

## Youth population trends and sustainable development

There were 1.2 billion youth aged 15-24 years globally in 2015, accounting for one out of every six people worldwide.<sup>1</sup> By 2030, the target date for the sustainable development goals, the number of youth is projected to have grown by 7 per cent, to nearly 1.3 billion. Youth can be a positive force for development when provided with the knowledge and opportunities they need to thrive. In particular, young people should acquire the education and skills needed to contribute in a productive economy, and they need access to a job market that can absorb them into its labour force. Among the greatest challenges facing many countries today are inadequate human capital investment and high unemployment rates among youth.

Some countries are struggling currently to educate and employ their young people, while also anticipating substantial growth in the number of youth. These countries will be doubly challenged in their efforts to assure universal high-quality education, productive employment and decent work for all.<sup>2</sup> This brief summarises recent and future trends in the size of the youth population and describes the challenges facing countries in educating and employing their youth.

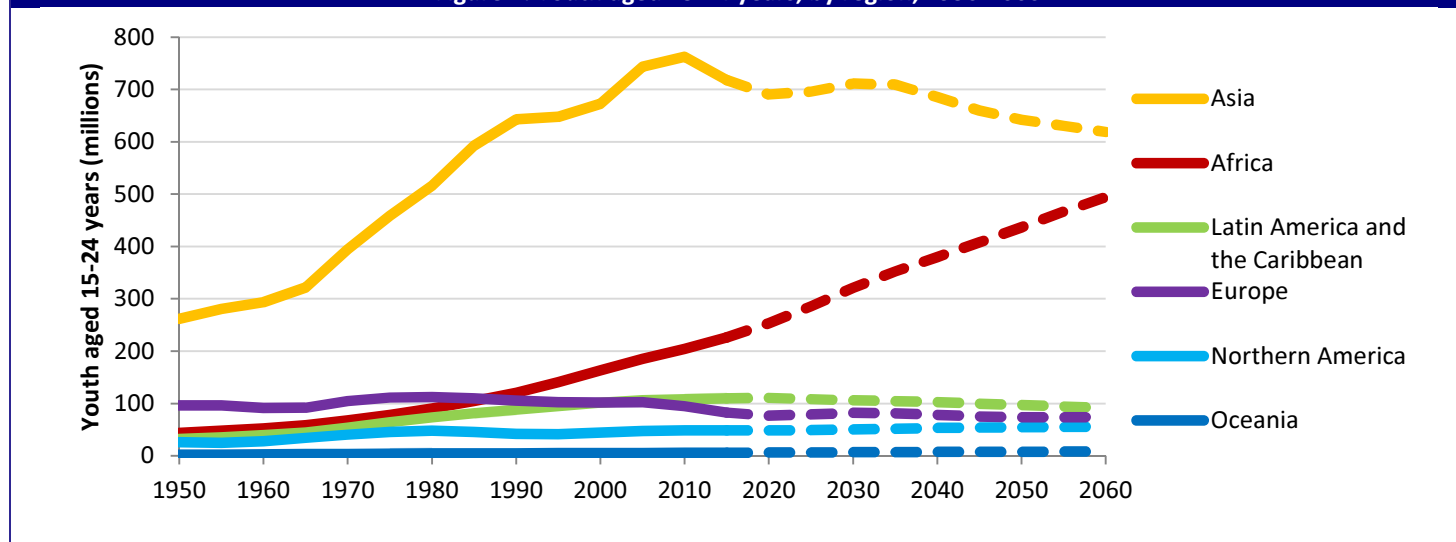
### 1. The size of the youth population has peaked in all regions but Africa.

In Latin America and the Caribbean, Europe, Northern America and Oceania, youth populations have stabilized in size and are projected to change little over the coming decades (figure 1).

By contrast, Asia and Africa are in the midst of substantial changes in the size of their youth populations. After rapid and sustained growth through the latter half of the 20th century, the number of young people aged 15-24 in Asia is projected to decline from 718 million in 2015 to 711 million in 2030 and 619 million in 2060. Still, Asia will be home to more youth than any other region until around 2080, when it could be surpassed by Africa according to UN projections.

In Africa, the number of youth is growing rapidly. In 2015, 226 million youth aged 15-24 lived in Africa, accounting for 19 per cent of the global youth population. By 2030, it is projected that the number of youth in Africa will have increased by 42 per cent. Africa's youth population is expected to continue to grow throughout the remainder of the 21st century, more than doubling from current levels by 2055.

Figure 1: Youth aged 15-24 years, by region, 1950-2060



Data source: United Nations (2013) *World Population Prospects: The 2012 Revision*.

## 2. Many countries with rapidly growing youth populations are struggling already to educate their young people.

The education systems of many countries are leaving behind a substantial proportion of the population. According to the most recent data available, in 32 countries, fewer than 80 per cent of 15-24 year olds are literate. Of these 32 countries, 18 are projected to see a more than 40 per cent increase in the number of youth between 2015 and 2030. In six of these low-literacy countries, all in sub-Saharan Africa, the growth of the youth population in this period is projected to exceed 60 per cent (figure 2).

In Niger, for example, where just 24 per cent of youth were literate in 2014, the youth population is projected to grow by 92 per cent within the next 15 years. Angola, Burkina Faso, Chad, Mali, Nigeria, the United Republic of Tanzania and Zambia, among others, are also anticipating rapid growth of the population aged 15-24 in a context of low youth literacy rates.

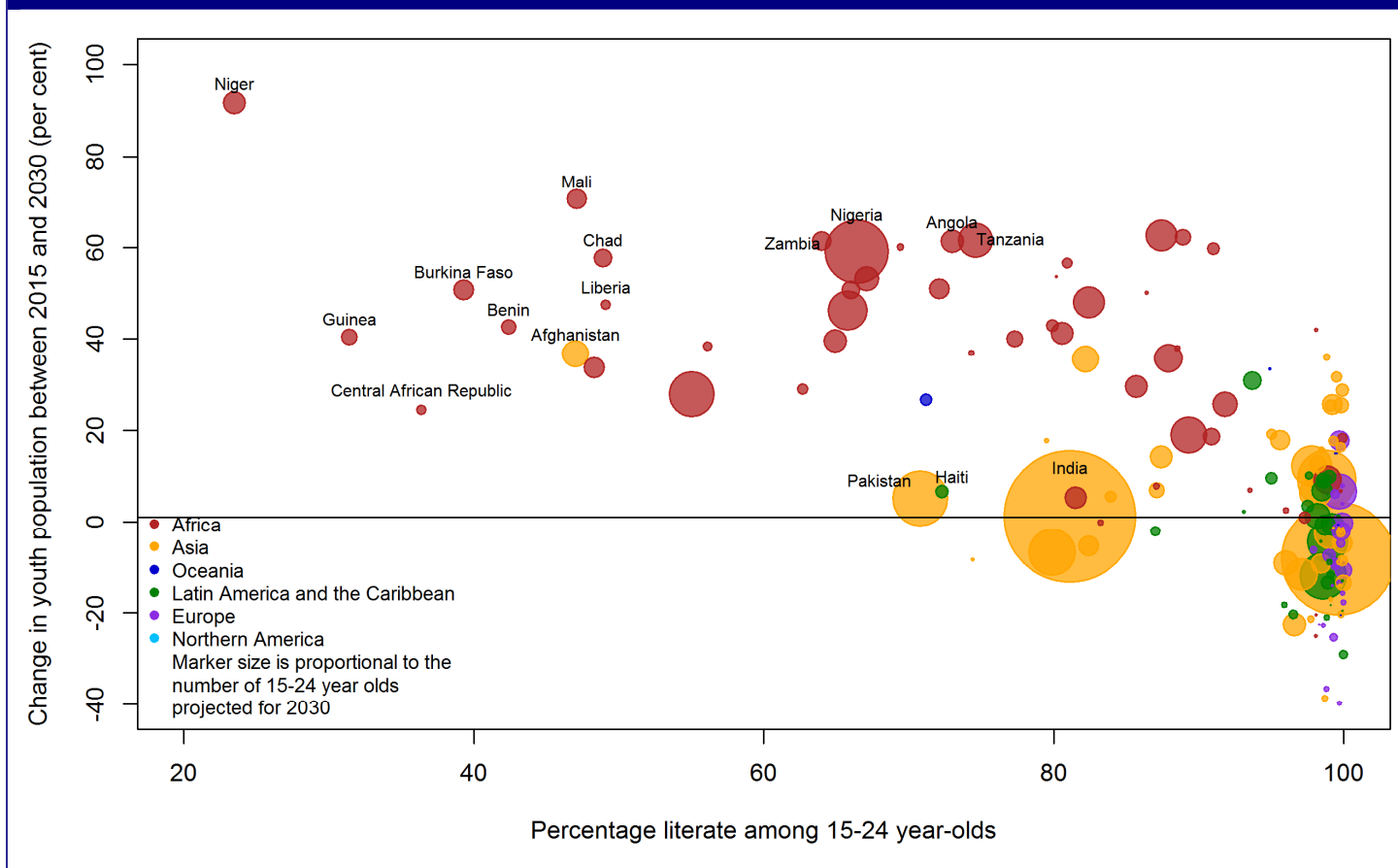
Inadequate investment in the health and education of young people limits their ability to reach their full productive potential and to contribute to economic development. Rapid growth in the number of youth

further compounds that challenge, requiring countries to improve the quality and reach of their education systems not only to make up for existing deficiencies, but also to serve the rapidly growing number of young people.

By contrast, many countries that have experienced fertility reductions in recent decades now have an opportunity to improve the education available to their young people without needing simultaneously to serve a rapidly growing population of youth. In Pakistan, for example, where 71 per cent of the population aged 15-24 was literate in 2011, the number of youth is projected grow by only 5 per cent between 2015 and 2030. Similarly, in Haiti, with a youth literacy rate of 72 per cent in 2006, the youth population is projected to increase by 7 per cent over the next 15 years.

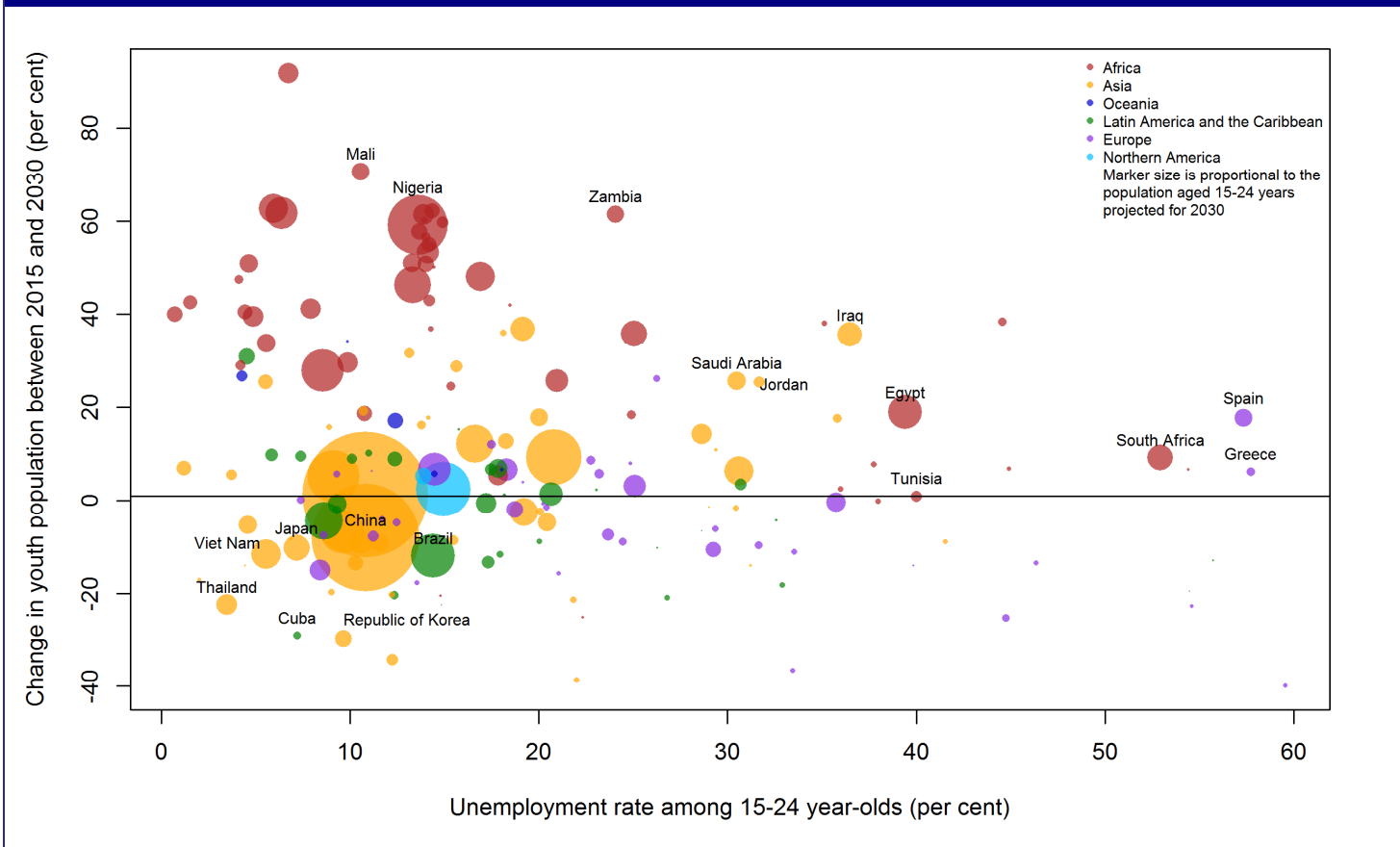
In some parts of the world, girls and young women do not have the same access to education and training as their male peers, depriving them of their rights and the ability to make decisions about their lives, including the pursuit of higher education and formal employment. Empowering women and girls and ensuring equitable investments in their human capital are essential for sustainable development.

Figure 2: Projected growth of the youth population between 2015 and 2030 vs. the youth literacy rate



Data sources: Youth population estimates and projections are from United Nations (2013) *World Population Prospects: The 2012 Revision*. Youth literacy estimates are from United Nations (2014). MDG Indicators Database.

Figure 3: Projected growth of the youth population between 2015 and 2030 vs. the youth unemployment rate in 2015



Data sources: Youth population estimates and projections are from United Nations (2013) *World Population Prospects: The 2012 Revision*. Youth unemployment projections are from ILO (2015), *World Employment and Social Outlook: Trends 2015*.

**3. Some countries anticipating rapid growth in numbers of youth are among those with very high youth unemployment rates.**

In Jordan, Iraq and Saudi Arabia, for example, youth unemployment rates are very high, above 30 per cent, and the youth populations are expected to grow by more than 20 per cent over the coming 15 years (figure 3). By contrast, a number of countries, such as South Africa, Spain and Greece, face extremely high youth unemployment, with rates above 50 per cent, but are projected to see a slower growth of the youth population, with increases around 10 per cent or less between 2015 and 2030.

Even in countries where youth unemployment rates are comparatively low, rapid growth in the number of youth over the coming years could challenge sustainable development, if labour markets are unable to absorb rapidly increasing numbers of young workers. In Mali, for example, a large fraction of the labour force is still engaged in subsistence agriculture. Even though the youth unemployment rate in 2015, at just under 11 per cent, is substantially lower than in many other countries, the number of youth aged 15-24 years in 2030 is projected to be 70 per cent larger than in 2015. Thus Mali’s economy will need to grow to accommodate a substantially larger number of youth seeking to enter the labour force. Similarly, Nigeria and Zambia, with youth unemployment rates of 14 and 24

per cent respectively in 2015, are projected to see their youth populations grow by 60 per cent over the next 15 years.

If youth are provided with sufficient education, training and jobs, then the growth in their numbers could be highly beneficial for development. If instead they are unemployed or underemployed in subsistence agriculture, the growing number of youth will pose a challenge to the achievement of sustainable development, and could prove socially or politically destabilizing as well.<sup>3</sup> Moreover, current unemployment among youth impedes social and economic development not just for today but also for the future, since youth who experience a delayed start in the labour force tend to continue to lag behind in terms of earnings and income growth once they become employed.<sup>4</sup>

Several countries with comparatively low youth unemployment rates are projected to see declines in the number of youth in the coming 15 years. In Thailand, for example, youth unemployment is projected to be just 3 per cent in 2015 and the population aged 15-24 years is expected to shrink by 22 per cent by 2030. Cuba, Japan and Viet Nam are also projected to see declines in the number of youth in a context of low youth unemployment. These economies must prepare for an ageing labour force in the coming decades.

#### 4. Youth education and employment are essential to harnessing the opportunities for economic growth associated with the demographic dividend.

When a population experiences a sustained decline in fertility rates, the share of the population composed of children declines while the share in the working ages grows larger. Demographers and economists have heralded the window of opportunity presented by this “demographic dividend”, wherein the relative abundance of working-age people can lead to increased savings, higher productivity and more rapid economic growth.<sup>5</sup> However, the ability of countries to harness the demographic dividend depends critically on their investments in human capital, particularly amongst young people poised to enter the labour force, whose productivity, entrepreneurship and innovation will drive future economic growth. If human capital investment falls short or if the labour market is unable to absorb new workers, the opportunity of this demographic dividend may be squandered.

The importance of investment in youth for a full realisation of the demographic dividend is evident in a comparison of recent trends in population age structure, youth unemployment and gross domestic product (GDP) per capita in Tunisia and the Republic of Korea (figure 4). Both countries are experiencing historic highs in the proportion of the population in the working ages, owing to fertility declines that took place over the latter half of the 20<sup>th</sup> century. The share aged 15-64 rose from just over 50 per cent in the late 1960s

to around 70 per cent in 2015 in both countries. The two countries differ markedly, however, with respect to youth employment. In Tunisia, the proportion unemployed amongst persons aged 15-24 has hovered around 30 per cent or more since the early 1990s, whereas in the Republic of Korea only around 10 per cent of youth were unemployed over the same period. Trends in economic growth have likewise differed markedly since the early 1980s: in Tunisia, per capita GDP tripled between 1980 and 2010, whereas for the Republic of Korea it increased by a factor of 12. Although a host of factors help to determine the pace of economic growth for a given country, the lack of employment opportunities for large fractions of youth in Tunisia and elsewhere has limited the economic potential offered by the favourable population age structure associated with the demographic dividend.

#### NOTES

<sup>1</sup> Data are from *World Population Prospects: The 2012 Revision*, CD-ROM Edition-Extended Dataset (United Nations Publications, Sales No. 13.XIII.10)

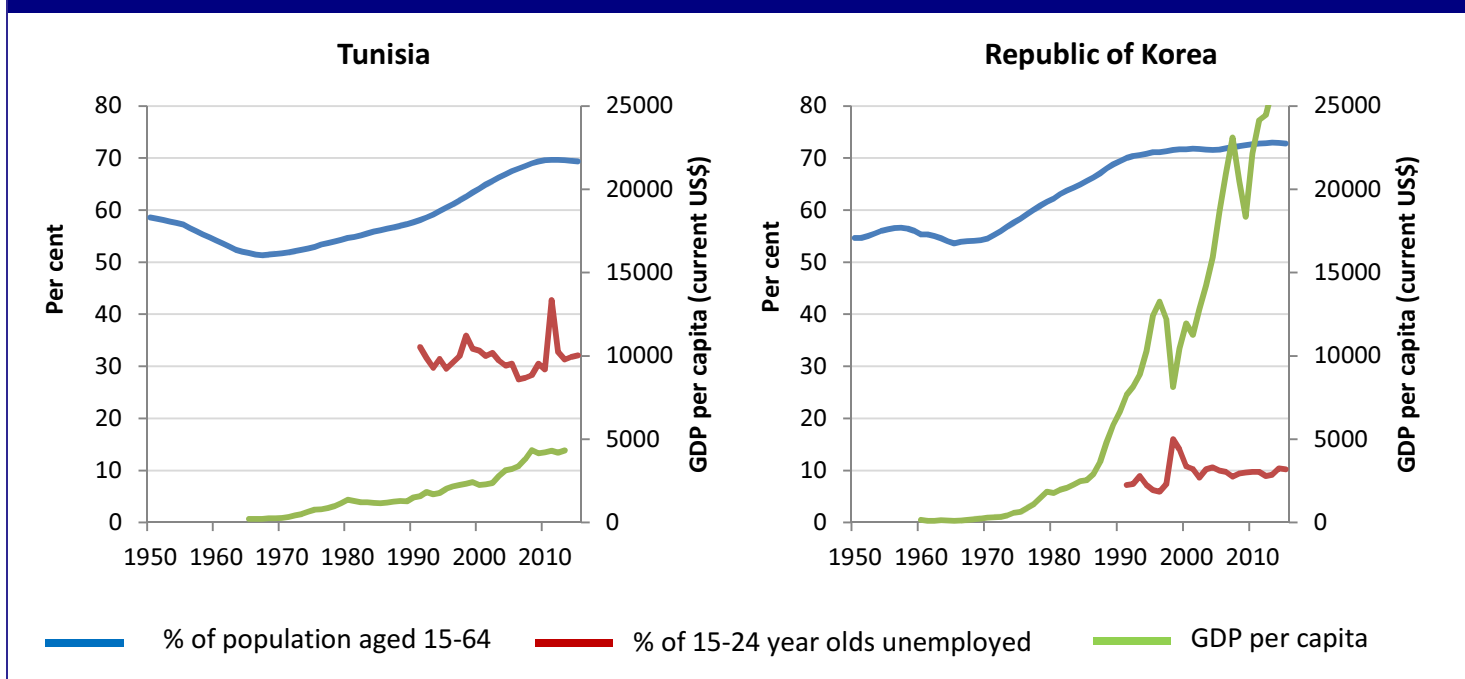
<sup>2</sup> A/RES/66.288 *The Future We Want*

<sup>3</sup> Urdal, H. (2012). A clash of generations? Youth bulges and political violence. United Nations Population Division Expert Paper No. 2012/1.

<sup>4</sup> Gregg, P., and E. Tominey (2005). The wage scar from male youth unemployment. *Labour Economics*, vol. 12, No. 4, pp.487-509.

<sup>5</sup> Mason, A. (2005). Demographic dividends: the past, the present, and the future.

Figure 4: Share of working-age population, youth unemployment and GDP trends in Tunisia and the Republic of Korea, 1950-2015



Data sources: Working age population is from United Nations (2013) *World Population Prospects: The 2012 Revision*. Youth unemployment is from ILO (2015). *World Employment and Social Outlook: Trends 2015*. GDP is from World Bank (2014). *World Development Indicators*.