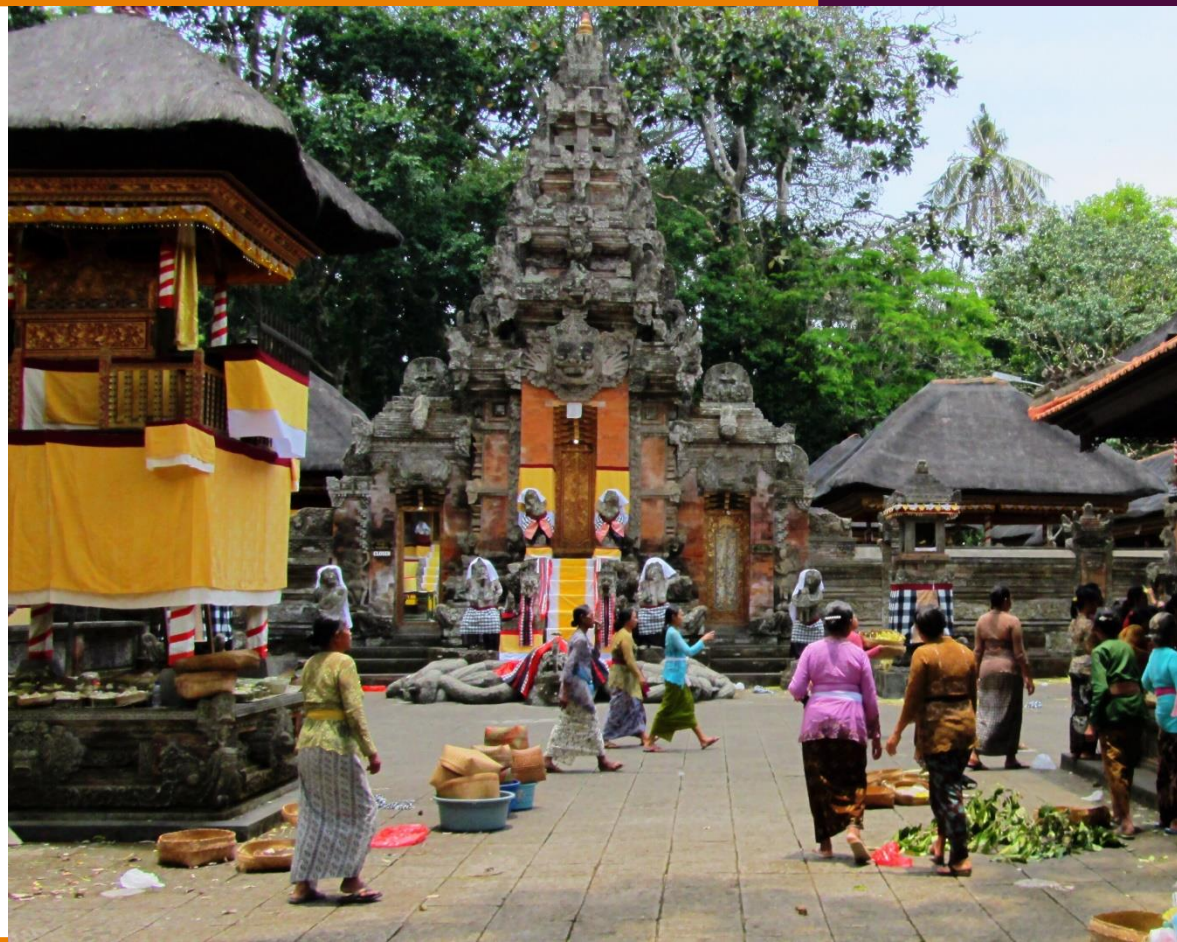


Post-2015 Development Agenda

Indonesian Perspectives



Population and Demography

SPEAKERS AND CONTRIBUTORS

Hans-Peter Kohler

Hans-Peter Kohler is currently the Frederick J. Warren Professor of Demography in the Department of Sociology and a Research Associate in the Population Studies Center at the University of Pennsylvania. Kohler is the recipient of the 2005 the Clifford C. Clogg Award for Early Career Achievement by the Population Association of America, has been a recent fellow at the Norwegian Academy of Science, and his research has received extensive funding through the National Institutes of Health (USA) and other institutions. Kohler has widely published on topics related to fertility, health, social and sexual networks, HIV/AIDS, biodemography and well-being in leading scientific journals, and his work has had substantial influence on policy and media discussions related to demographic change.

Jere. R. Behrman

Jere Behrman (Ph.D. Economics, MIT, 1966) is the WR Kenan, Jr. Professor of Economics and Sociology and Population Studies Center Research Associate at the University of Pennsylvania. His research is in empirical micro economics, economic development, early childhood development, labor economics, human resources (education, training, health, nutrition), economic demography, household behaviors, life-cycle and intergenerational relations and policy evaluation. He has published over 370 professional articles (primarily in leading general and field economic journals, also in leading demographic, sociology, nutritional and biomedical journals) and 34 books

Dwini Arianto

Dwini Arianto, is Vice Director of the Indonesia Demographic Institute. The Demographic Institute deals with issues of demography, population and development. It is a semi-autonomous organization with two main objectives: (i) to promote awareness among planners, policy makers, program implementers, researchers, business people, scholars, practitioners and people at large of demographic change and variables that impact upon national development; (ii) to promote cooperation with other population studies centers in order to develop a stronger and more qualified “research culture” in the demographic field. Its major activities include: (1) Research and consultancy on population dynamics, (2) Training in demography and population-related matters and (3) Dissemination of information on population-related issues.

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Summary: White Paper Report by Hans-Peter Kohler and Jere R. Behrman

Indonesia is the fourth most populous country in the world and will be eighth in the list of countries contributing to population growth by 2050 (other than African countries, only India, Pakistan and the USA come higher). The birth rate fell steeply in the last decades of the Twentieth Century, but has stalled since the mid-90s, with women on average bearing 2.6 children, or about half a child more than needed to simply keep numbers stable over time.

With continuing significant population growth, it will not seem surprising that a target recommended in the Copenhagen Consensus study is to make family planning available to everyone. Although it is very difficult to do a rigorous economic assessment of the costs and benefits of achieving this, we estimate that every 1,000 IDR of spending would pay back between twenty- and thirty-fold.

But access to contraception, in Indonesia at least, is not primarily about reducing population growth. It turns out that, even if fertility rates dropped to replacement levels (2.1 children per mother) tomorrow, population growth up to 2050 would be barely affected. This so-called population momentum is simply due to the large number of women of child-bearing age. Life expectancy is likely to rise to 77.4 years (from 71.2) by 2050, and the population is set to rise to 321 million.

As long as the country can capitalise on the fact that there will be a large fraction of the population of working age over coming decades – what is known as the demographic dividend – Indonesia has much to gain from a population which will continue to grow until mid-century. Over time, the proportion of people over 65 will increase as the number below 15 falls, but in the meantime the large number of young and middle-aged adults can give a real boost to the economy. But it is still important to see fertility rates decline so that dependency ratios (numbers of old and young people supported by those of working age) remain low enough for the benefits of the demographic dividend to be felt.

The real benefit of broadening access to contraception will come in reducing the maternal mortality rate, one of the highest in the region at 470 deaths per 100,000 live births. For comparison, Malaysia has a maternal death rate less than 10% of that of Indonesia. Expansion of family planning is expected to avoid 5,400 deaths of mothers in childbirth and 336,000 infant deaths over a five year period.

Better family planning has other benefits as well: less childbearing should result in more education for girls and young women, a general improvement in women's health, a greater number of women in paid jobs, lower child mortality and generally improved childhood health, and more time for mothers to devote to the children they do have. It's no surprise, then, to see the return of 'dua anak cukup' commercials, in a bid to fulfil the remaining unmet need for family planning (estimated at 11% of the total) and reduce the rate of births to teenage mothers in rural areas.

There are also other ways to contribute to the growth of prosperity. The total number of international migrants grew from 103 million in 1980 to 230 million in 2013. 36% of this total – over 82 million people – moved from one developing country to another. This includes, for example, Indonesians working in Saudi Arabia, and the more than one million workers from Indonesia in Malaysia.

Overall, wealth is generated by workers moving to countries where they can be more productive, and the families of migrants benefit directly via remittances. The boost to host economies is, however, spread more

thinly and there are local workers who may lose out, so it is important that migration is well managed to allow adjustment. The overall benefits are still clear, however, and reducing barriers to migration is a target which would be highly relevant for Indonesia; the benefit for every thousand rupiah spent is likely to be around 45,000 IDR.

There are other inescapable trends which have to be recognised and made the most of. Towns and cities will continue to grow rapidly in low- and middle-income countries. This can create problems, but there are also opportunities for higher productivity and better healthcare and schooling, so it is important for urbanisation to be properly managed to maximise the gains. Similarly, the inevitable aging of the population calls for policies which improve both health and lengthen working lives.

Indonesia's population will continue to grow for the next few decades but, properly managed, this can create both economic growth and better welfare.

White Paper Report by Hans-Peter Kohler and Jere R. Behrman

Prioritizing the Post-2015 UN Development Agenda on Population and Demography requires a recognition that national demographic trajectories are currently more diverse than in the middle and late 20th century. Wealthy countries of Europe, Asia and the Americas face rapid population aging, while Africa and some countries in Asia prepare for the largest cohort of young people the world has ever seen. And many of the world's poorest countries, particularly in sub-Saharan Africa, continue to face premature mortality, high fertility and often unmet need for contraception. In light of these demographic transformations, the United Nations' *Report of the Global Thematic Consultation on Population Dynamics*¹ highlights three central aspects of how population dynamics affect the Post-2015 Development Agenda:

1. *Population dynamics are at the centre of the main development challenges of the 21st century, and must therefore be addressed in the post-2015 development agenda.*
2. *Mega population trends—population growth, population aging, migration and urbanization—present both important developmental challenges and opportunities that have direct and indirect implications for social, economic and environmental development.*
3. *Demography is not destiny. Rights-based and gender-responsive policies can address and harness population dynamics.*

Agreeing with these broad implications of population change for human and economic development, our Copenhagen Consensus analyses for *Population and Demography*² highlight the following high-priority policy areas for the Post-2015 Development Agenda:

- *Make family planning available to everyone, including achieving universal access to sexual and reproductive health (SRH) services by 2030, and eliminating unmet need for modern contraception by 2040.*
- *Reducing of barriers to migration, within low- and middle-income countries, as well as between low- and middle-income countries and high-income countries.*

Benefit-cost ratios for expanding family planning are likely to be very high, between 20-30 for Indonesia and possibly larger than 90 in high-fertility countries. The benefit-cost ratios for reducing barriers to migration are also high – though difficult to calculate specifically for Indonesia, broader studies suggest the benefit for every dollar (or rupiah) spent is around 45. Both of these policy priorities and their relevance for contemporary Indonesia are discussed below. In addition, our analyses for the Copenhagen Consensus project indicate several priorities with *probably high*, but difficult to quantify, benefit-cost ratios. These include the *elimination of age-based eligibility criteria for retirement*, and interventions facilitating *more efficient and more equitable inevitable urbanization*.

Our analyses of *Population and Demography* also emphasize that “population quality” (or human capital), including aspects such as health and education, is an important further aspect of population dynamics that is essential for addressing the challenges of future population changes, for promoting gender equality and human rights, and for realizing the benefits of population dynamics for social, economic and environmental development. Population quality therefore needs to be seen as an inherent component of population dynamics, and in some areas—for instance policies addressing population aging—population quality-related policies to increase life-long learning and adaptability and to mitigate impacts of chronic diseases are primary

policies. Because aspects of population quality are discussed in other Copenhagen Consensus papers, the discussion here focuses primarily on population quantity, including aspects such as population growth, population age structure, migration and urbanization.

Population trends in Indonesia

Indonesia, with a current population of 241 million persons, is an important example for illustrating the Copenhagen Consensus Center's assessment of high-priority policy areas in the area of demography and population dynamics.³ Indonesia is the fourth most populous country in the world. It is the eighth country in terms of adding most people to the global population by 2050, the fourth outside of Africa (after India, Pakistan, USA), adding a total of more than 66 million. Much of this future growth will be concentrated in urban areas, the infrastructure and social services of which are already struggling due to rapid urbanization in recent decades. A substantial upsurge in the population, especially among the urban poor, would compound these problems.

Part of the population growth until 2050 might be attributed to Indonesia's *stalled fertility decline*, that is, the fact that the number of children born per woman stopped declining in the late-1990s. Fertility has remained above replacement level, at levels possibly as high as 2.6 children per woman.⁴ Interestingly, however, even under the assumption that fertility levels would instantly drop to replacement fertility (and remain at replacement until 2050), Indonesia would add about 70 million—just about the same as under the current UN medium fertility projection—to the global population. How is this possible?

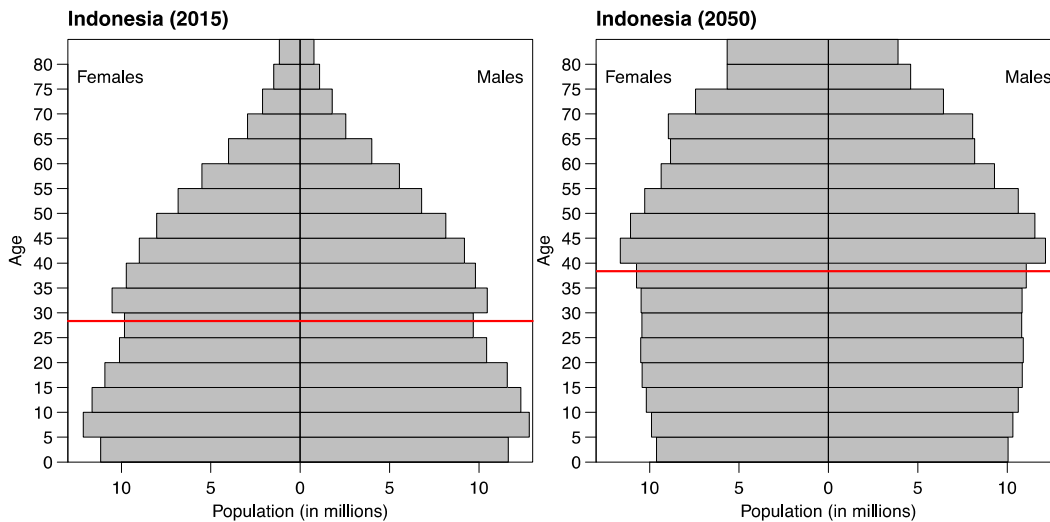


Figure 1: Population pyramid for Indonesia, 2015 and 2050

Source: United Nations World Population Prospects 2012 (Medium Variant)

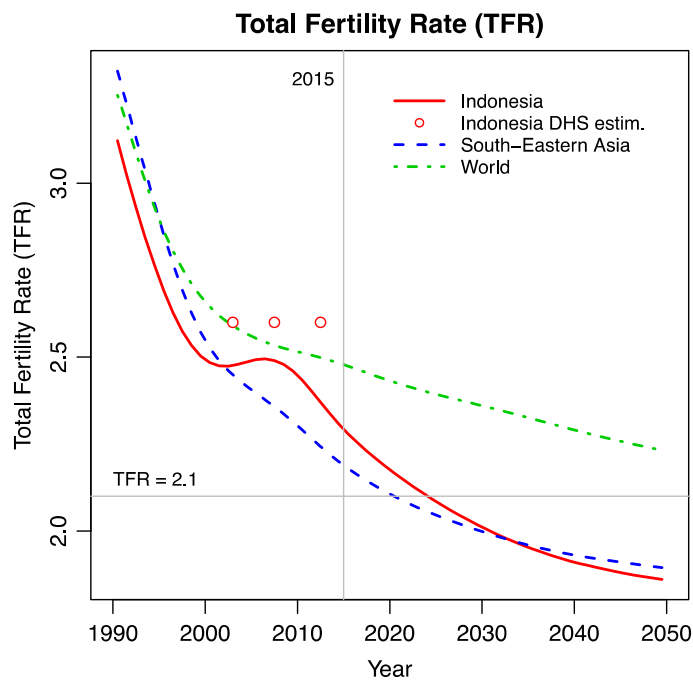
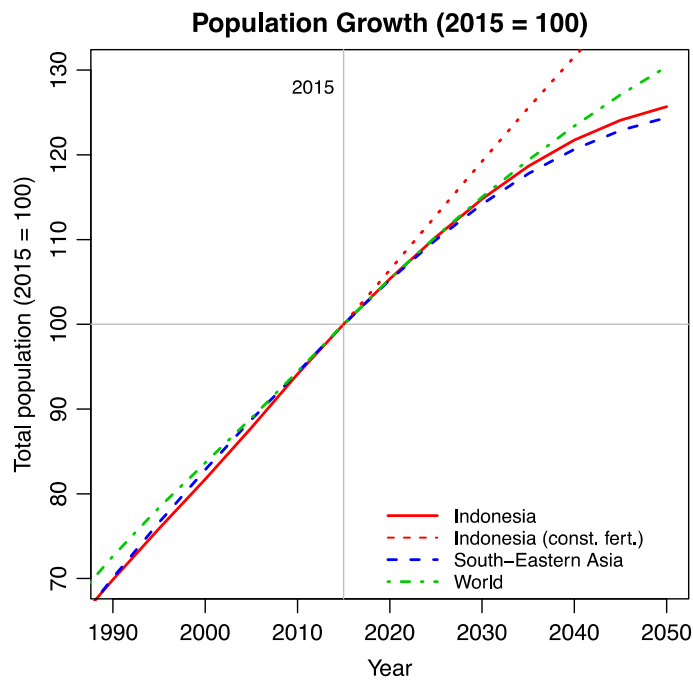


Figure 2: Population growth and total fertility rate (TFR) for Indonesia 1990–2050
 Source: United Nations World Population Prospects 2012 (Medium Variant)

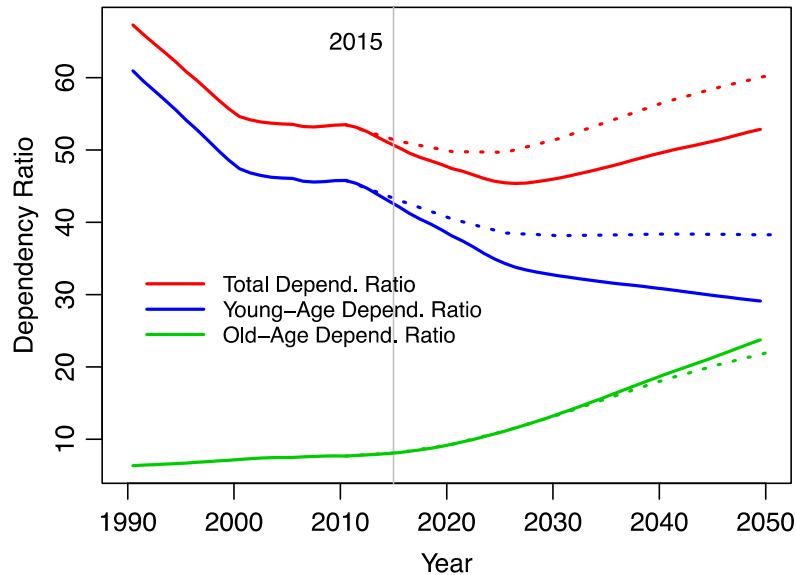


Figure 3: Total, old-age and young-age dependency ratio for Indonesia, 1990–2050

Source: United Nations World Population Prospects 2012

Notes: Full lines: UN medium variant; dashed lines: UN constant fertility variant with Indonesia’s TFR remaining at 2.5 until 2050

Figure 1 shows Indonesia’s current and projected 2050 population pyramids, and Figure 2 shows the total population growth compared to both global and South-Eastern Asia’s population growth,⁵ and the trend in Indonesia’s total fertility rate (TFR, a measure of the total number of children born to a woman during her lifetime). Indonesia’s total, young and old-age dependency ratios are plotted in Figure 3. As many other countries in the region, the next decades will bring about a transformation of Indonesia’s population with important implications for human and economic development. Life expectancy is likely to continue its fairly rapid increase: from 58.6 in 1980, to currently 71.2, and a predicted 77.4 by 2050. The population age structure will shift from a still relatively young population pyramid to one that is characterized by significant population aging, with the share of the population above age 65 increasing from currently 5.4% to 16%, while the share of the population below age 15 will decrease from 28% to 19%. But clearly, even by 2050, Indonesia will not yet have an “old” population age structure such as those that are expected by 2050 for many developed countries or even Asian neighbors such as China.

Population growth will slow; having peaked near 2.6% per year when Indonesia’s population was around 110 million in the late 1960s, it is currently estimated to be around 1.1% and it is projected to decline to 0.2% by 2050 when the population is expected to reach 321 million. By then, it will have added an extra 26% to its current population, which, in relative terms, is less than the world population growth between now and 2050 but slightly more than South-Eastern Asia’s population growth in the same time period. An important factor contributing to this slowing of population growth is the decline in the TFR, which dropped from 5.5 in 1970 to about 2.3–2.6 in 2010–15, a drop of about 3 children per woman.⁶ At the same time, investments in children increased, as is illustrated by an increase in the secondary school enrollment rate from less than 20% to 76%

during this time period. But TFR has remained relatively constant since the late-1990s, and there is even somewhat of a controversy about how low (or not) the current TFR in Indonesia actually is. The United Nations estimates it to be around 2.3, while recent surveys suggest a level near 2.6 (Figure 2). The latter level is about 1/2 child per woman above the replacement level, and if correct, it would mean that the TFR has been unchanged since 2002. Nevertheless, the fact that Indonesia's population growth by 2050 would be approximately equal if fertility instantly dropped to replacement level indicates that this growth is driven by *population momentum*, that is, the tendency for a population to continue to grow even with replacement-level fertility because of a relatively large number of individuals at childbearing years.

These broad trends in population dynamics place in the center cell of the taxonomy of population quantity and quality in Figure 4: while Indonesia has almost completed the fertility transition, and rapid population growth has thus disappeared, it still has only moderately-high levels of human capital and lacks behind some other countries in Latin America and some South-East Asian countries with regard to both fertility declines and human capital increases.

The current and future challenge for Indonesia is to reap the benefits of the *demographic dividend*,⁷ that is, the process by which a favorable age structure with a large fraction of the population in working ages can facilitate rapid economic development. Whether Indonesia can do so effectively will depend on both population dynamics and changes in population quality during the next decades.

Figure 4: Taxonomy of population quantity and quality: looking forward from 2015

		Late Stages in Demographic Transition and Population Quantity		
		High Fertility, High Population Growth	Potential "Demographic Dividend"	Post-Transition Older Population Structure
Population Quality (Health, Nutrition, Education)	Low	Much of Sub-Saharan Africa	Much of South Asia	
	Medium		Most of Latin America, parts of South-East Asia (including Indonesia)	Much of East Asia
	High			Most OECD countries

Adapted from: Behrman, J. R. and Kohler, H.-P. (2014). Population quantity, quality, and mobility. In: Allen, F., Behrman, J. R., Birdsall, N., Fardoust, S., Rodrik, D. et al. (eds.), *Towards a Better Global Economy: Policy Implications for Global Citizens in the 21st Century*, Oxford, UK: Oxford University Press, 2014.

Making family planning available to everyone

In terms of expanding family planning, Indonesia's experience is critical for understanding the importance of sustained investments in sexual and reproductive health (SRH) services. On the one hand, Indonesia is widely credited for having had a successful family planning program that helped facilitate the decline of fertility during the 1970s and 1980s (Figure 2). This family program begun in 1970 with strong governmental support and resulted in a large share of couples using modern contraceptives. How much of the fertility decline can be

directly attributed to this program remains controversial, but its key role in facilitating Indonesia's path towards lower fertility is uncontested.⁸ The practice of contraception during this program became so well-ingrained that even the fall of family incomes and rising costs of contraception during the 1998 financial crisis only had a minimal effect on contraceptive use. It seems, contraceptive users in Indonesia valued family planning so much that these two challenges did not deter them from practicing contraception.⁹

And yet, progress in reducing fertility has stalled. By 2014, the country had aimed to reach a total fertility rate of 2.1; however, based on recent DHS survey estimates, the TFR had essentially remained where it was early in this decade: at 2.6. The above-cited UN population forecasts until 2050 assume that the TFR drops below 2.1 by 2025–30, and remains below-replacement fertility thereafter. But why should a decline in TFR resume now, after 10 years or stalling? There is clearly some reason to be skeptical, and some observers have characterized Indonesia's fertility as being "*stubbornly high*." If TFR levels would for instance remain until 2050 constant at 2.5 children per woman, Indonesia's population would grow significantly faster and the total and young-age dependency ratios—the declines of which are critical for reaping the benefits of the demographic dividend—would remain substantially higher (dotted lines in Figures 1 and 3). Others, however, think these concerns about high fertility in Indonesia are exaggerated, in part due to uncertainty about the accuracy of recent fertility estimates and in part due to concerns that a "rapid" decline of fertility in the next decades may exacerbate population aging.¹⁰ Nevertheless, in April last year, Health Minister Nafsiah Mboi labelled Indonesia's family planning programs a "*failure*," citing their inability to control the country's fertility rate. And progress in other SRH indicators has been slow as well. Infant mortality is around 25 per 1,000 live births, as compared to 2 for Singapore and 7 in Malaysia. Indonesia also has one of the highest maternal mortality ratios in Southeast Asia, with an estimated 190 maternal deaths per 100,000 live births, as compared to 6 deaths for every 100,000 live births in Singapore and 29 in Malaysia.¹¹ The total unmet need for family planning services in Indonesia is 11%, and about 84% of contraceptive demands are satisfied (80% for modern methods).¹² Unmet need is substantially higher, around 13–15% for less educated and poor individuals, and for women at the end of their childbearing.¹³

In response to these trends, Indonesia is reviving its family planning program. A recent *Lancet* article for instance stated:¹⁴ "*In the 1970s, 'dua anak cukup' (two children are enough) became more than a fertility campaign—it was a rallying cry for the country. [...] When other low-income countries [now] look to improve their family planning schemes, the Indonesian model often tops the list. And so, to lower fertility rates, Indonesia need look no further than within its borders. Today, after a two-decade hiatus, 'dua anak cukup' commercials have returned to the air.*" Jakarta is thus hoping to build on its past success, both in terms of reducing fertility but also in terms of creating the individual, social and economic benefits that would arguable stem from such reduced fertility. The focus of this renewed effort towards promoting family planning will be in rural areas, where the rate of 15–19 year olds having children is more than double that in urban areas, and it will particularly encourage the use of long-term contraceptive methods.

Is this effort likely to be effective, and what are the likely benefit-cost ratios one could possibly hope to attain with such investments in family planning programs in Indonesia?

It would be wrong to evaluate family planning programs primarily with respect to population growth. Broader human-rights-based and gender-responsive perspectives are required. The UN Secretary General, for example, highlighted that "*protecting and fulfilling the human rights of young people and investing in their quality education, effective livelihood skills, access to sexual and reproductive health services and information, including comprehensive sexuality education, as well as employment opportunities, are necessary for the development of their resilience and create the conditions under which they can achieve their full potential.*"¹⁵ Expanding access to family planning is an important component of such a broad human-rights-based and

gender-responsive policy agenda. Specifically, a recent literature emphasized that family planning programs—besides reducing fertility and, related, maternal and child mortality—are likely to result in higher levels of female education, improvements in women’s general health, increases in female labor force participation and earnings, increased child health (up and beyond the effect on reducing child mortality) and increased child human capital.¹⁶ And in context like Indonesia, where fertility has already declined substantially from its peak, these benefits in terms of children’s and women’s well-being are likely to be the dominant ones. Much less important is the effect on population growth, which in countries like Indonesia is to a substantial extent driven by population momentum.

Our analyses for the Copenhagen Consensus project suggest benefit-cost ratios (BCRs) in excess of 90 for family planning programs in high fertility countries, about one third of which can be attributed to reduced infant and maternal mortality and two thirds to increased income growth resulting from the demographic dividend.

Most of these high-fertility countries to which this estimate applies are located in sub-Saharan Africa, have higher levels of unmet need for family planning, have higher levels of maternal and infant mortality, and experience much more rapid population growth than Indonesia. In high fertility countries, these high BCRs occur because reduced population growth as a result of expanded family planning programs can help countries to benefit from the demographic dividend. But in terms of age structure, Indonesia—along with other countries in the region—is already relatively well-positioned (Figure 3), and is poised to benefit further from a declining total dependency ratio (and thus increasing the share of the population in working ages) if its fertility trends follow the trajectory assumed under the UN median forecast (Figure 2). If fertility levels were to remain constant at around 2.5 children per women, these potential benefits from a demographic dividend would be substantially reduced (dotted lines in Figure 3).

Focusing on the benefits in terms of reduced maternal and infant mortality alone, earlier Copenhagen Consensus analyses suggested benefits-cost ratios of 30 or higher. Yet, the information base on which these estimates were derived had higher levels of infant and maternal mortality, and presumably lower costs of operating a family planning programs. USAID estimated the costs of expanding family planning to gradually eliminating unmet need over a 5-year horizon to be around US\$67 million.¹⁷ As a result of reduced population growth, USAID estimates that Indonesia would benefit through reduced required spending on education, water and sanitation, and maternal/child health by about US\$554 million, outweighing the costs by a factor of 8:1 (although these analyses assume that investments in child quality do not increase as a result of reduced fertility, which is contrary to the usually observed pattern). Subject to caveats about causality, the analyses also claim that this expansion of family planning could be expected to avert around 5,400 maternal deaths and more than 336,000 child deaths over a 5-year period. Taken at face value, and evaluating lives according to the Copenhagen Consensus Center guidelines, this investment of \$67 million would result in an exceptionally high benefit-cost ratio. But it seems likely that these analyses substantially overestimate the benefits and/or underestimate the costs of the expansion of the family planning program to eliminate unmet need.

A more cautious “back-of-the-envelope” calculation of the benefit-cost ratio is based on the costs of eliminating unmet need provided by the Guttmacher Institute.¹⁸ These calculations suggest that the benefit-cost ratios of expanding family planning are around 20–30, attributable to reduced infant and maternal mortality. This estimate is consistent with earlier analyses conducted as part of the Copenhagen Consensus project on this topic (see above). This does not yet account for potential additional benefits resulting from the demographic dividend, which would be reinforced by declining fertility.

In summary, the Copenhagen Consensus analyses related to Population and Demography suggest that, even in countries such as Indonesia that have experienced large fertility declines and are in the center of the population

quality-quantity taxonomy in Figure 4, the BCRs associated with the expansion (or revival, as in the case of Indonesia) of family planning programs can be substantial and far above the “break-even point” of one.

Reducing barriers to migration

Globally the number of international migrants more than doubled between 1980 and 2010, from 103 million to 220 million. Despite the fact that Indonesia still has relatively few migrant workers, Indonesia plays an important role in this global system of migration. For example, the largest flow of migrants, just over 82 million or 36 percent in 2013, moved from one developing country to another, as from Indonesia to Saudi Arabia. There are also more than 1 million Indonesian workers in Malaysia. The Copenhagen Consensus Center *Population and Demography* analyses suggest that such international immigration should be further facilitated. If workers are much more productive in one country than in another, restrictions on immigration lead to large efficiency losses. Hence, reducing barriers to migration should be an important priority of the post-2015 Development Agenda. Countries such as Indonesia are likely to benefit, as it is already well integrated in the Asian and global system of migration.

BCRs are difficult to compute for this policy priority, in part because the costs of changing migration policy is difficult to estimate. One of the few existing analyses suggests BCRs in excess of 45, if the political will for doing so can be brought about. If undertaken at a moderate pace to allow internal adjustments, these gains will be shared by both citizens of recipient and origin countries. This general insight about the substantial benefits of reducing barriers to migration also pertain to Indonesia, even if detailed BCRs cannot be estimated here.

Urbanization

The global population will continue to rapidly urbanize during the next decades, with most rapid urbanization occurring in low- and middle-income countries.¹⁹ Indonesia will be no exception to this trend. The proportion of the population that is urban has more than doubled in the last three decades, standing now at 54%, and is expected to increase further to 72% by 2050. Existing and possibly new megacities—that is, cities like Jakarta with more than 10 million people—will absorb a substantial fraction of this urban population growth.

While clearly associated with many problems—for instance overcrowding, local pollution, concentrated poverty—urbanization has potentially important positive implications for development, including through higher wages due to higher productivity in urban industries/services, better schooling and health services, greater opportunities for political participation, reduced environmental impact of population, and freedom from traditional norms, all of which are “pull” factors for urbanization.

The challenge for the Post-2015 Development Agenda will be to implement policies that mitigate the downsides of urbanization while enhancing its benefits for individuals and the society. The Copenhagen Consensus Center paper on *Population and Demography* did not succeed in estimating global benefit-cost ratios for changes to promote better urbanization, as conditions among countries for what are basically national and subnational policies and regulations vary enormously. But even for a specific context such as Indonesia, such calculations are not easily possible. Nevertheless, even in the absence of such detailed benefit-cost calculations, it is likely that interventions to facilitate “*successful urbanization*” have high benefit-cost ratios.

Population Aging

The consequences of population aging will increasingly become a policy concern for Indonesia. By 2050, the proportion of the population aged 65 and over will have increased from currently 5.4% to 16%, and the median age will rise from 28 to 38 years (Figure 1). There are no viable policy options that can change the basic tendency of countries, including Indonesia, to grow considerably older during the next decades. In light of rapid growth of elderly populations, the Copenhagen Consensus Center paper on *Population and Demography* therefore emphasized the need to *accommodate* populations aging in social, economic and environmental development, and creating institutional environments where possible negative consequences of population aging are lessened. This, however, poses challenges as some countries “*may get old before they get rich.*” Population aging in middle-income countries such as Indonesia potentially brings two important national goals into conflict: (1) developing economic systems that will provide economic security to the growing number of old people, and (2) sustaining strong economic growth.²⁰ Achieving these two goals will require new policies, most importantly policies that encourage saving, and investment in health and education to improve productivity. In contrast to European and many Latin American countries, however, policymakers in many Asian countries—including Indonesia—have one important advantage. Social-security systems in the region tend to be relatively modest. The specific high-priority policy emphasized in our analyses for the Copenhagen Consensus, namely eliminating age-based eligibility criteria for retirements in public pension systems, is less important in Indonesia as compared to European or Latin American countries. Instead, other policies are likely to be more promising. For example: (1) untying social safety nets and health and pension systems from formal labor market participation, to reduce distortions and benefit the poorer members of society, who tend to work in informal employment or home production that is not covered by formal sector benefits; (2) renewing efforts to assess formal and informal means of making education over the life cycle more effective as social returns to more general education (learning how to learn) and to education over the life cycle are likely to increase in an aging world; and (3) promoting investments in adult health and human capital, especially in contexts where “healthy aging” can facilitate higher labor force participation and productivity at older ages.

Notes

¹UNFPA, UNDESA, UN-HABITAT, IOM (2013). *Population Dynamics in the Post-2015 Development Agenda: Report of the Global Thematic Consultation on Population Dynamics*. United Nations. URL <http://www.worldwewant2015.org/file/313464/download/340868>.

²Kohler, H. P. and Behrman, J. R. (2014). Population and demography: Benefits and costs of the population and demography targets for the post-2015 development agenda. Copenhagen Consensus Project: Post-2015 Consensus, URL <http://www.copenhagenconsensus.com/post-2015-consensus/populationanddemography>.

³Population trends and indicators reported here are obtained from UN Population Division (2012a). World Population Prospects, the 2012 revision: Standard (median) forecasts. United Nations, Department of Economic and Social Affairs, Population Division, URL <http://esa.un.org/unpd/wpp/>. In addition, because of the likely higher accuracy for recent years, estimates of the total fertility rate are obtained from Indonesia DHS (2013). *Indonesia Demographic and Health Survey 2012: Preliminary Report*. Jakarta, Indonesia and Calverton, Maryland: Statistics Indonesia, National Population and Family Planning Board, Ministry of Health and Measure DHS.

⁴There is some concern that this DHS-based fertility estimate is biased upward; see McDonald, P. (2014). The demography of Indonesia in comparative perspective. *Bulletin of Indonesian Economic Studies* 50(1): 29–52. doi: 10.1080/00074918.2014.896236

⁵South-Eastern Asian countries include, besides Indonesia, also Brunei Darussalam, Cambodia, Lao People's Democratic Republic, Malaysia, Myanmar, Philippines, Singapore, Thailand, Timor-Leste, Viet Nam.

⁶Note that the recent Indonesia DHS estimates the TFR for 2012 as 2.6, 11% higher than the UN estimate of 2.35 for the period 2010-15; moreover, the DHS estimates suggest that there has been *no change* in TFR across three surveys during since 2002–03 to 2012.

⁷Bloom, D. E., Canning, D. and Sevilla, J. (2002). *The Demographic Dividend: A New Perspective on the Economic Consequences of Population Change*. Santa Monica, CA: RAND Corporation.

⁸Ezeh, A. C., Bongaarts, J. and Mberu, B. (2012). Global population trends and policy options. *Lancet* 380(9837): 142–148. doi: 10.1016/S0140-6736(12)60696-5.

⁹McKelvey, C., Thomas, D. and Frankenberg, E. (2012). Fertility regulation in an economic crisis. *Economic Development and Cultural Change* 61(1): 7–38. doi: 10.1086/666950.

¹⁰McDonald, P. (2014). The demography of Indonesia in comparative perspective. *Bulletin of Indonesian Economic Studies* 50(1): 29–52. doi: 10.1080/00074918.2014.896236.

¹¹World Bank World Development Indicators, <http://data.worldbank.org/indicator>.

¹²Unmet need is a concept used by demographers to measure the number or proportion of women who are fecund and sexually active, but are not using any method of contraception despite the fact that they report not wanting any more children or wanting to delay the next child.

¹³Indonesia DHS (2013). *Indonesia Demographic and Health Survey 2012: Preliminary Report*. Jakarta, Indonesia and Calverton, Maryland: Statistics Indonesia, National Population and Family Planning Board, Ministry of Health and Measure DHS.

¹⁴Seiff, A. (2014). Indonesia to revive national family planning programme. *The Lancet* 383(9918): 683–. doi: 10.1016/S0140-6736(14)60244-0. URL [http://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(14\)60244-0/abstract](http://www.thelancet.com/journals/lancet/article/PIIS0140-6736(14)60244-0/abstract).

¹⁵UNFPA (2014). *ICPD Beyond 2014 Global Report*. New York, NY: United Nations. URL <http://www.unfpa.org/public/home/sitemap/ICPDReport>.

¹⁶Kohler, H.-P. (2013). Population growth. In: Lomborg, B. (ed.), *Global Problems, Smart Solutions: Costs and Benefits*, Cambridge, MA: Cambridge University Press, 510–580. Working paper version available at <http://repository.upenn.edu/pscworkingpapers/34>. Miller, G. and Singer Babiarz, K. (2014). Family planning: Program effects. *NBER Working Paper #20586*. doi: 10.3386/w20586.

¹⁷USAID Health Policy Initiative (2009). Achieving the MDGs in Indonesia: The contribution of family planning. USAID Health Policy Initiative, URL <http://www.healthpolicyinitiative.com/Publications/Documents/2461MDGIndonesiafinal.pdf>

¹⁸Singh, S., Darroch, J., Ashford, L. and Vlassoff, M. (2010). Adding it up: The costs and benefits of investing in family planning and maternal and newborn health. Guttmacher Institute Report, URL <http://hdl.handle.net/123456789/28189>

¹⁹UN Population Division (2012b). World urbanization prospects: The 2011 revision. Population Division, Department of Economic and Social Affairs, United Nations, New York.

²⁰Mason, A. and Lee, S. H. (2011). Population aging and economic progress in asia: A bumpy road ahead? *AsiaPacific Issues* 99.



Population and Demography of Indonesia



Sonny Harry Budiutomo Harmadi
Director of Demographic Institute UI
Special Staff to the Minister of National
Development Planning

Demographic Issues

- Post-2015 Five Demographic Issues in Indonesia:
 - continuing large number of population with a bulk of productive age people
 - emerging ageing population
 - urbanization
 - complex population mobility
 - High number of maternal deaths

A Democratizing Era

Indonesian Population Dynamics since 1998 has been occurring in the context of Democratization and Decentralization

AN EVER
LARGER
GIANT
POPULATION

- In 2015, Indonesia is estimated to have 255 million population.

2035

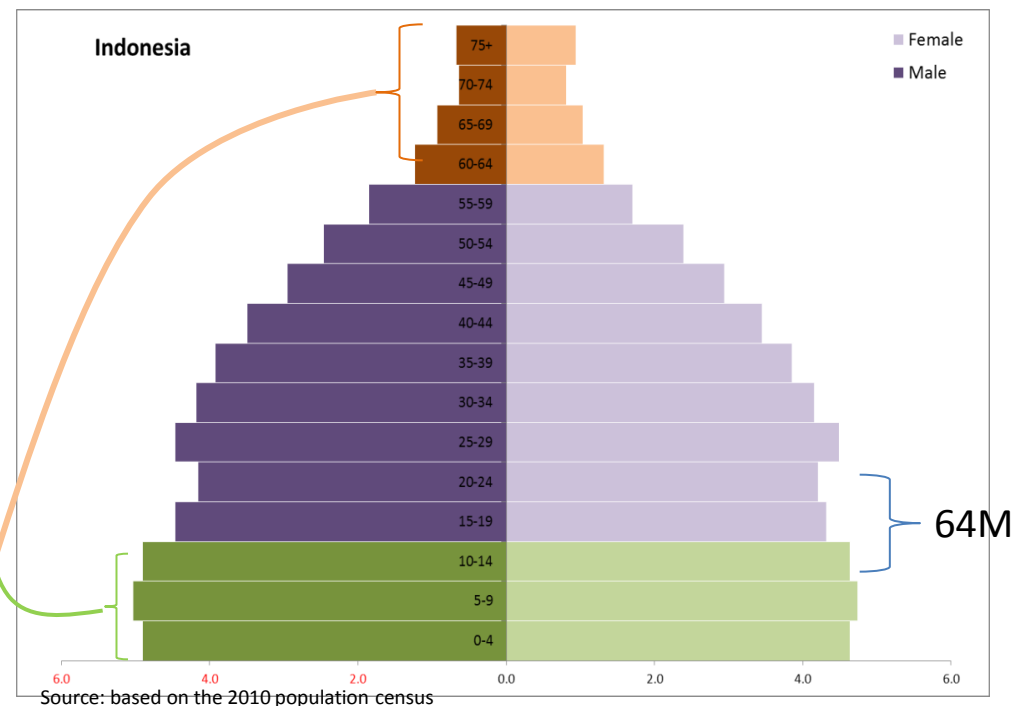
marks 306 million population

- Expecting about **50** million new comers, they are the upcoming young people, leading to greater concerns related to sexual and reproductive health and rights

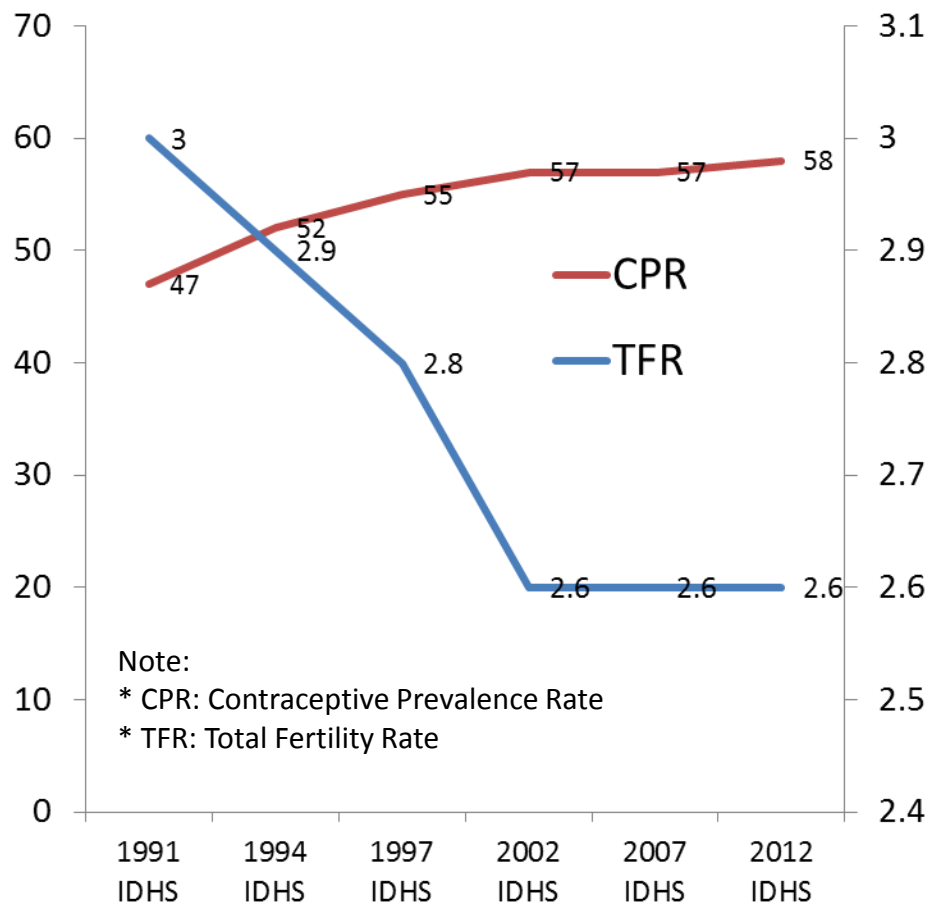
Today Indonesia's population is in its favorable pace for economic development

- The number of population was 237.6 million as of the 2010 population census, an increase of 147 million in nearly 40 years.
- Due to the successful past decline in fertility and mortality rates, today Indonesia's population structure has
 - 28% population aged below 15.
 - 8% people aged 60 and above
 - 64% working age population

Indonesia in 2010



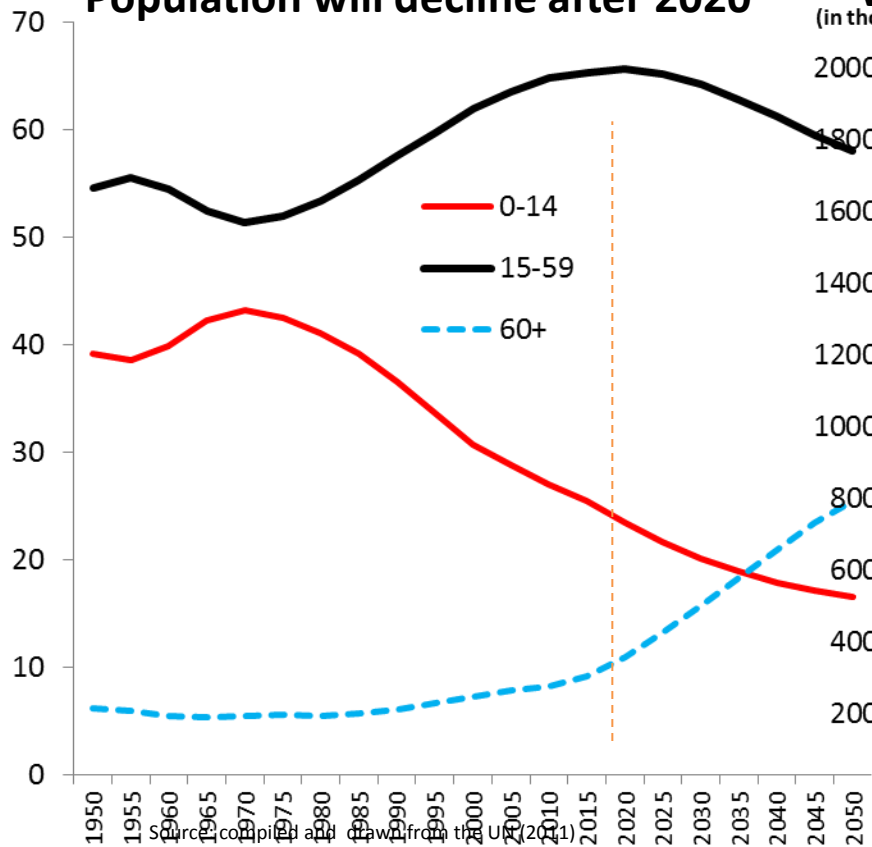
Continue Internalization of a 2-Child Family Norm



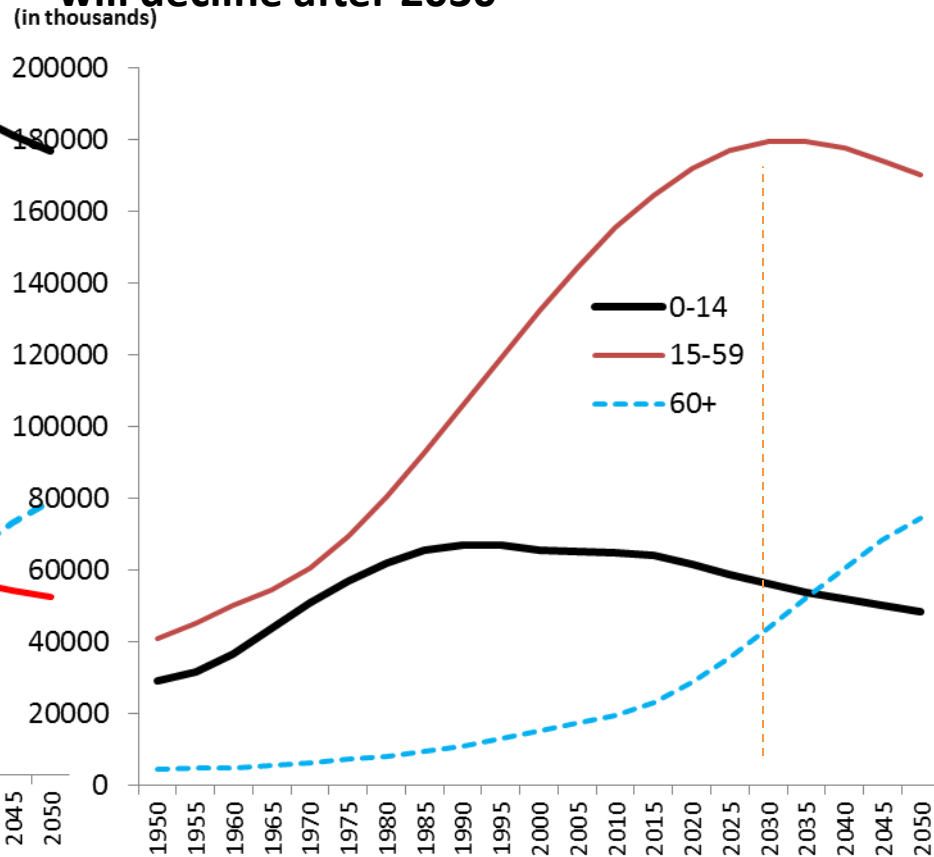
- Continuation of an aggressive promotion of fertility reduction is unjustified.
- Half of currently married women want no more children.
- Pay attention to regional variation.
- Among those who intend to have more children, half want to delay the next birth for at least 2 years.
- This means that the demand for contraceptive is relatively high.
- Unfortunately, they often face obstacles in gaining access to methods of birth control appropriate to their personal preferences and needs. As a result, the need is significantly unmet as the supply cannot meet the demand.

Demographic Window of Opportunity (DWO): results of fast and then slow decline in fertility rates

The **Percentage** of Working-age Population will decline after 2020



The **Number** of Working Age Population will decline after 2030



EMERGING AGEING POPULATION

After 2015, the number and percentage of population aged 60 and above will accelerate

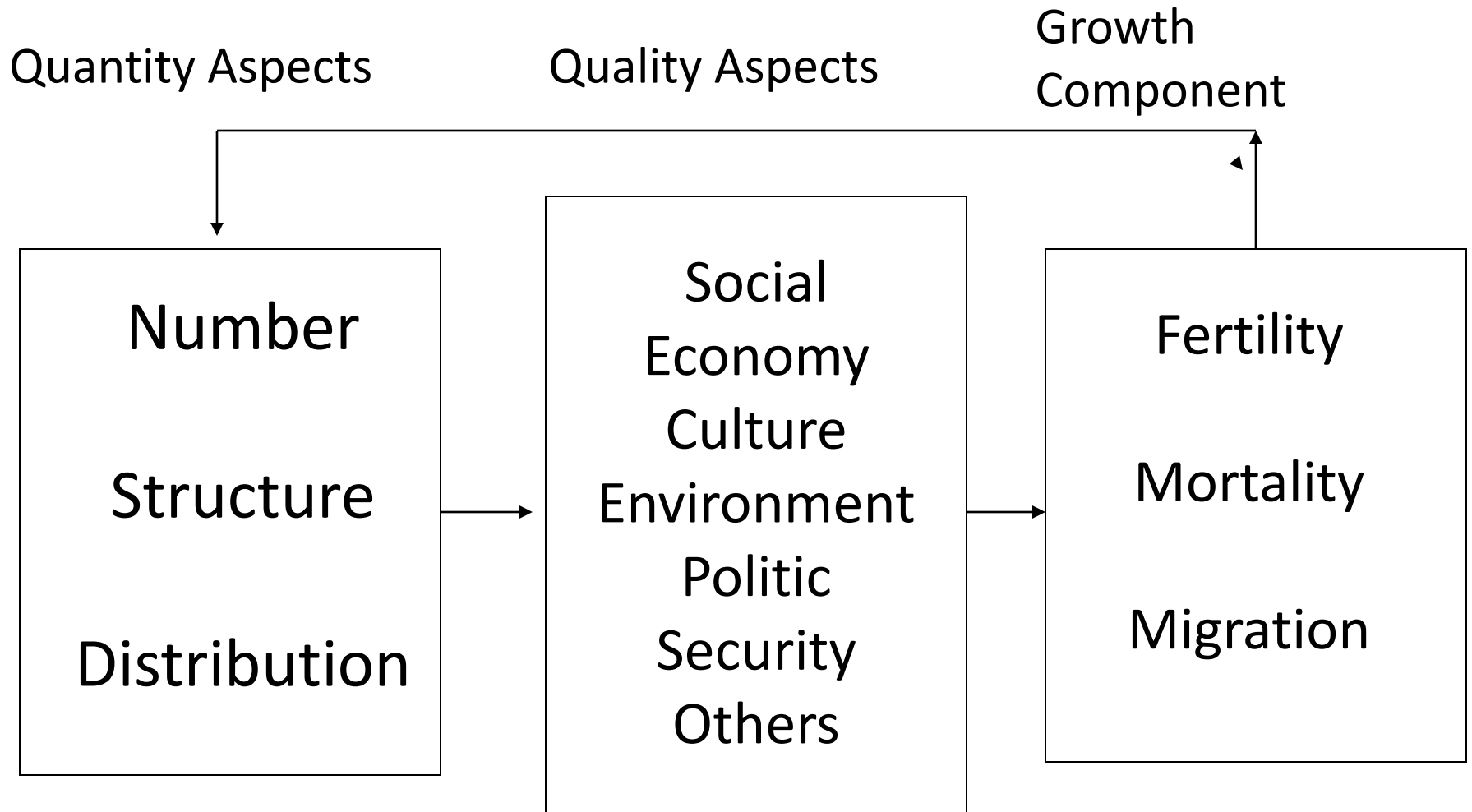
PEMBANGUNAN MANUSIA INDONESIA

“...Kemajuan suatu bangsa juga diukur berdasarkan indikator kependudukan. Ada kaitan yang erat antara kemajuan suatu bangsa dengan laju pertumbuhan Penduduk, termasuk derajat kesehatan. Bangsa yang sudah maju ditandai dengan laju pertumbuhan penduduk yang lebih kecil, angka harapan hidup yang lebih tinggi; dan kualitas pelayanan sosial yang lebih baik. Secara keseluruhan kualitas sumberdaya manusia yang makin baik akan tercermin dalam produktivitas yang makin tinggi”

Rencana Pembangunan Jangka Panjang
Nasional 2005-2025 (RPJPN) hal. 37.

Pembangunan → Kebersamaan →
Keadilan → Pemerataan →
Kesejahteraan

Integrasi komponen kependudukan dan aspek-aspek pembangunan

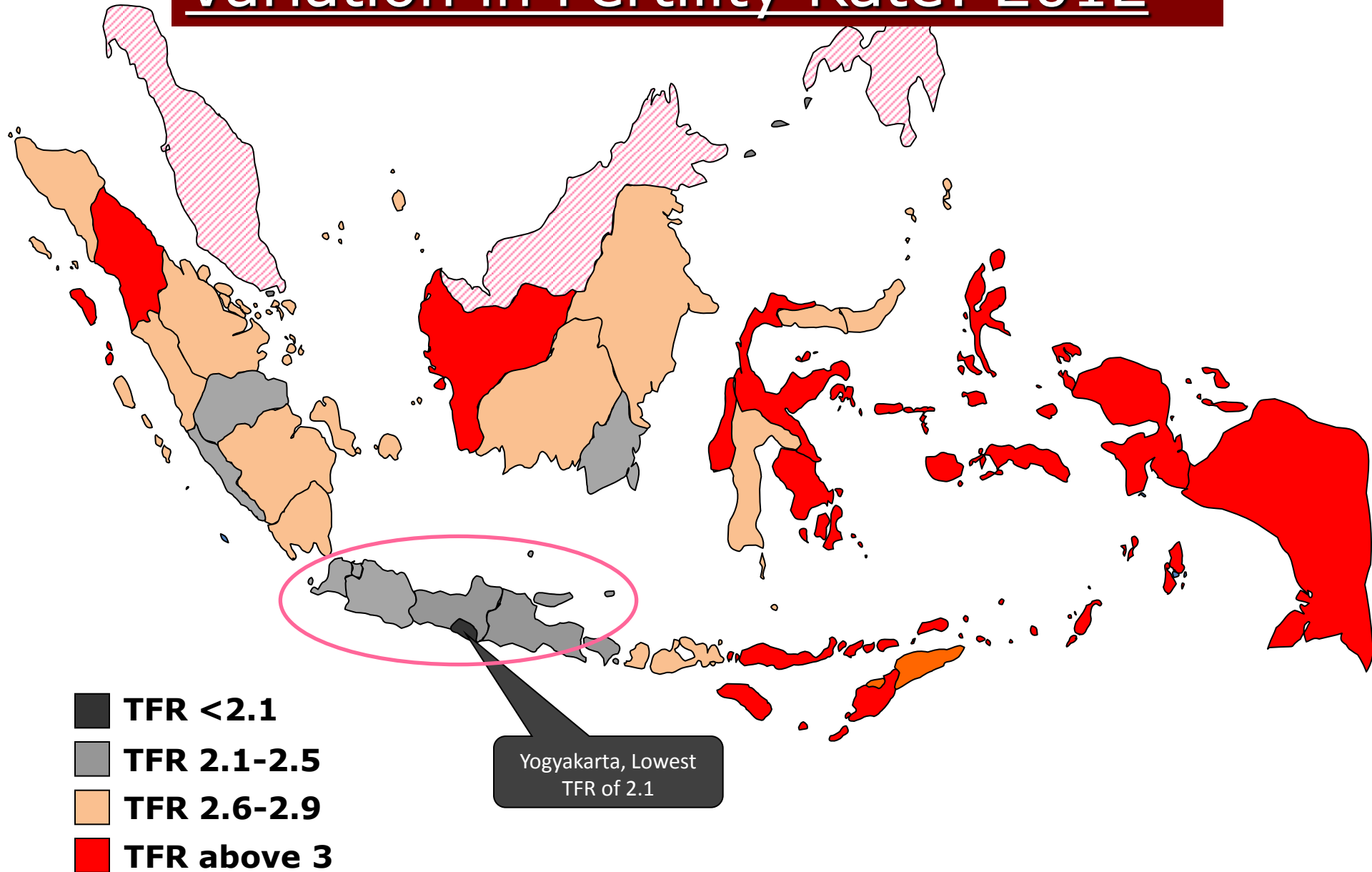


Highly Mobile Population

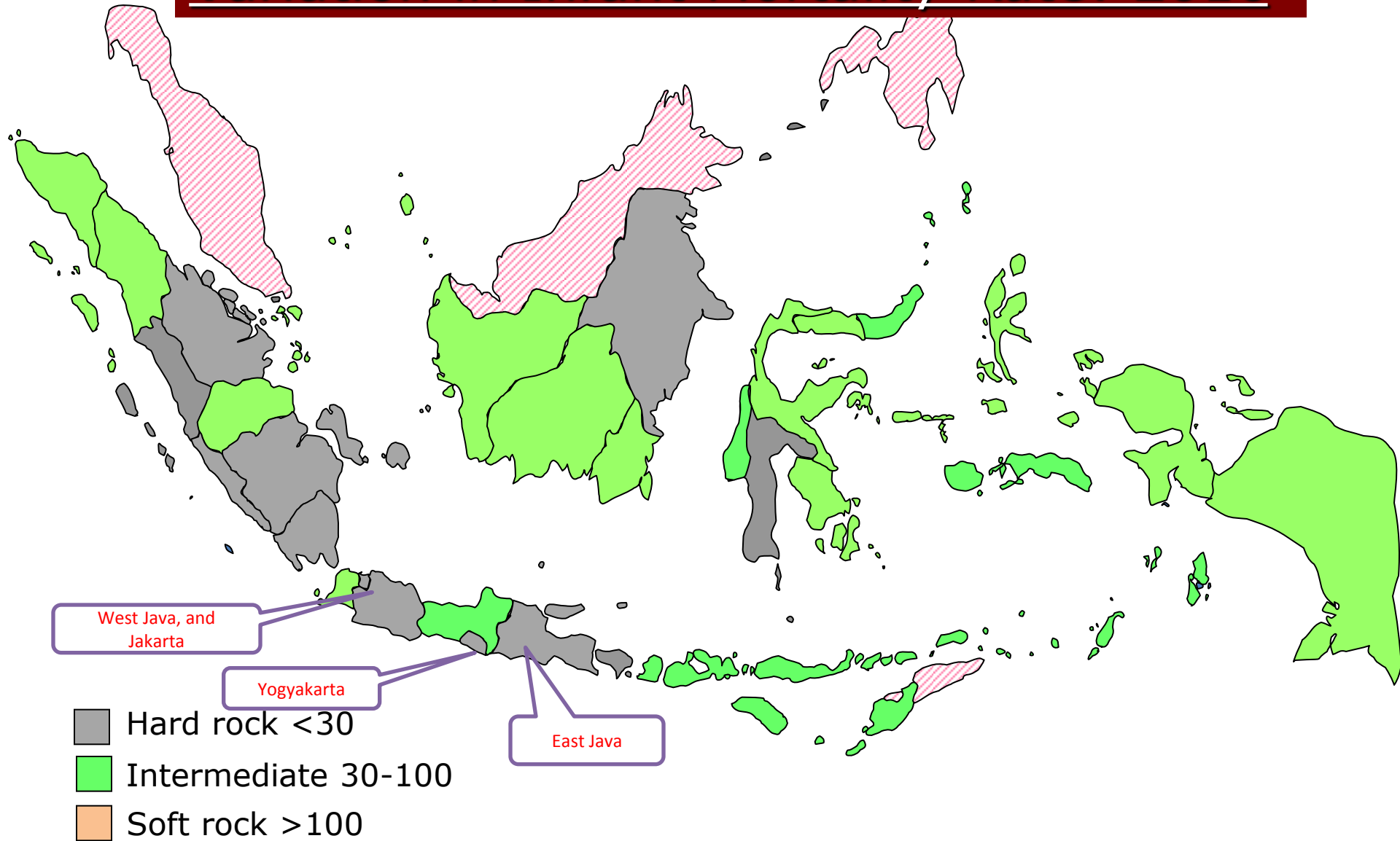
Facilitated by the advancement in public transportation and information, as well as smaller family sizes, population mobility in Indonesia has taken different types of mobility:

- Increasing commuter;
- Rising seasonal migration;
- Complex internal migration;
- More return migration;
- IDP (Internally Displaced Persons);
- Rising overseas migrations;
- Rising flow of foreign migrants;
- BRAIN GAIN for Indonesia.

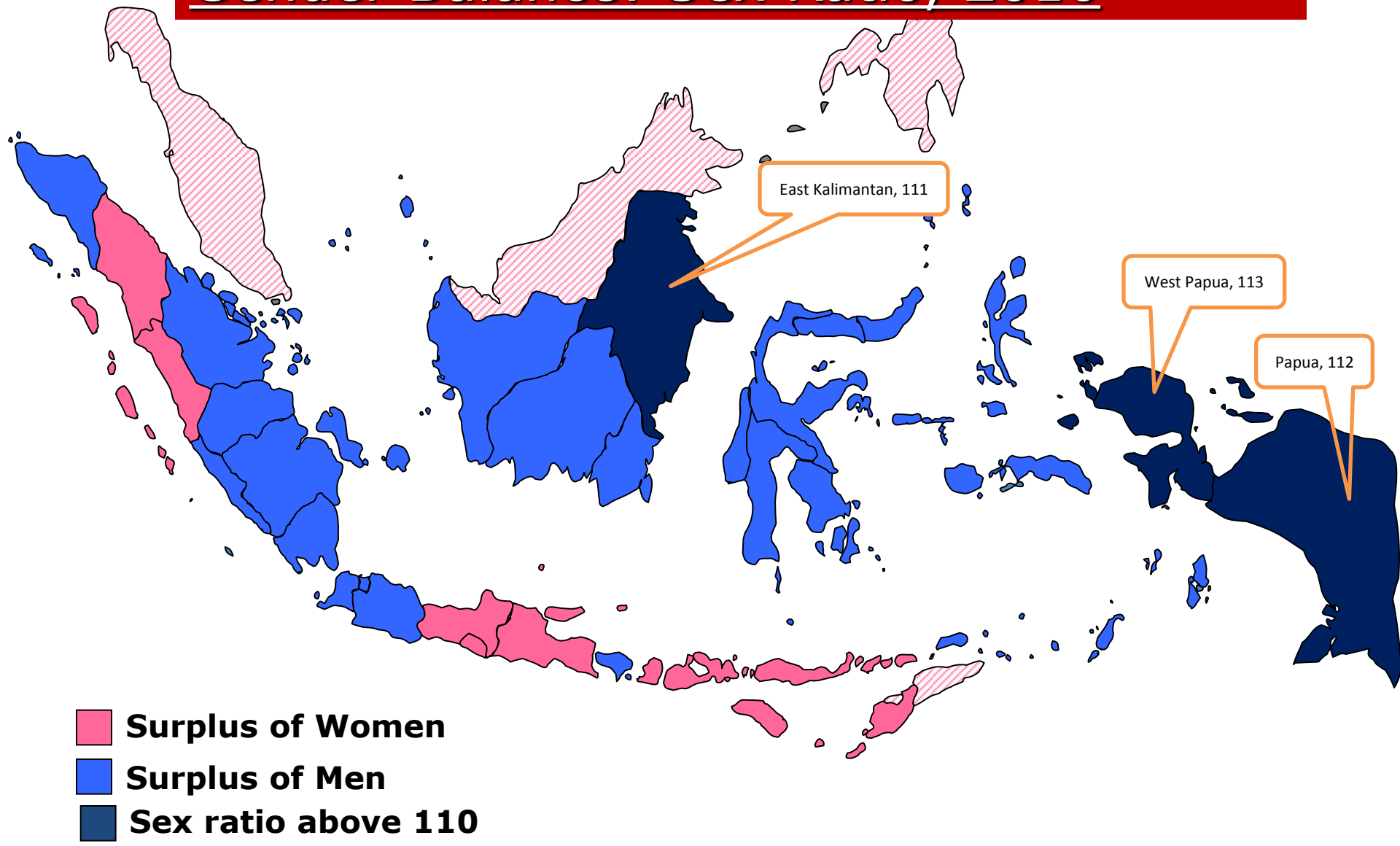
Variation in Fertility Rate: 2012



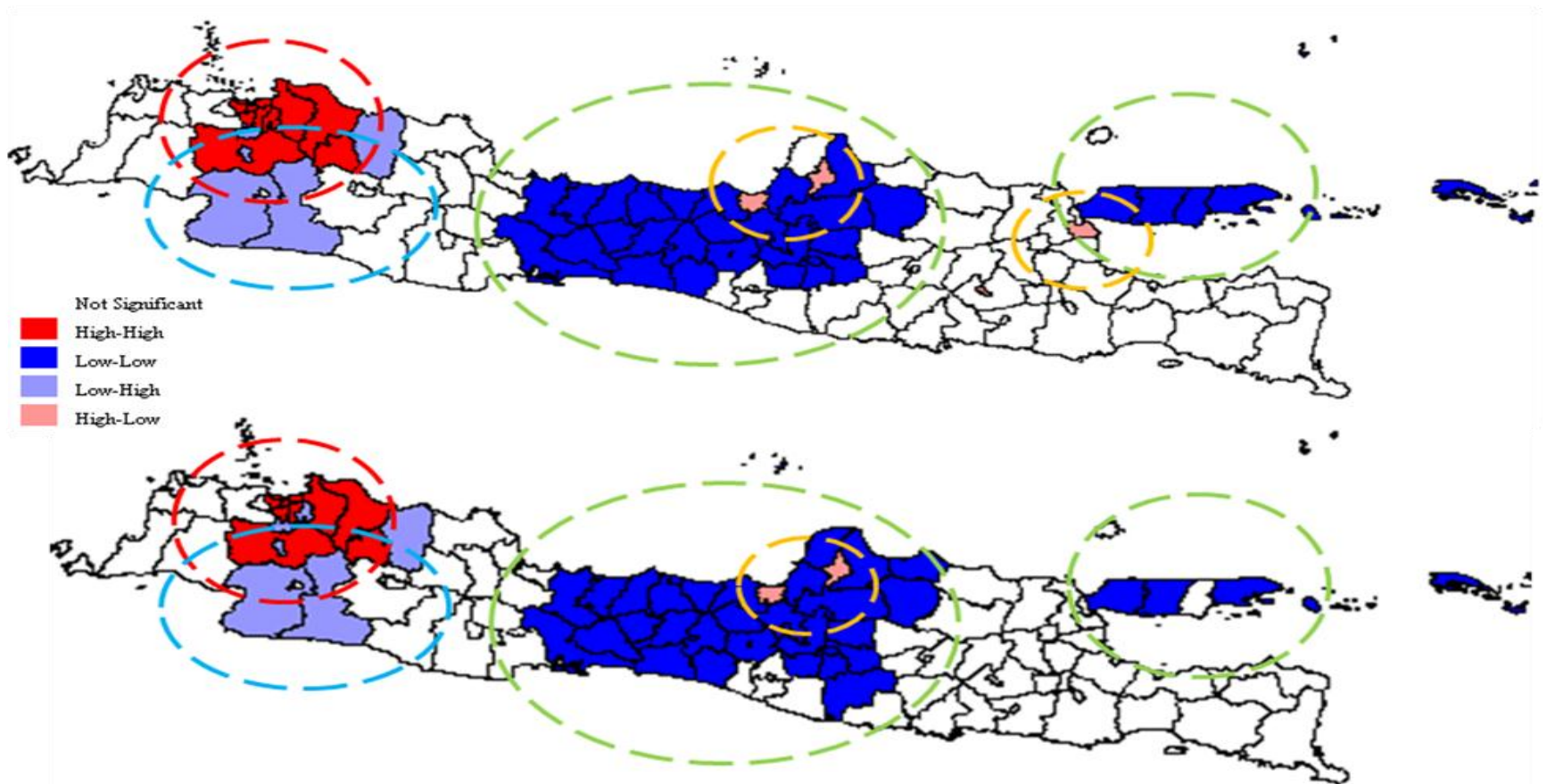
Variation in Infant Mortality Rate: 2010



Gender Balance: Sex Ratio, 2010



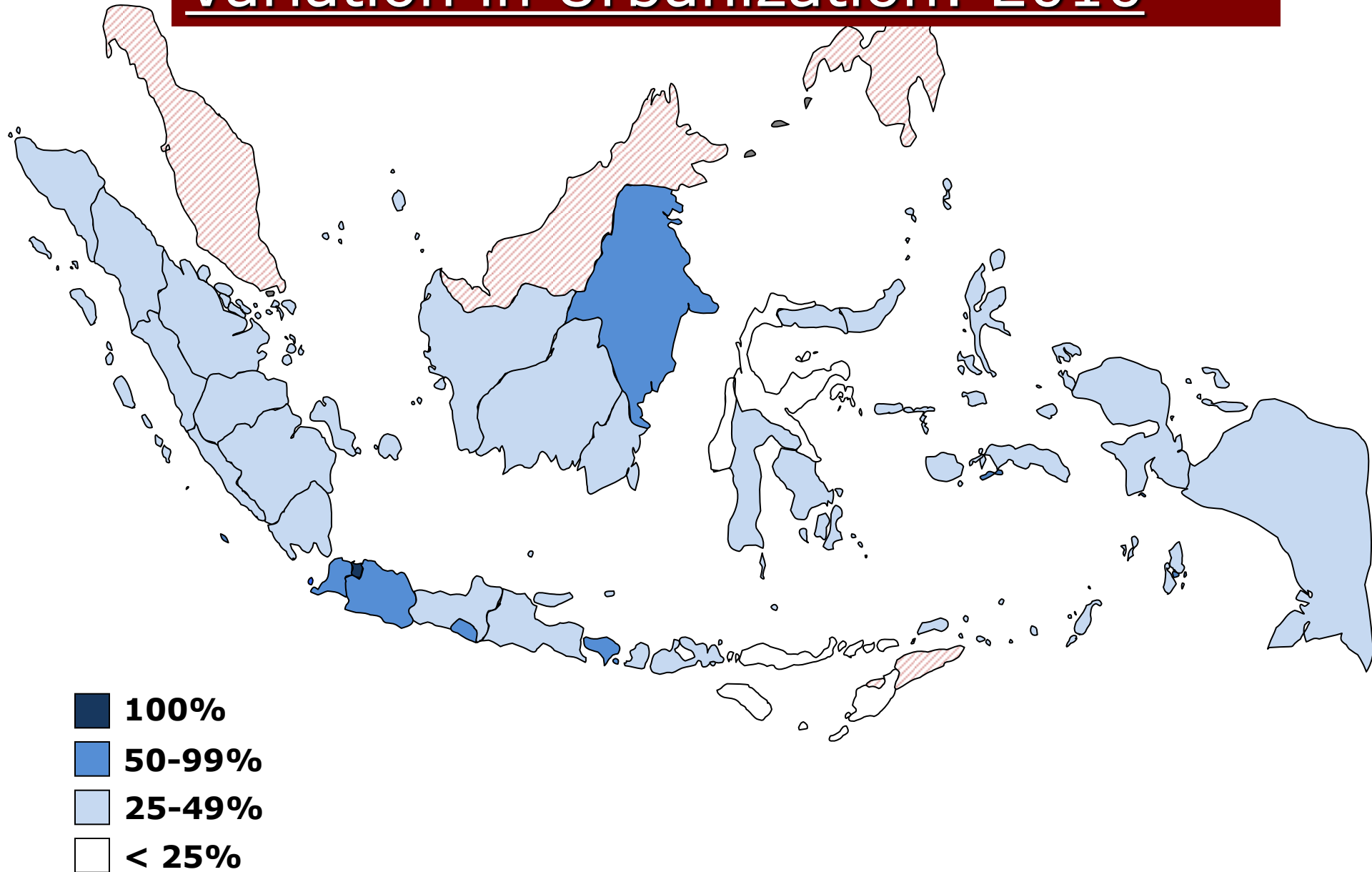
AGLOMERATION of POPULATION and ECONOMY



JOBS FOLLOW PEOPLE

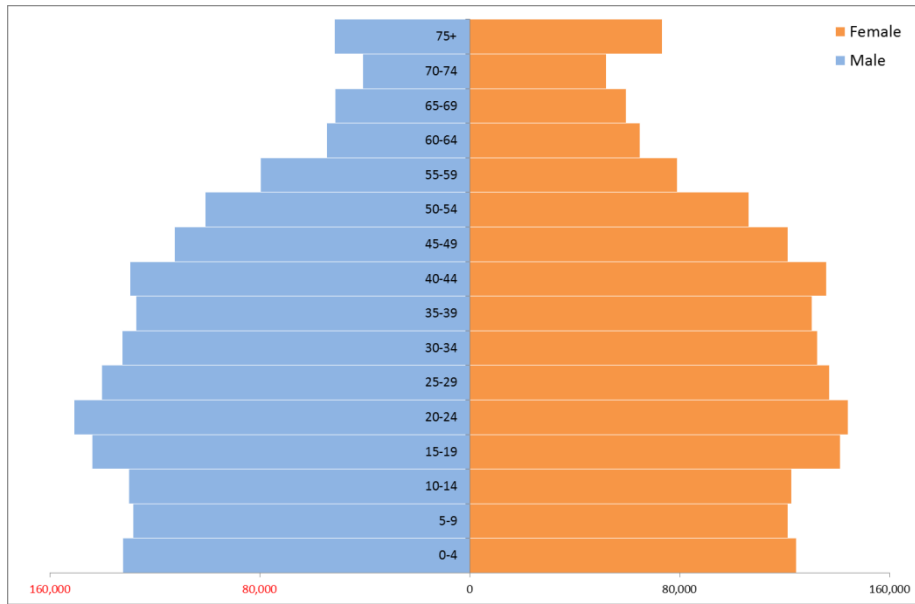
Source: Harry Heriawan Saleh

Variation in Urbanization: 2010

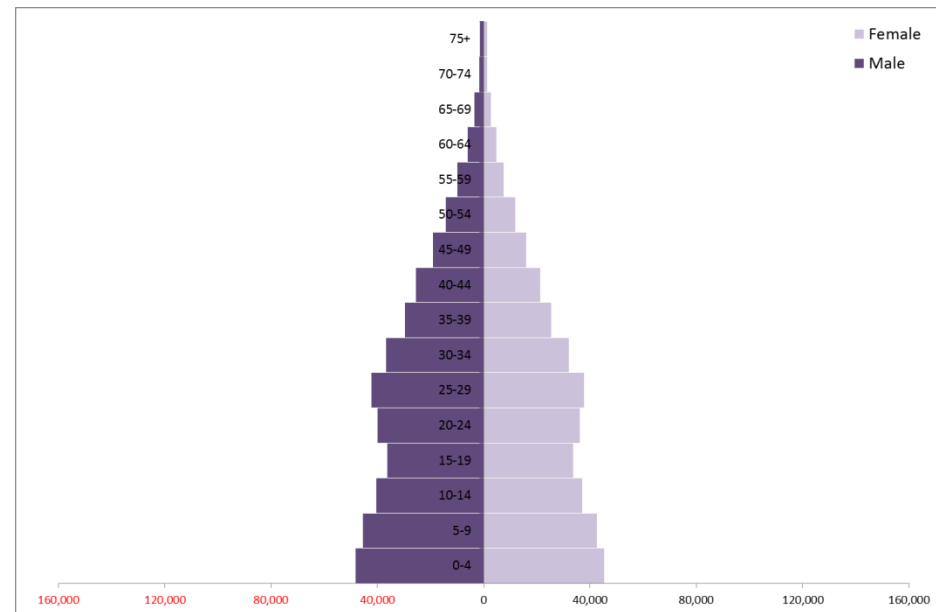


Contrast between West Papua and Yogyakarta, 2010

Yogyakarta



West Papua



Source. Indonesia Statistical Bureau, 2010

Quantity Aspects

WORLD POPULATION DENSITY 2012

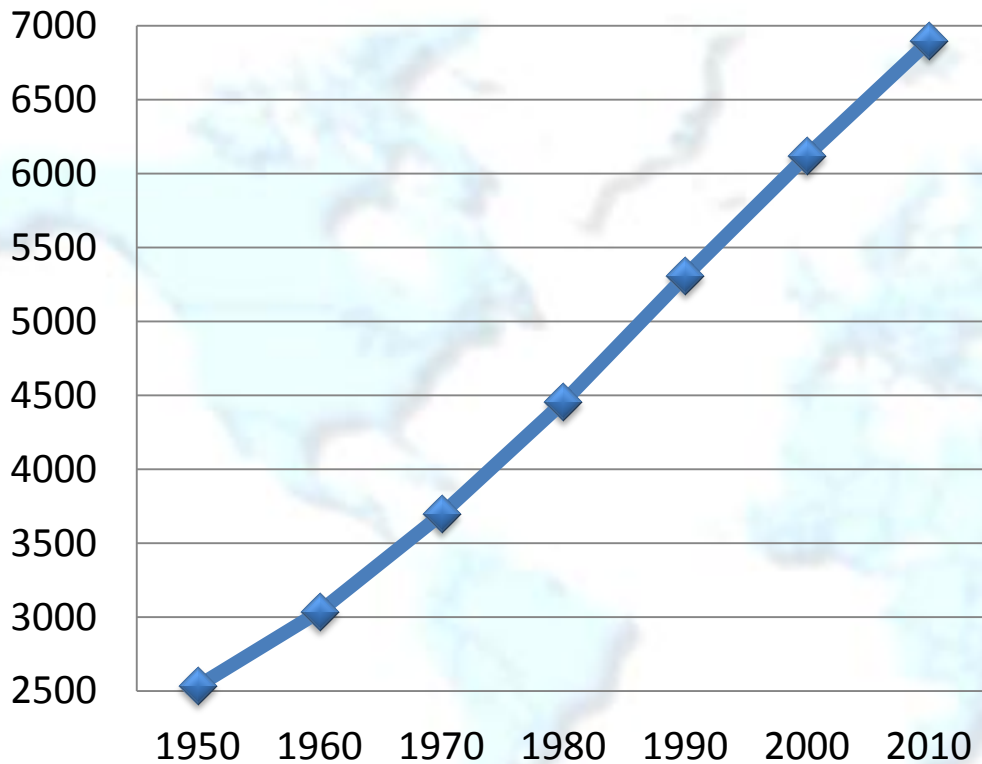


Sonny Harry B Harmadi

Source: CIA World Factbook <http://www.indexmundi.com>

WORLD POPULATION 1950-2010

WORLD POPULATION 1950-2010



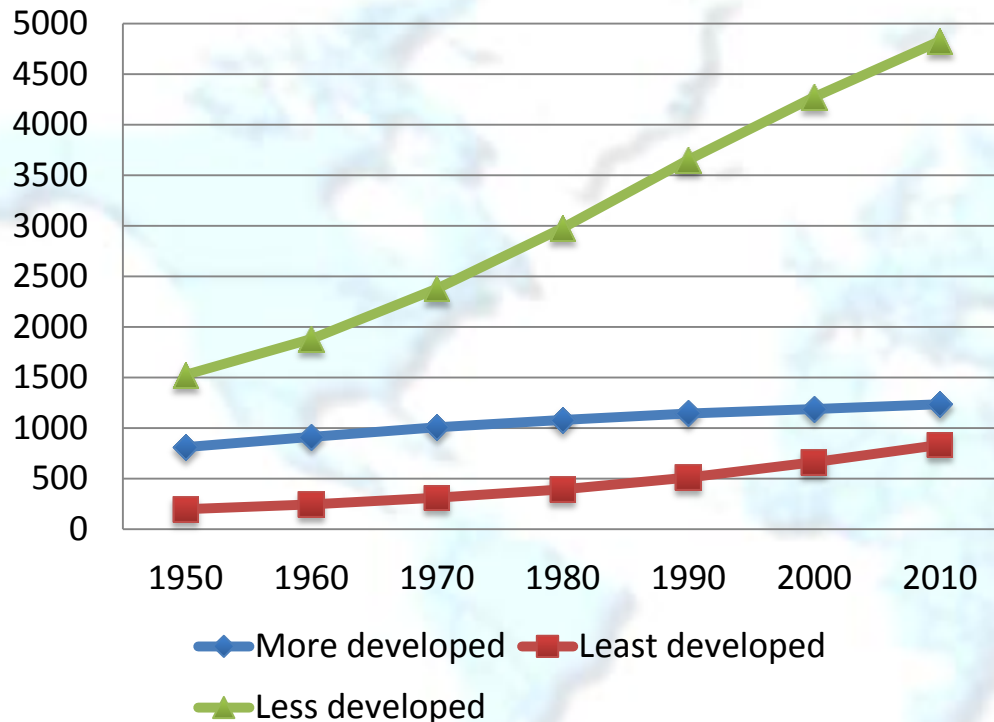
POP GROWTH 2005-2010	
Average annual rate of population change (%)	
WORLD	1.16
More developed regions	0.41
Least developed countries	2.21
Less developed regions, excluding least developed countries	1.18
AFRICA	2.30
ASIA	1.08
EUROPE	0.20
LATIN AMERICA AND THE CARIBBEAN	1.15
NORTHERN AMERICA	0.91
OCEANIA	1.75

WORLD	1950	1960	1970	1980	1990	2000	2010
(Thousand)	2.532.229	3.038.413	3.696.186	4.453.007	5.306.425	6.122.770	6.895.889

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WORLD POPULATION 1950-2010 (cont.)

WORLD POPULATION BY DEVELOPMENT CATEGORIES 1950-2010



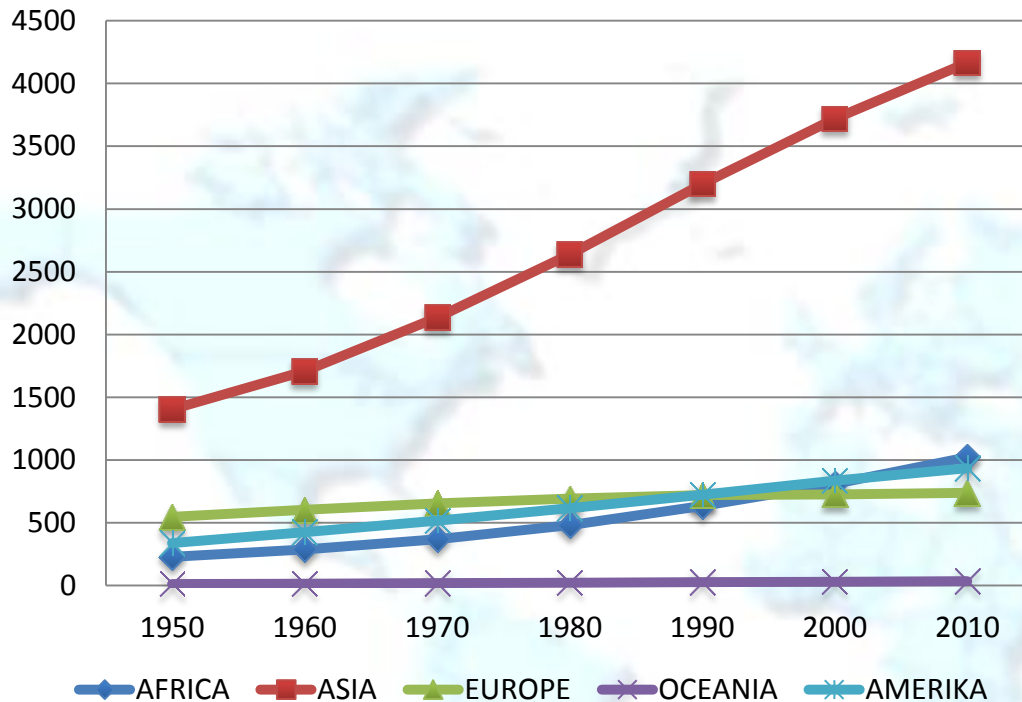
POP GROWTH 2005-2010	
Average annual rate of population change (%)	
More developed regions	0.41
Less developed regions	1.18
Least developed countries	2.21

(Thousand)	1950	1960	1970	1980	1990	2000	2010
More developed	811.187	913.330	1.006.421	1.081.094	1.144.404	1.188.809	1.235.900
Less developed	1.524.954	1.881.432	2.377.735	2.978.145	3.651.914	4.271.965	4.827.660
Least developed	196.088	243.650	312.030	393.768	510.107	661.996	832.330

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WORLD POPULATION 1950-2010 (cont.)

WORLD POPULATION BY CONTINENTS 1950-2010

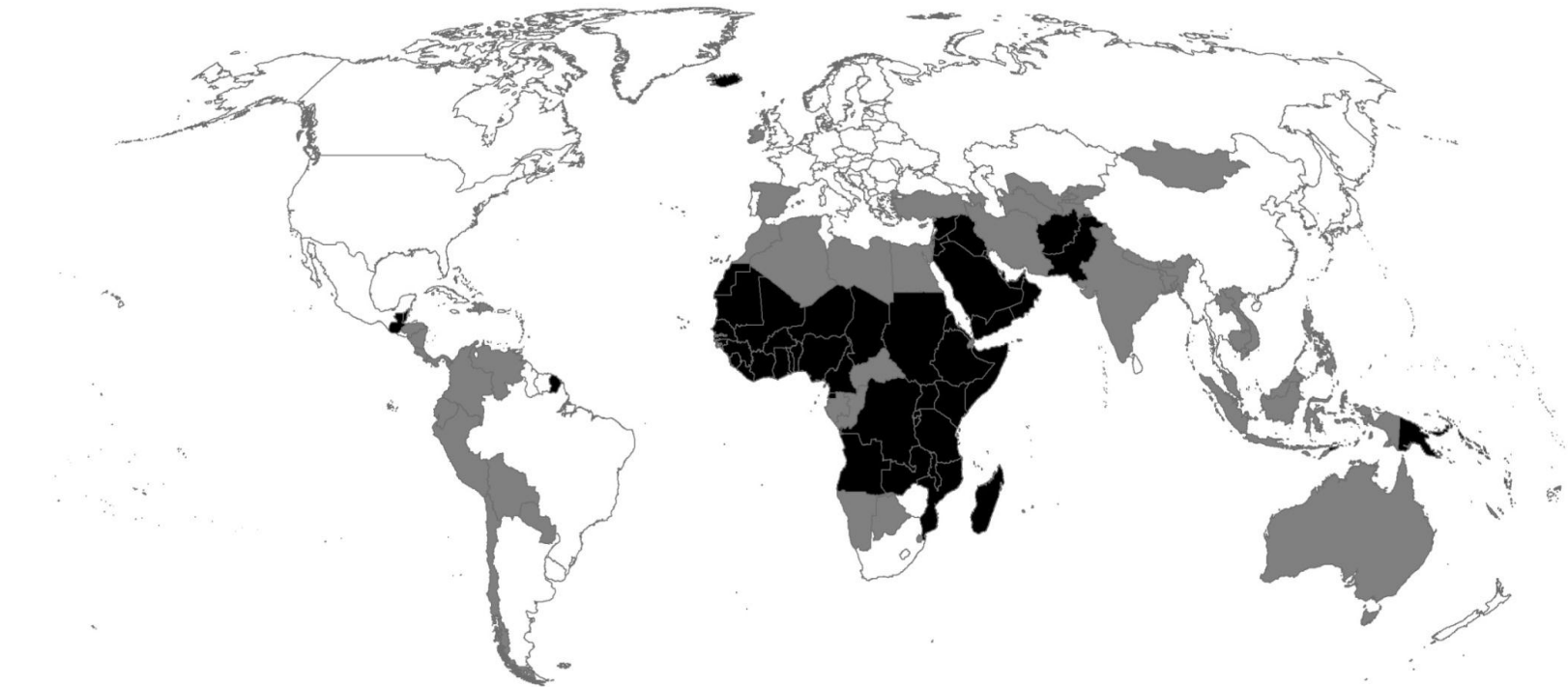


POP GROWTH 2005-2010	
Average annual rate of population change (%)	
AFRICA	2.30
ASIA	1.08
EUROPE	0.20
LATIN AMERICA AND THE CARIBBEAN	1.15
NORTHERN AMERICA	0.91
OCEANIA	1.75

(Thousand)	1950	1960	1970	1980	1990	2000	2010
AMERIKA	338.983	424.376	517.662	616.780	724.193	834.718	934.611
EUROPE	547.287	603.854	655.879	692.869	720.497	726.777	738.199
ASIA	1,403.389	1,707.682	2,134.993	2,637.586	3,199.481	3,719.044	4,164.252
AFRICA	229.895	286.729	368.148	482.803	635.287	811.101	1,022.234
OCEANIA	12.675	15.773	19.506	22.970	26.967	31.130	36.593

Sonny Harry B Harmadi

Population Growth Rate, 2005-2010



Population Growth Rate
(% per year) 2005-2010



Source: Population Council, 2013

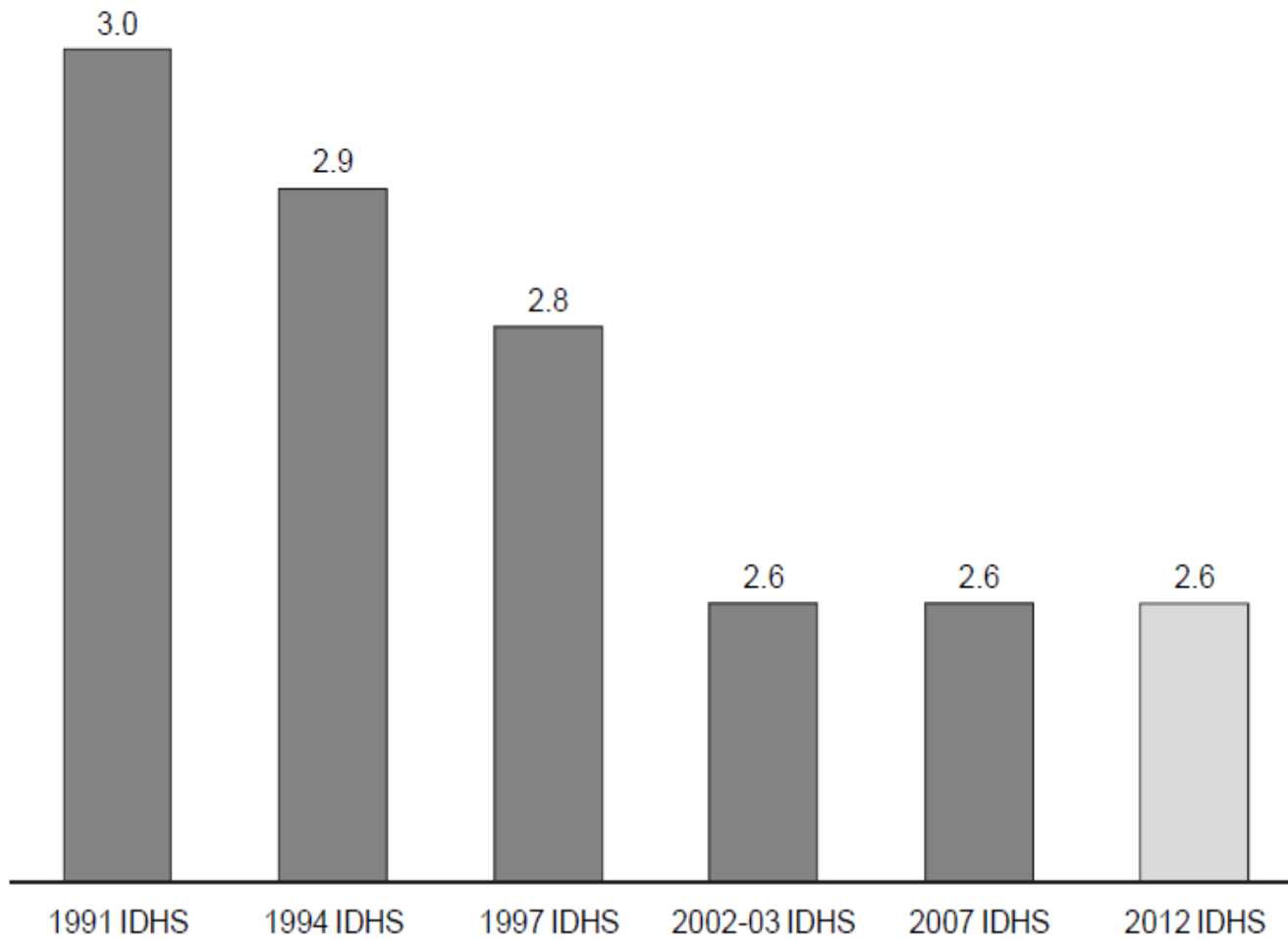
Jumlah Penduduk Indonesia

Growth Rate



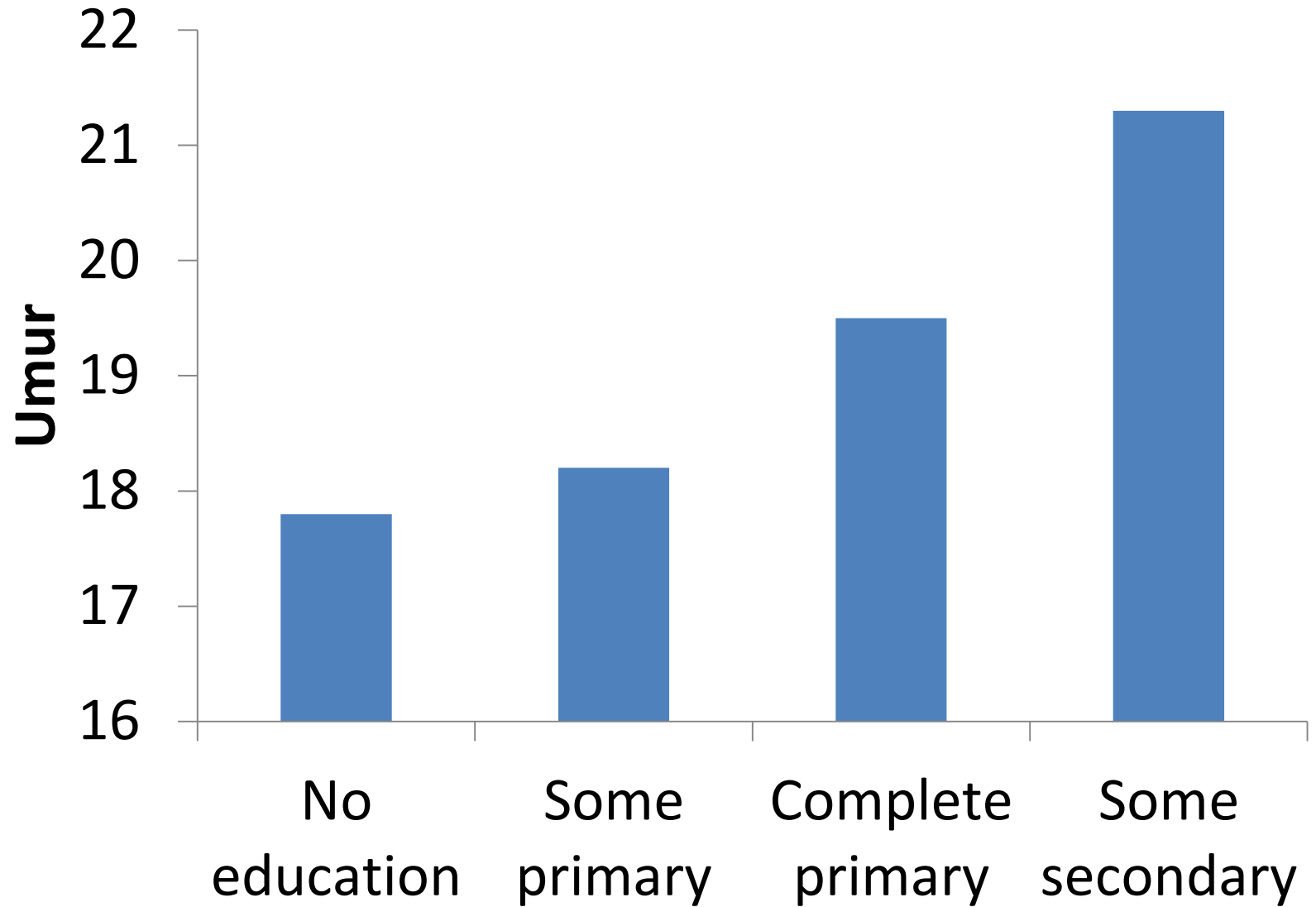
Figure 1 Trends in total fertility rates, Indonesia 1991-2012

Births per woman

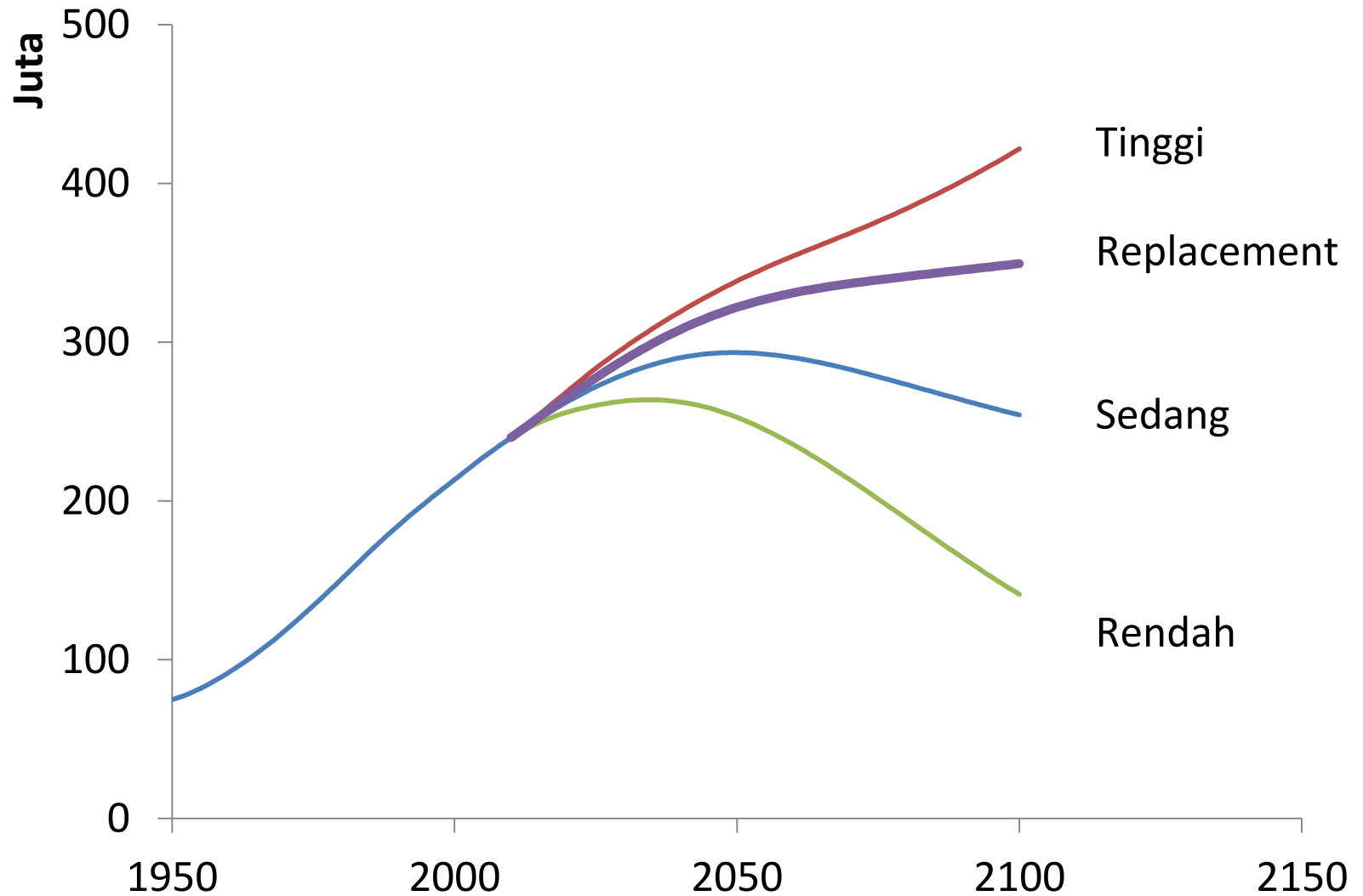


Source: BPS, 2013

Median umur menikah di Indonesia



Skenario Proyeksi Penduduk



Permasalahan Kuantitas

- Laju pertumbuhan penduduk
- Population momentum
- TFR dan CPR stagnan
- Perhatian terhadap peran pemuda
- Sinergi Koalisi Kependudukan dan BKKBN serta Pemda

Konsekuensi Tingkat Kelahiran yang Tinggi

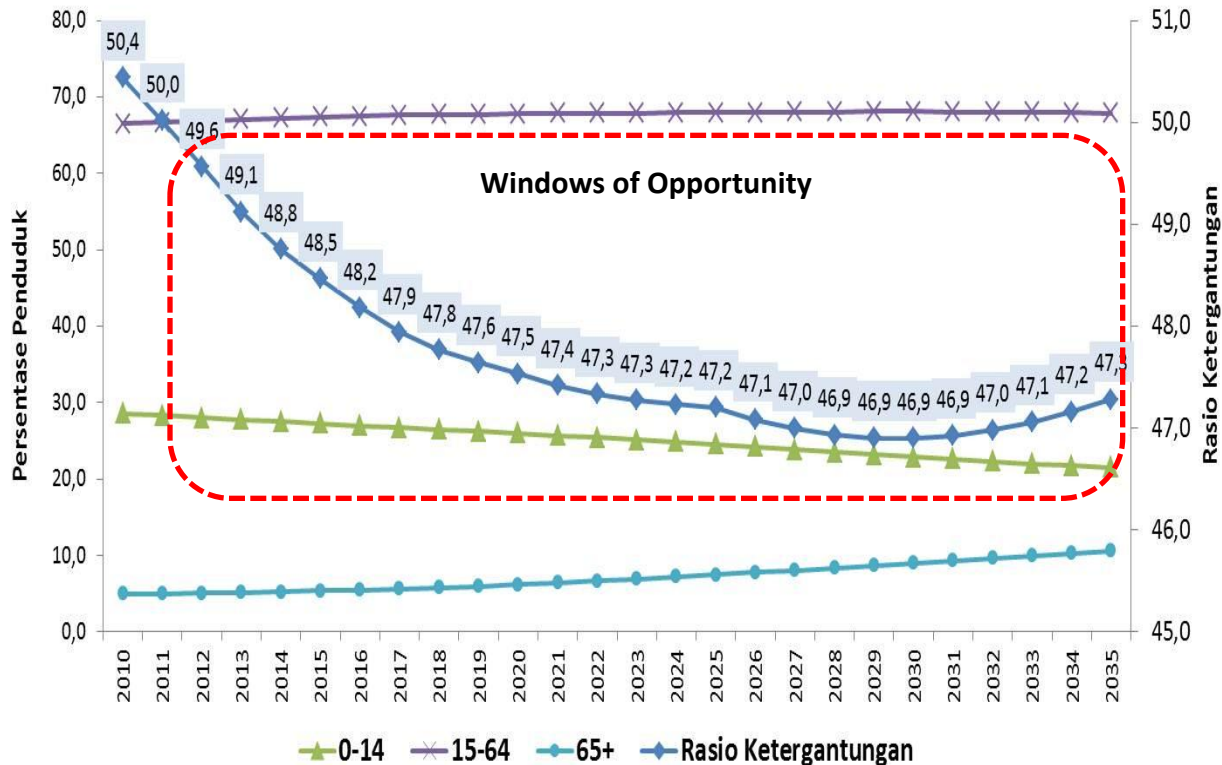
- **Ekonomi:** kemampuan menabung, upah, kemiskinan, pertumbuhan pendapatan perkapita
- **Lingkungan:** Menurunnya sumberdaya alam, daya dukung dan daya tampung lingkungan
- **Kesehatan:** Tingginya angka kematian
- **Pemerintah:** Kemampuan pelayanan publik
- **Politik:** Munculnya kerentanan sosial, persaingan, konflik, ekstrimis



Struktur Penduduk Menurut Umur

Umur	2014	2015	2016	2017	2018	2019	2020
0 - 14	27.6	27.3	27.1	26.8	26.6	26.3	26.1
15 - 64	67.2	67.3	67.4	67.5	67.6	67.7	67.7
> 64	5.3	5.4	5.5	5.6	5.8	6.0	6.2
DR	48.9	48.6	48.4	48.1	47.9	47.8	47.7
Umur	2021	2022	2023	2024	2025	2026	2027
0 - 14	25.8	25.5	25.2	24.9	24.6	24.2	23.9
15 - 64	67.8	67.8	67.8	67.9	67.9	68.0	68.0
> 64	6.4	6.7	6.9	7.2	7.5	8.1	8.1
DR	47.6	47.5	47.4	47.3	47.2	47.0	47.0
Umur	2028	2029	2030	2031	2032	2033	2034
0 - 14	23.5	23.2	22.9	22.6	22.3	22.0	21.8
15 - 64	68.1	68.1	68.1	68.1	68.0	68.0	68.0
> 64	8.4	8.7	9.0	9.3	9.6	10.0	10.3
DR	46.9	46.9	46.9	46.9	47.0	47.0	47.2

BONUS DEMOGRAFI (BD) DAN IMPLIKASI KEBIJAKAN

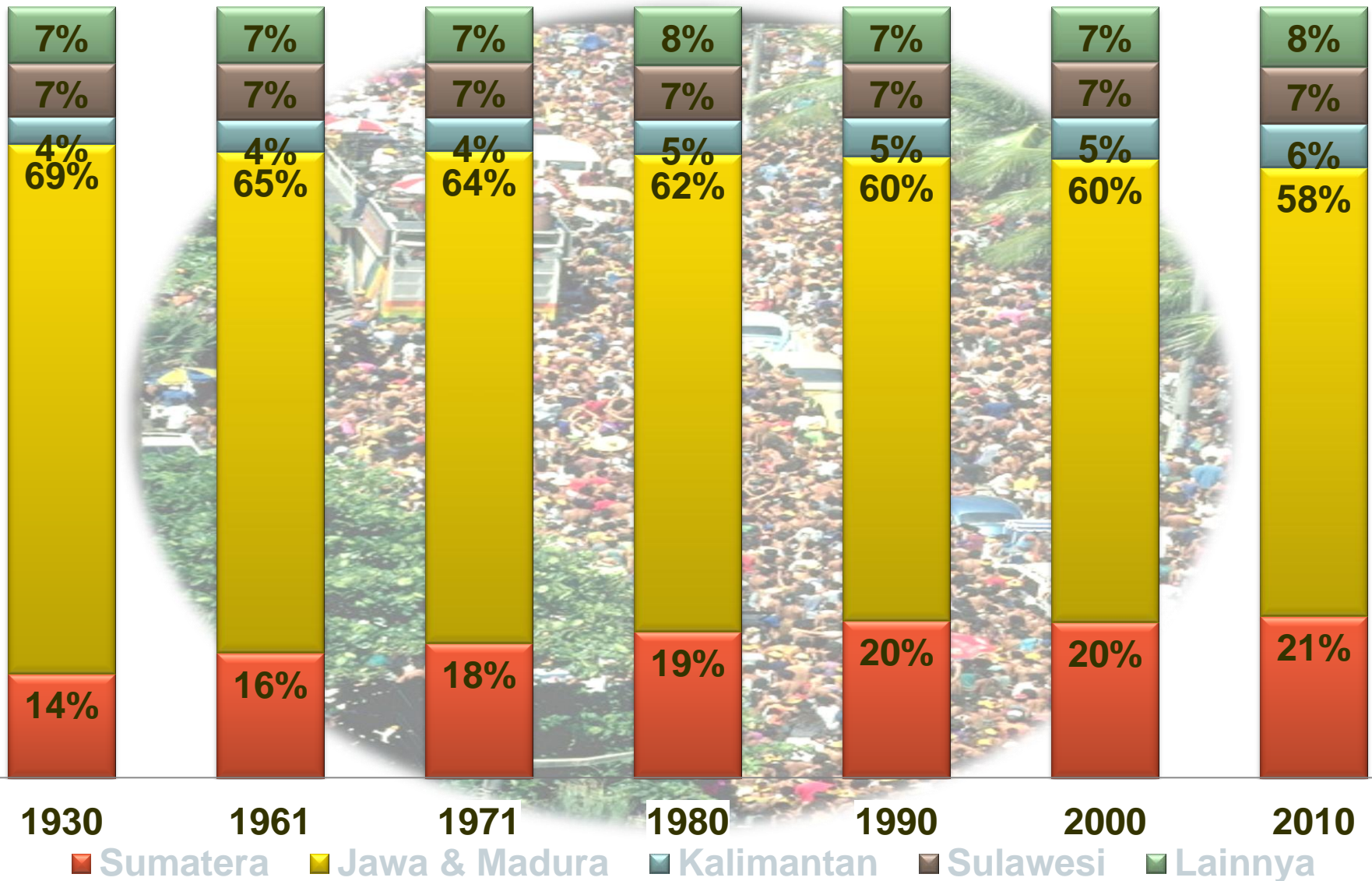


Prasyarat:

- Kualitas penduduk
- Ketersediaan lapangan kerja berkualitas
- Akses terhadap tabungan
- Tidak ada diskriminasi pekerja perempuan
- Program KB mencapai targetnya

- BD dimulai sejak 2012 ketika DR di bawah 50, **titik terendah rasio ketergantungan terjadi 2028-2031.**
- **Potensi BD:** meningkatnya angkatan kerja usia produktif, disertai tabungan masyarakat → sumber pertumbuhan ekonomi.

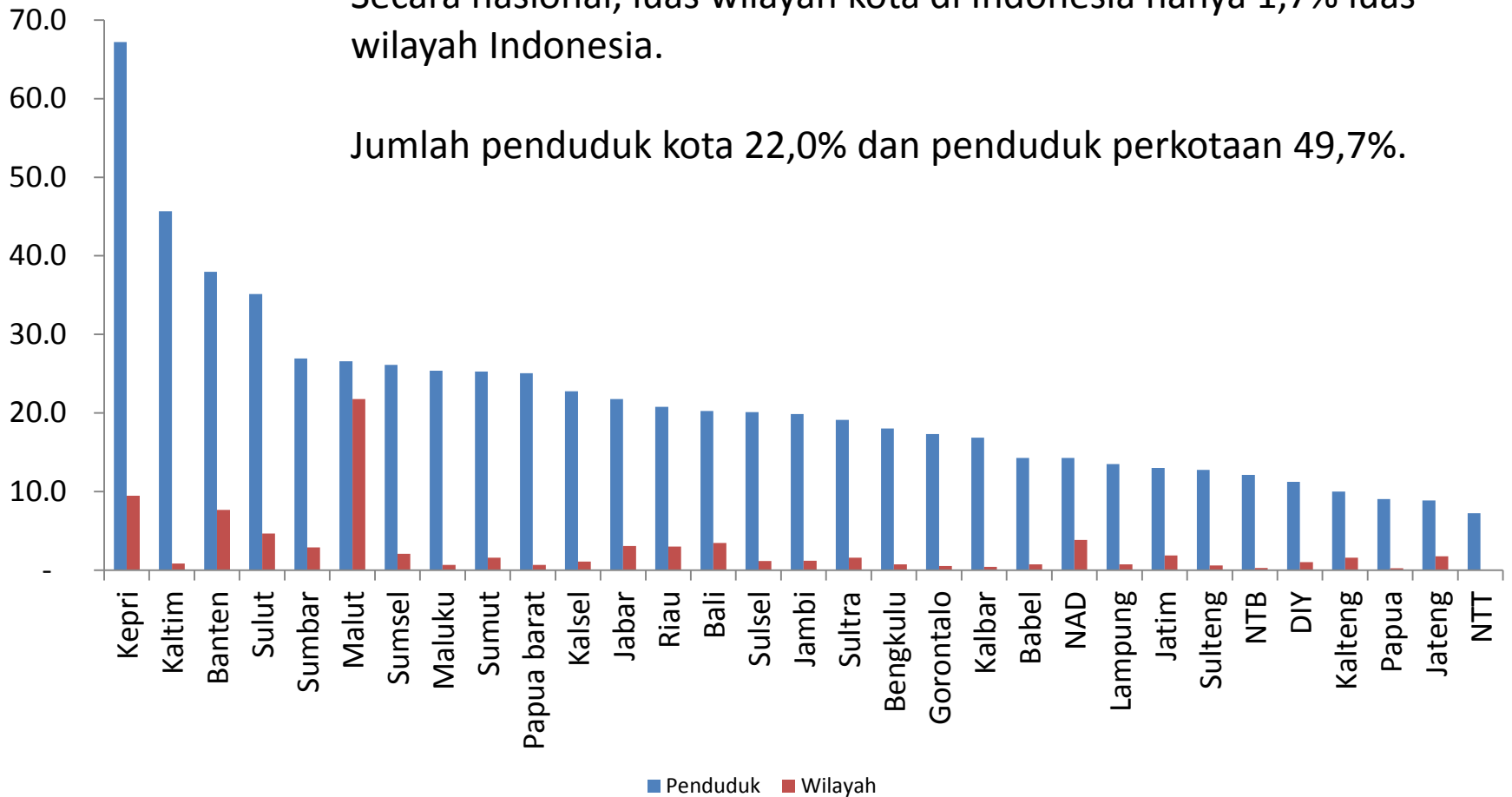
PERSEBARAN PENDUDUK



Persentase Penduduk dan Wilayah Kota

Secara nasional, luas wilayah kota di Indonesia hanya 1,7% luas wilayah Indonesia.

Jumlah penduduk kota 22,0% dan penduduk perkotaan 49,7%.



Sumber: Data Diolah dari BPS, 2011

Persentase Penduduk Perkotaan 2010-2025

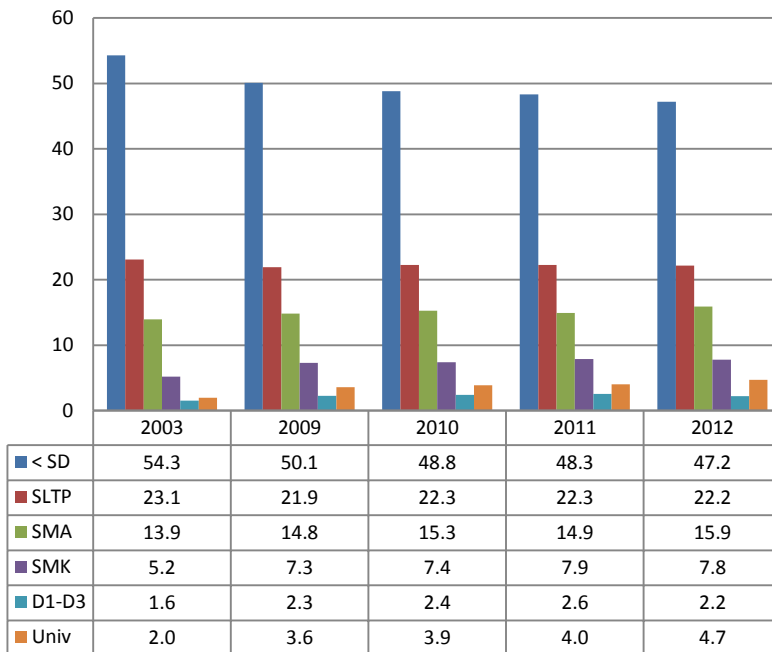
- DKI Jakarta → 100% (2010) → 100% (2025)
- Kepri → 82.8% (2010) → 83.8% (2025)
- DIY → 66.4% (2010) → 78.0% (2025)
- Jawa Barat → 65.7% (2010) → 83.1% (2025)
- NTT → 19.3% (2010) → 27.3% (2025)
- Indonesia → 49.8% (2010) → 60.0% (2025)

Kualitas Penduduk

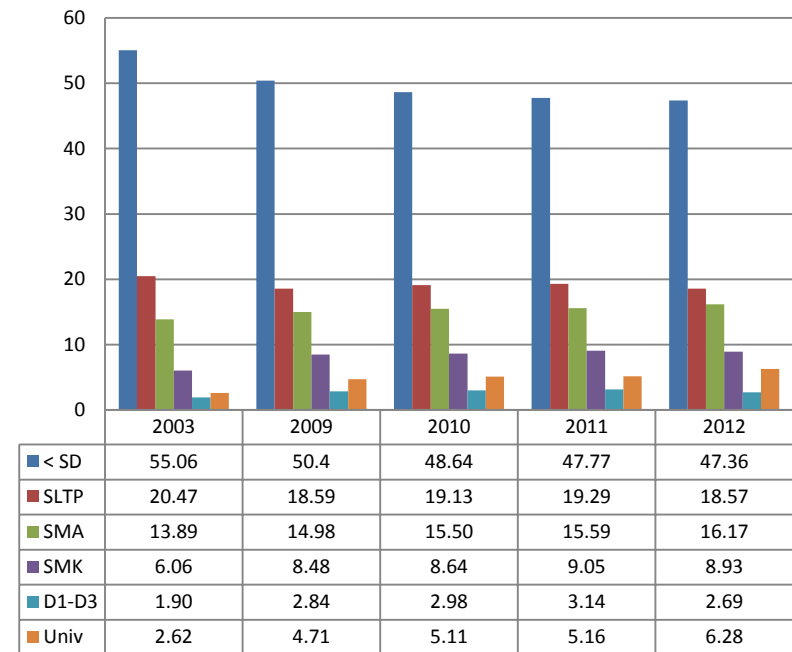
Persentase Penduduk Usia Kerja dan Angkatan Kerja Menurut Pendidikan Tahun 2003-2012

Sampai dengan tahun 2009, lebih dari setengah Penduduk Usia Kerja dan Angkatan Kerja hanya lulus SD dan bahkan kurang dari SD

Persentase Penduduk Usia Kerja Menurut Tingkat Pendidikan, Tahun 2003-2012

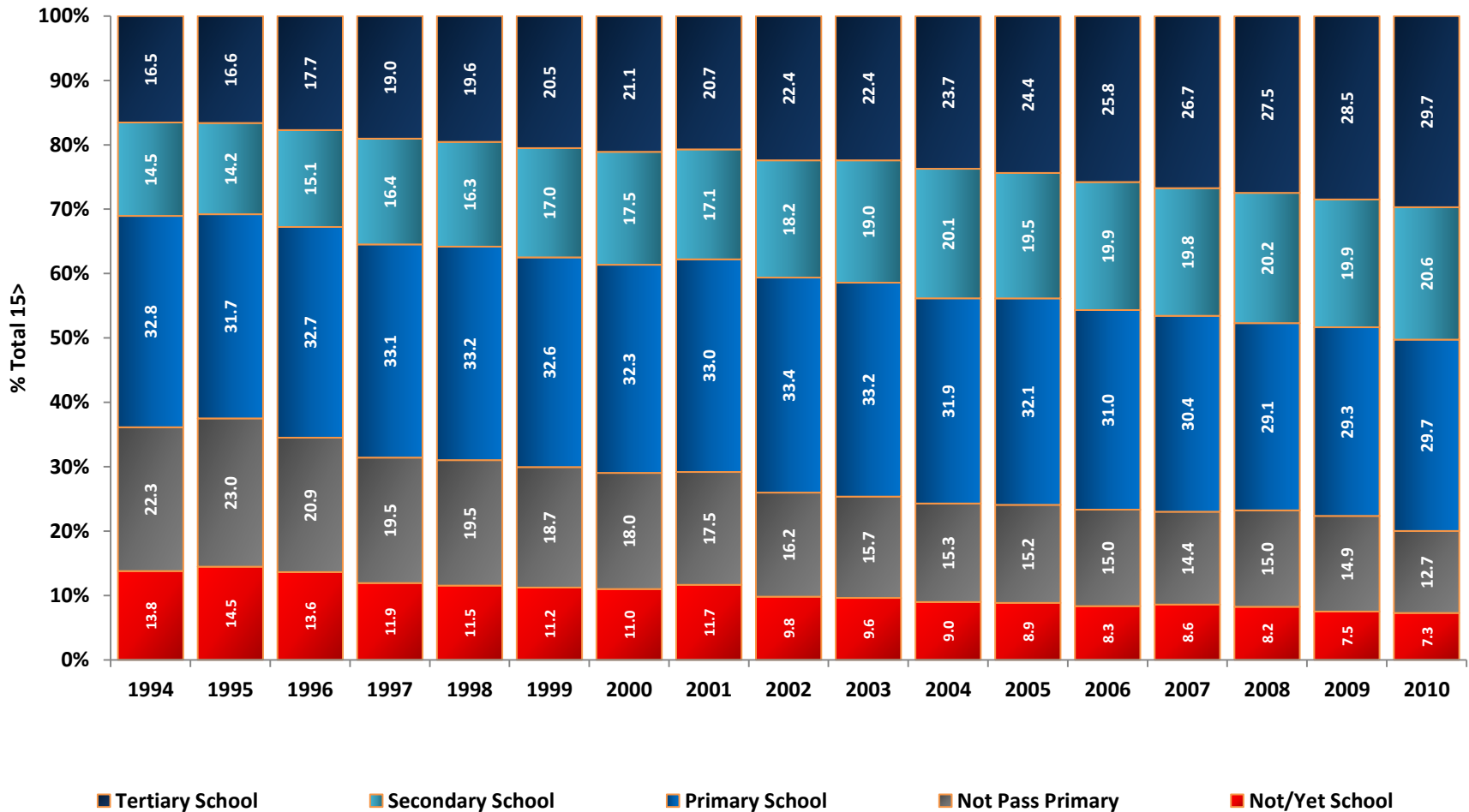


Persentase Angkatan Kerja Menurut Tingkat Pendidikan, Tahun 2003-2012



Perkembangan Pendidikan Penduduk

Tingkat Pendidikan Penduduk Usia 15 Tahun ke Atas



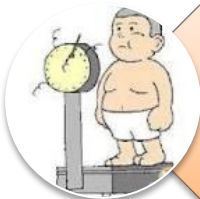
Kondisi Kualitas Penduduk Miskin Saat Ini



Lebih dari 47% penduduk usia 15 tahun ke atas berpendidikan maksimal tamat sekolah dasar



Angka kematian ibu justru meningkat



Angka kematian bayi hanya turun sedikit dan hampir seperlima balita masih mengalami masalah gizi



Ketimpangan pengeluaran (pendapatan) memburuk



11,37% penduduk miskin, 60% pekerja informal, asupan kalori di bawah tingkat minimu 1400 kkal masih 19,04%

Rata-Rata Usia Pekerja

Sektor/Koridor	Sumatra	Jawa	Kalimantan	Sulawesi	Mapua	Bali-Nusa	Nasional
Pertanian	39.3	45.5	38.5	40.0	35.6	41.7	42.1
Pertambangan	34.3	39.5	32.6	34.3	35.8	36.1	35.8
Industri	34.5	34.5	36.0	37.1	37.6	37.5	34.8
LGA	36.1	36.5	35.7	36.2	36.5	36.5	36.4
Konstruksi	35.9	37.9	35.8	35.3	37.4	36.8	37.2
PHR	36.8	38.3	35.9	37.4	37.1	37.1	37.8
Transkom	36.0	37.2	35.8	34.0	33.4	33.7	36.4
Keuangan	34.2	35.0	32.9	33.3	34.1	33.7	34.7
Jasa	36.8	38.3	36.8	36.8	36.6	37.0	37.7

Mobilitas Penduduk

Perkembangan Mobilitas Penduduk di Indonesia

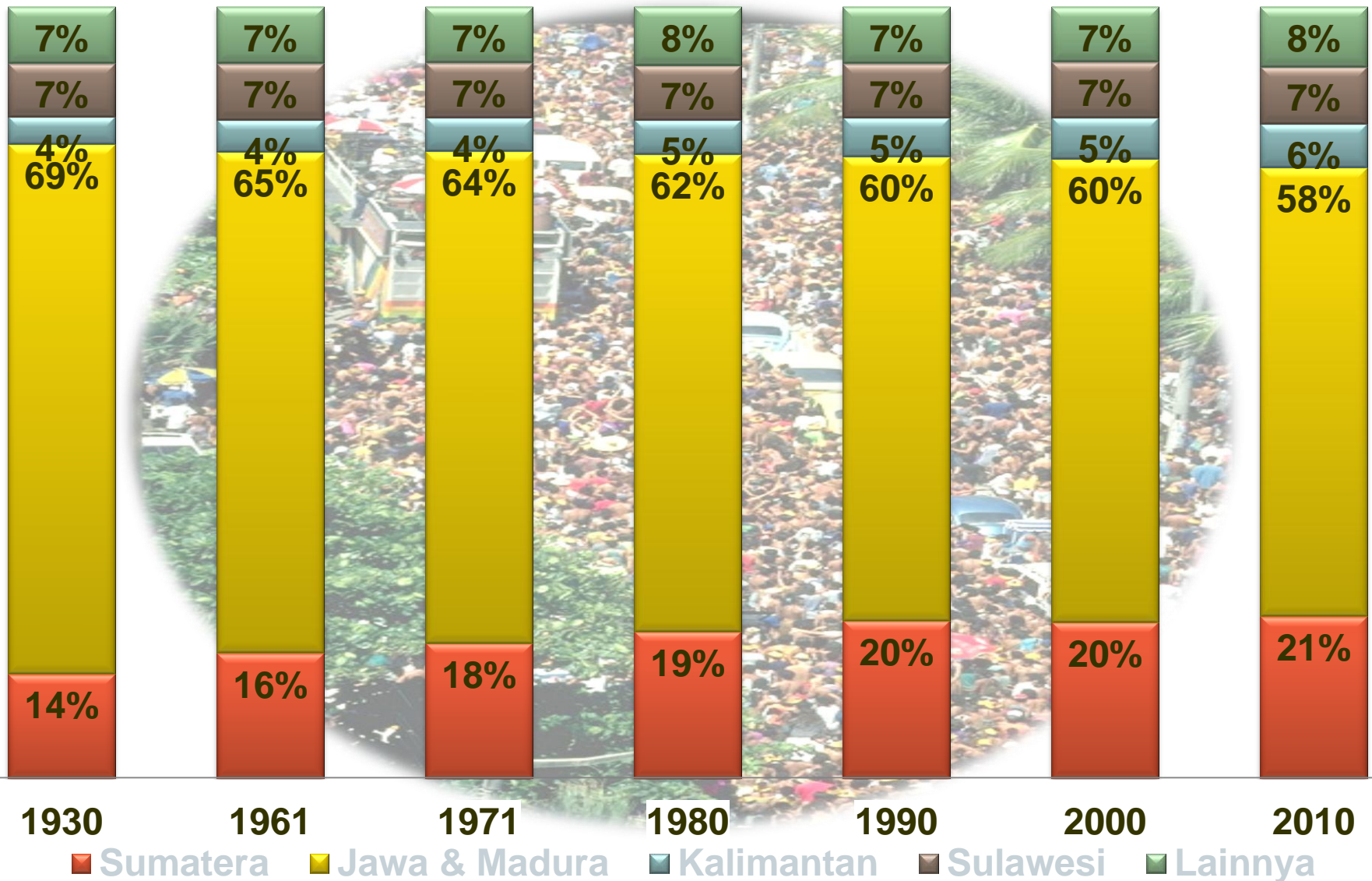
Tabel 1. Angka migrasi bersih menurut provinsi, Indonesia 2000, 2010 dan 2025

Provinsi	Tahun			Provinsi	Tahun		
	2000	2010	2025		2000	2010	2025
Aceh	-11,4	-11,3	-10,9	Bali	2,6	2,3	2,1
Sumatera Utara	-4,4	-4,4	-4,0	Nusa Tenggara Barat	0,3	0,3	0,4
Sumatera Barat	-6,9	-7,1	-6,5	Nusa Tenggara Timur	-1,7	-1,8	-1,7
Riau	20,6	19,0	17,9	Kalimantan Barat	0,2	0,2	0,1
Jambi	2,3	2,3	2,1	Kalimantan Tengah	10,3	10,3	9,8
Sumatera Selatan	0,2	0,3	0,5	Kalimantan Selatan	2,1	2,0	1,8
Bengkulu	4,8	4,7	4,5	Kalimantan Timur	9,1	8,7	8,0
Lampung	0,5	0,8	0,7	Sulawesi Utara	1,4	1,5	1,5
Bangka-Belitung	-0,1	0,1	0,5	Sulawesi Tengah	4,4	4,4	4,3
DKI Jakarta	-6,3	-7,9	-7,9	Sulawesi Selatan	-3,3	-3,4	-3,2
Jawa Barat	3,7	3,7	3,5	Sulawesi Tenggara	7,4	7,6	7,7
Jawa Tengah	-7,5	-7,1	-6,4	Gorontalo	-6,3	-6,2	-5,9
DI Yogyakarta	4,8	3,4	2,9	Maluku	-0,2	-0,2	-0,2
Jawa Timur	-3,0	-2,6	-2,1	Maluku Utara	-0,1	-0,1	-0,1
Banten	10,6	10,6	10,1	Papua	3,9	3,9	3,5

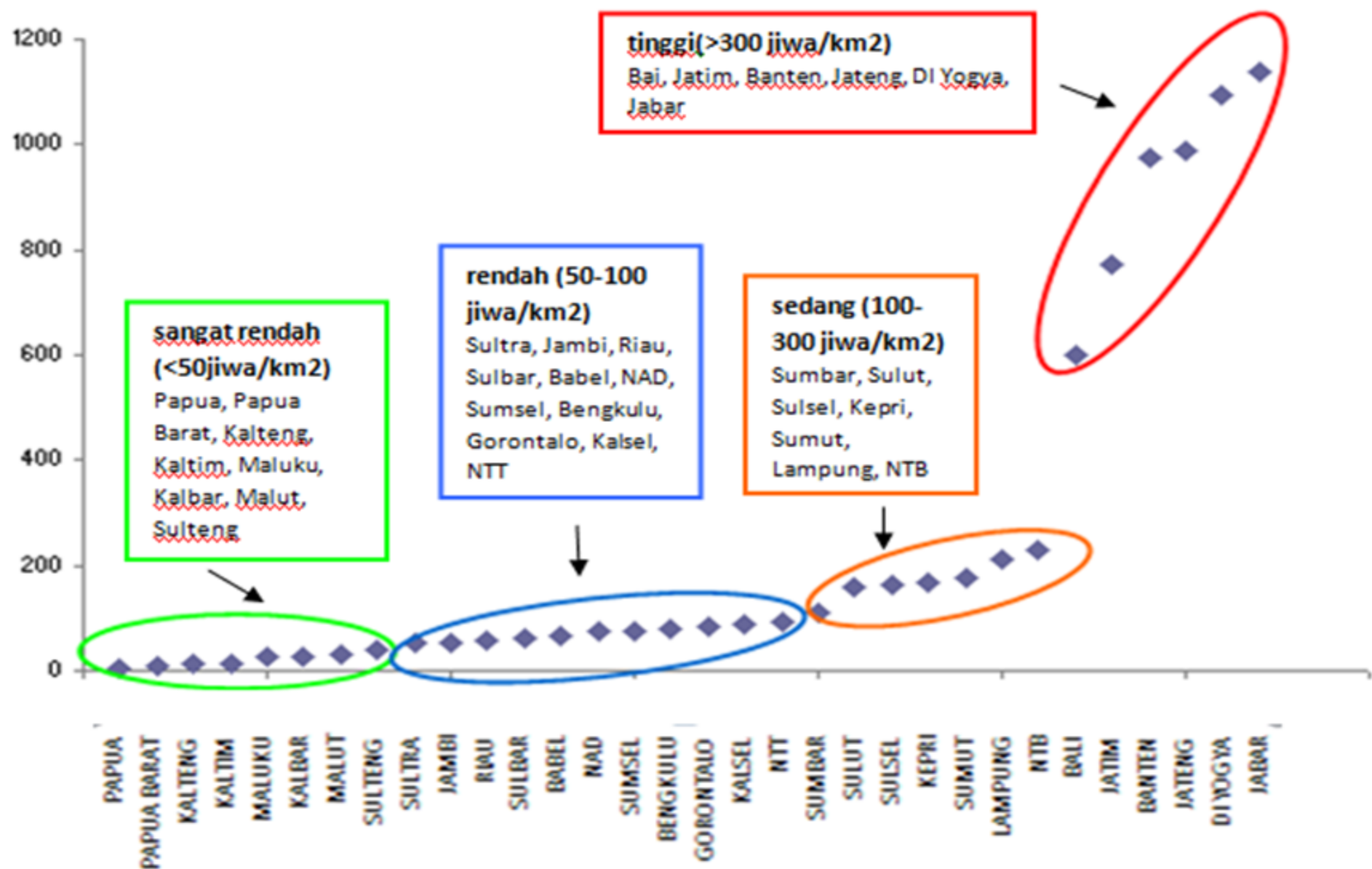
- DKI Jakarta
- Banten dan Jawa Barat
- Riau
- Kalteng, Kaltim
- Papua
- Sulteng, Sultra
- Peningkatan Urbanisasi

Sumber: Badan Perencanaan Pembangunan Nasional (2005)

PERSEBARAN PENDUDUK



Distribution of Population Density 2007



Administrasi Kependudukan

Dasar Aturan Adminduk

UUD NRI 1945

Pasal 26 ayat 2 dan 3 UUD NRI 1945 pasca Amandemen Kedua secara jelas mendefinisikan penduduk dan menjelaskan bahwa hal-hal yang terkait warga negara dan penduduk diatur dengan undang-undang tersendiri.

UU 23/2006

Tentang Administrasi Kependudukan

Pemerintah melalui Menteri Dalam Negeri, berkewajiban, bertanggung jawab dan berwenang menyelenggarakan administrasi kependudukan secara nasional
Pemerintah Provinsi melalui Gubernur berkewajiban, bertanggung jawab dan berwenang menyelenggarakan administrasi kependudukan skala Provinsi
Pemerintah Kabupaten/Kota melalui Bupati/Walikota berkewajiban, bertanggung jawab dan berwenang menyelenggarakan administrasi kependudukan skala Kabupaten/Kota

TUJUAN ADMINISTRASI KEPENDUDUKAN



V. MANFAAT DATA KEPENDUDUKAN DAN e-KTP

1

Untuk mendukung suksesnya Pemilu 2014 dan Pemilukada berikutnya, melalui peningkatan akurasi data sebagai bahan untuk penyusunan Daftar Pemilih (DAK2 dan DP4).

2

Untuk meningkatkan efektifitas administrasi pemerintahan dan pelayanan publik bagi penduduk dalam skala nasional.

3

Meningkatkan keamanan negara antara lain : melalui pencegahan terorisme, TKI ilegal, trafficking dll.

4

e-KTP berlaku secara nasional sebagaimana diatur dalam Perpres Nomor : 67 tahun 2011.

Alternatif Solusi



Solusi masalah kuantitas penduduk



Solusi masalah kualitas penduduk



Solusi masalah mobilitas penduduk



Solusi masalah adminduk

Keeps GOING... AND GOING... AND GOING...



Thank You