GDP);

HHC-Household consumption expenditure (% OF GDP);

GDP-Gross domestic product annual growth rate.

**Source:** World Bank, World Development Indicators, 2010

Table 3 compares the trends in available socio-economic variables of development from 1980-2000 and 1960-2000 for SSA and SEA regions respectively.

The growth in the gross domestic product in sub-Saharan Africa declined substantially in the 1980s and began to rise from around 1995 till 2005. On the other hand, while South East Asia experienced a gradual decline in its GDP growth from the 1960 till 2005, the rate at which the GDP was growing is considerably higher than that of SSA countries.

In SSA, the percentage of the GDP allocated to household consumption increased gradually from the 1980s till present but virtually remains at two-thirds of the annual GDP while the gov-

ernment consumption expenditure varied between 15 to 17 percentage of GDP from the 1980s. In SEA, household consumption as a percentage of GDP from the 1970s averaged about 55 percent, a magnitude slightly lower than that of SSA. Similarly, government consumption expenditure varied between 10 to 17 percentage of GDP but was generally lower than that of SSA.

In reverse, the percentage of the GDP saved domestically in SSA declined consistently from 25 percent in 1980 to 16 percent recently. In SEA, on the other hand, the percentage of the GDP saved domestically declined slightly from 34 percent in 1970 to 27 percent presently, but was at a much higher level than that of SSA.

**Table 4** Estimated public expenditure on education in sub-Saharan Africa, South East Asia and South Asia, % of GDP, (1980-1997)

Year	Sub-Saharan Africa	South-east Asia (Eastern Asia And Oceania)	South Asia
1980	5.0	2.8	4.1
1985	4.5	3.1	3.4
1990	4.6	3.0	3.7
1995	5.1	2.9	3.2
1997	5.1	2.9	3.3

**Source:** UNESCO Institute of Statistics, World Education Report, 2000

Tables 4-6 depict the various forms of major human capital investments into which savings can be channeled. As shown in Table 4, the percentage of the gross national product (GNP) devoted to education varied between 4.5 to 5.1 from 1980 to 1997 in sub-Saharan Africa. This is much higher than that of South East Asian countries, and also that of South Asia, whose level of development is not too dissimilar to that of sub-Saharan Africa. In contrast, the gross enrolment ratios at primary, secondary and tertiary levels are much

lower in sub-Saharan Africa in comparison with South-East Asia and South Asian countries (see Table 5).

**Table 5** Gross enrolment ratios in sub-Saharan Africa, South-east Asia and South Asia, 1990 and 1997

Year	Sub-Saharan Africa			Southeast Asia			South Asia		
	Primary	Secondary	Tertiary	Primary	Secondary	Tertiary	Primary	Secondary	Tertiary
1990	74.8	22.4	3.0	118.5	47.4	5.1	10.3	38.1	5.7
1997	76.8	26.2	3.1	118.0	66.3	10.8	15.4	45.3	7.2

**Source:** UNESCO Institute of Statistics, World Education Report, 2000.

This contrast can possibly be explained in terms of either the higher child dependency ratio in sub-Saharan Africa or the human capital “deepening”<sup>3</sup> in

South-East Asia and South Asia or a much better efficiency in the management of education resources in the Asian countries in general.

**Table 6** Health expenditure ratios for Africa and Southeastern Asia region, 2000 and 2008

YEAR	AFRICA REGION		SOUTHEASTERN ASIA REGION	
	Total expenditure on health (% of GDP)	Private expenditure on health (% of total exp. on health)	Total expenditure on health (% of GDP)	Private expenditure on health (% of total exp. on health)
2000	5.5	56.3	3.1	67.1
2008	6.0	50.2	3.8	58.7

**Source:** WHO, World Health Statistics, 2009

An examination and a comparison of budgetary allocation to health between African and South-East Asia regions show that Africa spends more of its resources on health in comparison with South-East Asia (see, table 6). This is likely to be due to more government outlay on health in Africa as South-East Asia records a much higher private spending on health.

From the South East Asian example, the changes in the age structure favoring the prime working age population have been found to account for as much as a third to one half of the sustained high rates of income growth that came to be known as the “East Asian Miracle” (Bloom, Canning and Malaney,

2000). Of course, age structural change is not the only important variable in economic development. It will not necessarily be converted to economic improvement unless other important non-demographic factors are in place (Cincotta & Engelman, 1997).

According to the World Bank detailed inquiry into the economic success of the Asian Tigers in the 1980s and 1990s (World Bank, 1993), the non-demographic factors of the explained growth include, high rates of investment exceeding 20 percent. of GDP on average between 1960 and 1990, including in particular unusually high rates of private investment, combined with high and rising endowments

- One of the findings from the Asian demographic transition, investments and savings supply, is that higher youth dependency depresses savings more than investment while households tend to substitute quality for quantity as their incomes rise with respect to the number of children and expenditures per child (Matthew Higgins & Jeffrey G. Williamson, 1997)

of human capital due to universal primary and secondary education.

In this paper, available evidence shows that the GDP and its rate of growth were much higher in SEA than in SSA at a comparable stage of their demographic transition. Besides, the percentage of GDP devoted to household and government consumption is higher in SSA than SEA. Expectedly, the percentage of GDP saved is a lot more in SEA than in SSA. While the percentage of GDP spent on education is higher in SSA, the gross enrolment ratio at all levels of education is higher in SEA. In Africa as a whole, there is proportionally more government outlay on health than in SEA while the latter records a much higher private spending on health.

## 2. Comparing countries in Africa

If most of a nation's population falls within the working ages, the added productivity of this group can produce a "demographic dividend"<sup>4</sup> of economic growth, assuming that policies to take advantage of this opportunity are in place. According to Boom, et al (2001),

a combination of a large working age population with development policies encompassing public health, family planning, education and the economy can create virtuous cycles of wealth creation. Given the ongoing demographic transition of African countries and the incipient changes in the population age structure, it is expedient to gauge the likely impact of the relative position of each country on the ladder of social and economic progress on the evolving demographic dividend.

This is captured with reference to the relative performance of African countries on the attainment of the Millennium Development Goals (MDGs) and targets set from 1990-2015 to free humanity from extreme poverty, illiteracy and diseases (The Millennium Development Goals Report, 2011)<sup>5</sup>.

In spite of the current financial crisis, Africa has had a high record of economic growth since the beginning of the century. It has recorded a faster growth than most other world regions, with more than 40 percent of its countries enjoying an average annual GDP

4. Bloom *et al.* (2001) identified labor supply, human capital and savings as the most important mechanisms of the impact of the "demographic dividend". It is expected that labor supply would gain from a higher proportion of working age population and an increase in the level of women participation in the labor force as they are gradually weaned from large childbearing due to family size decline. With respect to human capital, as life expectancy increases, parents are more likely to choose to educate their children and invest more on their health because of the high expected private and social returns to education in developing countries generally. For example, the result of educational investments on fewer children is that the labor force as a whole becomes more productive, thus promoting higher wages and a better standard of living. Also, the demographic dividend encourages the growth of savings (unlike the growth of the young and the aged, who are mostly consumers), thus improving the country's prospects for investment and growth.
5. According to Africa Progress Report 2011, tracking progress on the MDG achievement is an immense challenge due to a lack of sufficient reliable and updated data. There are also inconsistencies between national and global tracking efforts that make it difficult to compare progress across countries and regions (Africa Progress Panel, The Transformation Power of Partnerships, Africa Progress Report, 2011).

growth rate of 5 percent or more during the last decade. Based on IMF forecasts, sub-Saharan Africa's GDP is expected to grow by 5.5 percent in 2011 and 5.8 percent in 2012 with substantial differences between countries. Countries such as, the Republic of Congo (DRC), Ethiopia, Ghana, Mozambique, Nigeria, Tanzania and Zambia are all expected to be among the World's ten fastest growing economies. The Central African Republic, Chad, Cote D'ivoire, Equatorial Guinea and Eritrea are projected to grow at rates far below the average (Africa Progress Report *op. cit.*).

Despite the progress made, the current economic growth is not all positive as it is not accompanied by struc-

tural transformation and diversification. In most countries, it relies on export-led policies depending on extraction of natural resources and raw materials rather than value addition and diversification. With the notable exception of Egypt, Tunisia and South Africa where manufacturing and services dominate the GDP, non-extractive sectors and competitive industries remain heavily under-developed in most African countries (Africa Progress Report *op. cit.*).

The social and economic advancement that is expected to accompany the modest economic growth attained is indicated in the score-card of each African country on the 7 main millennium goals in Tables 7a-g.

FIG 7a

**Distribution of African Countries by MDG Score-Card on the Main Development Goals.**

**Goal 1: Eradicate Extreme Poverty & Hunger (53\*)**

Achieved	On Track	Off Track/Slow	Regressing
Algeria	Benin	Angola	Chad
Cameroon	Congo Republic	Botswana	Cote D'ivoire
Cape Verde	Guinea	Burkina Faso	Djibouti
Egypt	Mauritius	Burundi	Eritrea
Ethiopia	Swaziland	Central Africa Republic	Guinea Bissau
Gabon	Uganda	Comoros	Liberia
Gambia		DRC	Namibia
Ghana		Equatorial Guinea	Niger
Kenya		Madagascar	Nigeria
Lesotho		Malawi	Rwanda
Libya		Mozambique	Sao Tome and Principe
Mali		Sierra Leone	Tanzania
Mauritania		South Africa	Togo
Morocco			Zambia
Senegal			Zimbabwe
Tunisia			

**Source:** Africa Progress Report, 2011

\* Includes one or two countries without data

**FIG 7b**

**Distribution of African Countries by MDG Score-Card on the Main Development Goals.**

**Goal 2: Achieve Universal Primary Education (53\*)**

<b>Achieved</b>	<b>On Track</b>	<b>Off Track/Slow</b>	<b>Regressing</b>
Algeria	Guinea	Angola	Botswana
Benin	Kenya	Burkina Faso	Cape Verde
Burundi	Mauritania	Central Africa Republic	DRC
Comoros	Mozambique	Chad	Equatorial Guinea
Congo Republic	Namibia	Cote D'Ivoire	Lesotho
Ethiopia		Djibouti	Mauritius
Liberia		Egypt	Sudan
Libya		Eritrea	Swaziland
Madagascar		Gabon	
Malawi		Gambia	
Mali		Ghana	
Morocco		Guinea Bissau	
Rwanda		Niger	
Sao Tome and Principe		Nigeria	
Seychelles		Senegal	
South Africa		Togo	
Tanzania			
Tunisia			
Uganda			
Zambia			
Zimbabwe			

**Source:** Africa Progress Report, 2011

\* Includes one or two countries without data

**FIG 7c**

Distribution of African Countries by MDG Score-Card on the Main Development Goals.

Goal 3: Promote Gender Equality and Empower Women (53*)			
Achieved	On Track	Off Track/Slow	Regressing
Botswana	Algeria	Cape Verde	Angola
Comoros	Benin	Central Africa Republic	Cameroon
Equatorial Guinea	Burkina faso	Chad	Eritrea
Gabon	Burundi	Congo Republic	Swaziland
Gambia	Djibouti	DRC	
Ghana	Egypt	Cote D'Ivoire	
Guinea	Ethiopia	Guinea Bissau	
Kenya	Liberia	Mozambique	
Lesotho	Mali	Niger	
Libya	Togo	Nigeria	
Madagascar		Somalia	
Malawi		Sudan	
Mauritania			
Mauritius			
Morocco			
Namibia			
Rwanda			
Sao Tome and Principe			
Senegal			
Seychelles			
Sierra Leone			
South Africa			
Tanzania			
Tunisia			
Uganda			
Zambia			
Zimbabwe			

Source: Africa Progress Report, 2011

\* Includes one or two countries without data



**FIG 7d**

**Distribution of African Countries by MDG Score-Card on the Main Development Goals.**

**Goal 4: Reduce Child Mortality (53\*)**

<b>Achieved</b>	<b>On Track</b>	<b>Off Track/Slow</b>	<b>Regressing</b>
Algeria	Botswana	Angola	Central African Republic
Cape Verde	Djibouti	Benin	DRC
Comoros	Ethiopia	Burkina Faso	Nigeria
Egypt	Guinea	Burundi	
Eritrea	Libya	Cameroon	
Gabon	Madagascar	Chad	
Gambia	Mozambique	Congo Republic	
Liberia	Rwanda	Cote D'ivoire	
Malawi	Togo	Equatorial Guinea	
Morocco	Uganda	Ghana	
Namibia		Guinea Bissau	
Sierra Leone		Kenya	
Tunisia		Lesotho	
		Mali	
		Mauritania	
		Mauritius	
		Niger	
		Sao Tome and Principe	
		Senegal	
		Somalia	
		South Africa	
		Sudan	
		Swaziland	
		Tanzania	
		Zambia	
		Zimbabwe	

**Source:** Africa Progress Report, 2011

\* Includes one or two countries without data

**FIG 7e**

**Distribution of African Countries by MDG Score Cards on the Main Development Goals.**

**Goal 5: Improve Maternal Health (53\*)**

<b>Achieved</b>	<b>On Track</b>	<b>Off Track/Slow</b>	<b>Regressing</b>
Benin	Tunisia	Burkina faso	Algeria
Eritrea		Cape Verde	Angola
Ethiopia		Comoros	Botswana
Libya		Congo Republic	Burundi
Mauritius		Egypt	Cameroon
Mozambique		Equatorial Guinea	Central African Republic
		Gambia	Chad
		Ghana	DRC
		Kenya	Cote D'Ivoire
		Morocco	Djibouti
		Niger	Gabon
		Nigeria	Guinea
		Rwanda	Guinea Bissau
		Somalia	Lesotho
		Sudan	Liberia
		Swaziland	Madagascar
		Togo	Malawi
		Uganda	Mali
			Mauritania
			Namibia
			Sao Tome and Principe
			Senegal
			Sierra Leone
			South Africa
			Tanzania
			Zambia
			Zimbabwe

**Source:** Africa Progress Report, 2011

\* Includes one or two countries without data

**FIG 7f**

**Distribution of African Countries by MDG Score-Cards on the Main Development Goals.  
Goal 6: Combat HIV/AIDS, Malaria and other Diseases (53\*)**

<b>Achieved</b>	<b>On Track</b>	<b>Off Track/Slow</b>	<b>Regressing</b>
Burkina Faso	Benin	Angola	Algeria
Burundi	Congo Republic	Botswana	Cameroon
Cote D'Ivoire	Kenya	Cape Verde	Chad
Djibouti	Liberia	Central African Republic	Egypt
Eritrea	Niger	Comoros	Equatorial Guinea
Ethiopia	Senegal	DRC	Gabon
Gambia	Sierra Leone	Ghana	Lesotho
Morocco	Uganda	Guinea	Libya
Rwanda		Guinea Bissau	Mauritania
Togo		Madagascar	Mauritius
		Malawi	Mozambique
		Mali	Namibia
		Nigeria	Somalia
		Tanzania	South Africa
		Zambia	Sudan
		Zimbabwe	Swaziland
			Tunisia

**Source:** Africa Progress Report, 2011

\* Includes one or two countries without data

FIG 7g

## Distribution of African Countries by MDG Score-Card on the Main Development Goals.

## Goal 7: Ensure Environmental Sustainability (53)

Achieved	On Track	Off Track/Slow	Regressing
Botswana	Burkina faso	Angola	Algeria
Cape Verde	Ghana	Benin	Comoros
Djibouti	Lesotho	Burundi	Nigeria
Egypt	Malawi	Cameroon	Somalia
Gabon	Sao Tome and Principe	Central African Republic	
Libya	South Africa	Chad	
Mauritius		Congo Republic	
Namibia		DRC	
Tunisia		Cote D'ivoire	
		Equatorial Guinea	
		Eritrea	
		Ethiopia	
		Gambia	
		Guinea	
		Guinea Bissau	
		Kenya	
		Liberia	
		Madagascar	
		Mauritania	
		Mali	
		Morocco	
		Mozambique	
		Niger	
		Rwanda	
		Senegal	
		Seychelles	
		Sierra Leone	
		Sudan	
		Swaziland	
		Tanzania	
		Togo	
		Uganda	
		Zambia	
		Zimbabwe	

Source: African Progress Report, 2011

These goals reflect the different dimensions of human capital development that are complementary to the growth of the working age population such as advancements in poverty reduction, education, health, and women empowerment.

Generally, the performance ratio of

the goals, which are based on the ratio of countries that are achievers and those who are on track, to the total number of African countries with respect to each of the 7 main development goals, are in the following order of magnitude; Promotion of gender equality and empowerment of women

(64.8%), Achievement of universal primary education (52%), Reduction of child mortality (44.2%), Eradication of extreme poverty and hunger (44%), Combating HIV/AIDS, Malaria and other diseases (35.3%), Environmental sustainability (28.3%) and Improvement of maternal mortality (13.5%).

While 7 out of 10 African countries are promoting gender equality and empowerment, only about a half have achieved universal primary education. Less than a half has been able to reduce extreme poverty i.e. the proportion of people whose income is less than \$1.00 a day, reduce child mortality and combat virulent diseases. Less than a third has been able to improve environmental sustainability in terms of adequate supply of potable water and access to improved sanitation.

Most countries record a mixed progress in the achievement of all the 7 goals. Nevertheless, countries that are at the vanguard of social and human capital development in Africa constitute about a third of the total.<sup>6</sup> Most of them are from North Africa viz; Tunisia, Libya, Morocco, Egypt, and Algeria. The others, located in sub-Saharan Africa (SSA) are, Ethiopia, Uganda, Benin, Rwanda, Namibia, Mauritius, Malawi, Djibouti, Gambia, Kenya, Guinea, and Liberia.

The promising countries, that still have a long way to go before 2015 set for the achievement of the MDGs, constitute another third of the total. They are, Mali, Mauritania, Mozambique, Sao

Tome, Senegal, Sierra Leone, South Africa, Togo, Botswana, Burkina Faso, Burundi, Cape Verde, Comoros, Republic of Congo, Eritrea, Gabon, Ghana, Lesotho and Madagascar. The remaining, about a third of the total, are the non-performing countries for which the 2015 time-line remains a mirage.

The implications and import of this analysis is that, among African countries, only about 2/3 of them are putting in place appropriate programs of social and human capital development that are complimentary to the changing age structure.

Therefore, if we were to gauge the preparedness of SSA, using SEA as the platform of "best practices", in order to take advantage of the incipient demographic bonus in Africa for a higher level of human capital as well as social and economic development, SSA is expected to grow the GDP to a higher level, reduce both public and private consumption expenditure in order to generate that level of savings needed to deepen her investments in education at all levels, at least to increase her enrolment ratios; and to enhance private spending on health.

Other important variables that should be put in place a la SEA are investments in physical infrastructures, services and industrial production which are essential for employment generation in the economy. For example, a rising and well endowed human capital would require jobs of higher skills and productivity in order to grow

6. Countries considered to be in the vanguard of social and human capital development in the continent are those who have achieved or are on the track of achieving 4 or more of the 7 main development goals. Those countries that are promising are the ones who have achieved or are on the track of achieving 3 of the development goals. The rest are non-performing countries who have achieved or are on the track of achieving 2 or less of the development goals.

the economy.

Within Africa, we have also identified about 2/3 of the countries that are showing signs of adapting to their changing age structure with the right social and human capital development programs.

#### Possible outcomes of inappropriate policies for human capital development in SSA.

According to World Bank (2000), SSA entered the 21st century with many of the world's poorest countries. Many development problems are being faced in Africa, especially human development issues, including lagging primary school enrolments, high child mortality and endemic diseases that impose costs on Africa at least twice those in any other developing region. Africa is the only major region to see investment and savings per capita decline after 1970. Averaging about 13 percent of GDP in the 1990s, the savings rate of the typical African country has been the lowest in the world.

In this paper, I have highlighted, from the SEA experience, some of what it will take to benefit from the incipient shift in the age structure in favor of a working age population in SSA. It is conceivable that the latter will advance economically if appropriate policies are in place to redress the ugly situation of the last decade, for example, by growing the economy to a higher level, accompanied by increased savings and investment in human capital development and employment generating activities. Besides, a lot of countries in the continent should be progressing faster towards the attainment of the millennium development goals set for 2015; a social and human capital development

compact needed in order to derive benefits from the demographic dividend.

Without such appropriate policies and programs like the MDGs, the window of economic opportunity engendered by an increase in the proportion of the working age population in SSA will be missed. African countries will be too slow to adapt to their changing age structure and will miss the demographic window of opportunity to secure higher productivity and economic growth. For example, the ongoing burgeoning of the labor force will continue to push young graduates from secondary and tertiary institutions into the urban labor force without appropriate skills, thus resulting in open unemployment, an overcrowded informal sector with varying degrees of underemployment. Already, in most of the large cities in Africa, a larger proportion of the working age population is visible "ekeing out" a living on the streets.

Other possible outcomes of inappropriate policies for human capital development in Africa are increases in the magnitude of social ills like armed conflicts, political instability, irregular emigration, human trafficking etc which are attractive to unskilled and unemployed youths in the region.

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