

**Consequential Omission:
How demography shapes development
– lessons from the MDGs for the SDGs¹**

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Abstract

The eradication of poverty is a declared objective of Agenda 2030 for Sustainable Development, and it was further underscored in the decision of the UN's member States to declare a Third Decade for the Eradication of Poverty. Meeting this objective will critically depend on demographic shifts, and this paper shows how demographic changes can shape development outcomes. It does so by examining how demographic change over the past years influenced progress towards the Millennium Development Goals (MDGs), and how projected demographic changes in the coming years are likely to shape progress towards the Sustainable Development Goals (SDGs). The paper demonstrates that regardless of how development targets are formulated – as absolute targets, relative targets or universal targets – demographic change inevitably has an important implication. But it is not just the changes in the number of people, but also changes in the geographic distribution of people, and changes in the age structures of people that matter. Furthermore, the static effects of these changes are complemented by dynamic effects and feedback loops. For instance, progress in secondary education of girls, can bring down fertility levels, and contribute to better health, and reinforce higher levels of educational attainment in turn. Furthermore, by lowering fertility levels, it can contribute to slower population growth and promote more sustainable development pathways.

The paper argues that neglecting the demographic change and projections in the formulation of the MDGs, as well as the efforts to promote progress towards the MDGs was a consequential omission. To ensure that we formulate goals and targets which will improve the human condition, it is essential that we systematically take account of demographic change. Without knowledge of how many people are living and how their numbers will change, where they are living and how geographic distribution will change, and how old they are and how age structures will change, it is impossible to understand or meet the needs of people. We need to count people to make people count.

Key words: poverty, development goals, demographic change, Agenda 2030 for Sustainable Development, Third decade for the Eradication of Poverty.

A. The challenge

If you were on a mission to improve the plight of humankind, nothing less, would you care about how many people are living, where they are and how old they are? You probably would as it would obviously make it easier for you to estimate the challenge you face; the international community did not. In 2000, the international community formulated the Millennium Development Goals (MDGs), which guided development policies over the last 15 years. Between 1990, the most common base year, and 2015, the common target year, these goals sought to cut the proportion of people living in extreme poverty by half, reduce the number of slum dwellers and ensure universal primary education, among others. The world as

¹ Based on Michael Herrmann (ed.): Consequential Omissions: How demography shapes development – Lessons from the MDGs for the SDGs, Berlin 2015.

whole has achieved most of the associated targets, and even the world's least developed countries have in many cases made remarkable progress.

The “Road to Dignity by 2030”, the Synthesis Report of the Secretary-General on the post-2015 Agenda, quite enthusiastically evaluates the outcomes of the MDG agenda by assuming that “extreme poverty can be eradicated within one more generation.” However, while the share of the poor fell in the group of the least developed countries, their absolute numbers are higher than ever. This is because poverty reduction did not keep pace with population growth. Likewise, while countries were arguably successful in reducing the number of slum dwellers, today many more people live in slums than 25 years before because of rapid urban population growth. And although the poorest countries have succeeded in putting many more million children to school, they are less successful in reaching this target than other countries. This is because their efforts were dwarfed by the large growth in the number of children that are in primary school age. Despite considerable efforts and attested progress, can we truly say that we are living in a better world today, and that people are better off than before?

If today you embarked on a major effort to develop the sustainable development goals (SDG), which are expected to guide development efforts in the post-2015 era, would you try to learn the lessons from the MDGs? You probably would; many proponents of the new development agenda do not. They are putting forward goals, targets and indicators, which are not informed by the projected changes in the number, geographic location, and age structure of the population.

Yet, without knowledge of how many people there are and how their numbers will change, where they are living and how their geographic distribution will change, and how old they are and how age structures will change, policy makers will not be able to understand and meet the needs of people. Without this knowledge it is not possible to ensure people-centered and evidence-based development strategies, policies and programmes. To make people count, it is necessary to count people.

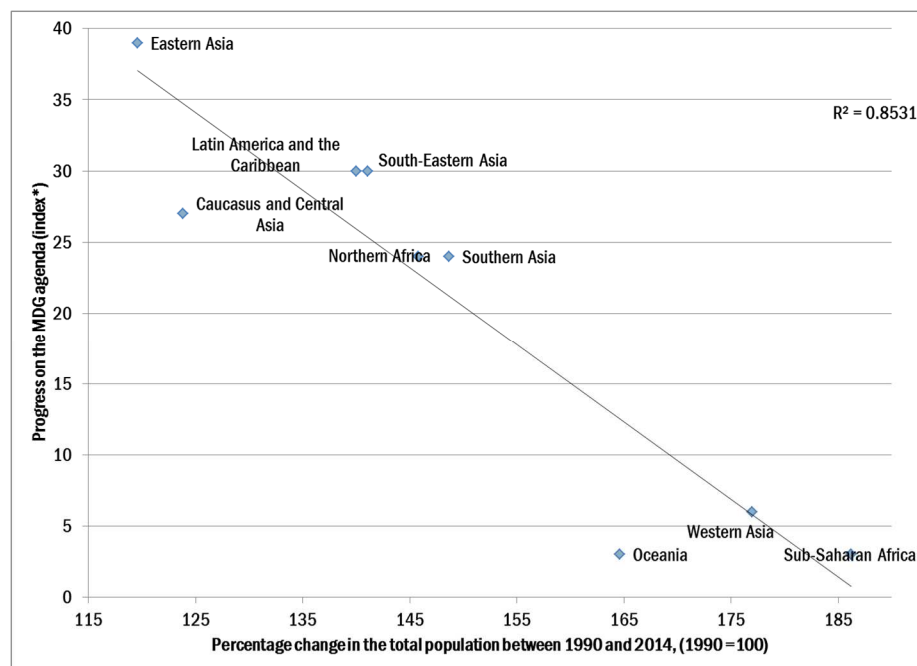
This study shows not only how demographic change shaped progress towards the MDGs during the past fifteen years, it also shows how projected demographic futures are likely to shape progress towards the SDGs over the next fifteen years. The study fills a gaping hole in the literature on development goals, notably the MDGs, and is a wake-up call for the design of the SDGs.

B. The evidence

To ensure that we will in fact be living in a better world in 15 years from now, it is essential to consider the projected demo-graphic changes over this period. Without knowing how many people are alive, where they are living and how old they are, it will simply not be possible to understand and meet people's needs. This will consequently undermine the ambition of ensuring people-centered development strategies and policies, as well as evidence-based programming.

1. Looking back – Demographic trends and the MDGs

The MDGs include three principle types of target, notably relative targets (e.g. reducing by half the share of people who live in extreme poverty), absolute targets (e.g. taking 100 million people out of slums) and universality or equity targets (e.g. achieving universal primary education). All three types fail to specify a clear indication of success or failure. Some countries will achieve the targets, despite rising numbers of people suffering under poor living conditions. By contrast, other countries that have improved the livelihood of many will turn out to be “underachievers”.



No matter how the targets were formulated, they have inevitably been shaped by demographic change. In many of the world's poorest countries, population growth has made it more difficult to achieve a lot of the development goals and targets; in others, by contrast, demographic changes have facilitated the process.

2. Looking forward – Demographic futures and the SDGs

Today's population megatrends – continued population growth, population ageing, urbanization and migration – influence progress towards virtually all of the top priorities on national and international agendas, such as economic growth, labour markets and income distribution; poverty, social protection and pensions; health, education and gender equality; food, water and energy security; and environmental protection, climate change mitigation and adaptation. Shaping as they do the most pressing challenges of the twenty-first century, population dynamics must be taken into consideration in the implementation of Agenda 2030, and the objective to eradicate extreme poverty.

In the face of continuing population growth, many of the developing countries, especially the Least Developed Countries, must significantly increase their investment in people. They will need to spend more on health and education, and make even greater efforts to achieve full and productive employment, especially for younger generations. But over the coming years, countries will not only face significant changes in the numbers of their inhabitants, they will also witness associated considerable changes in the age structure of populations: many developing countries that have witnessed a falling level of fertility in the past will see a growth of the working-age population in the near future. If the share of people of working age increases, it creates a window of opportunity for accelerating economic and social development that has been called the demographic dividend. But it is by no means automatic that this window will open any time soon, or that the dividend will be reaped. Both require concerted efforts to strengthen human capital. This depends on strategic and comprehensive investment in education from the cradle to the grave. Human capital is influenced not only by nutrition and care during early childhood, but is also critically affected by sexual and reproductive health and rights. Furthermore, measures to bolster human capital, which make people more employable, will need to be complemented by a focus on growth and employment-oriented economic policies. One cannot be substituted for the other.

The window of opportunity for reaping a demographic dividend is associated with the relative growth of the working-age population. In other countries this window is now closing, and the countries are entering a phase of population ageing. Although population ageing has caused considerable anxieties amongst many analysts and policymakers, proper planning can address many of these worries. An ageing population is the result of immense social and economic progress in the recent past, and it would be misguided to see it as a threat to social and economic progress in the years to come. The best way to prepare for an ageing society is by realizing the demographic dividend. Capital accumulation, higher labour productivity, strong human capital and integrated social protection mechanisms will not only enable the working-age population to become more productive than any previous generation, but will also allow older members of society to make a far greater social and economic contribution than their peer group has ever done in the past.

Changes in the number and age structure of populations are also usually paralleled and accelerated by changes in the location of people.

At a global level, the share of the population living in cities will increase greatly, especially in developing countries and there will be an associated rise in the number of cities. Urbanization is something of a double-edged sword. While often linked to rising inequalities and social and environmental pressures, it also provides a great opportunity for accelerating progress towards more sustainable development. By adopting forward-looking policies that plan for urban growth and by making targeted investments, the most vulnerable countries can address many of the challenges and realize the associated benefits. Denying these benefits through policies that restrict urbanization would not merely be costly and futile, but would also counteract sustainable development.

Although the rate of urban population growth has begun to exceed the rate of rural population growth even in the Least Developed Countries, the number of rural citizens is still on the rise in many regions. Rural areas are lagging behind urban areas in almost all aspects of social and economic development. The new development agenda needs to support efforts to develop rural areas and reduce existing inequalities; moreover it needs to strengthen vital social and economic links between rural areas and urban centres.

Each and every country of the world needs to devise its own specially tailored policies according to the demographic situation it faces. Some countries will have to ignite the demographic transition to address the challenges posed by high fertility and population growth, so they can start taking advantage of the benefits that can result from changing age structures. Others must double their efforts to realize the demographic dividend by investing in (higher) education and job creation, while a final group of nations must make considerably more effort to address the challenges that will accompany population ageing.

C. Conclusions

In 2000, the international community formulated the Millennium Development Goals (MDGs), which have guided development policies over the last 15 years; in 2015, the international community is seeking to reach agreement on the Sustainable Development Goals (SDGs), which are expected to guide development efforts in the 15 years to come. At this juncture, it is time to ask what lessons can be learned from the MDGs for the SDGs and the new development agenda. Some have already been discussed in the relevant literature, but one of the most critical lessons has thus far received little attention: the influence of demographic change on progress towards the development goals. Ignoring demography has proved to be a consequential omission – a mistake that must not be repeated with the SDGs.

The examination, on the one hand, of how demographic change has influenced progress towards the MDGs and, on the other, of how demographic futures can shape the progress towards the SDGs, holds important implications for the formulation of the new development agenda.

There is general agreement that the SDGs should cover social, economic and environmental dimensions. Yet the devil is in the detail and the details must be worked out sooner rather than later in this process. Otherwise it will be difficult, if not impossible, to formulate meaningful goals and targets and indicators, and to establish a significant framework for monitoring and evaluation.

In the area of data there are three issues that merit further attention, especially as the international community is moving towards the implementation of the SDG agenda:

1. Data collection, analysis and use

- A revolution is still necessary in the area of traditional, official data and statistics.
- Besides collecting new data for new indicators, it is also important to recognize and address gaps in the data for established, fundamentally important indicators.
- Without compromising the overall objective, the international community should show restraint in the number of targets and indicators that are selected, to ensure that countries have a realistic chance of establishing financially viable and effective monitoring mechanisms.

2. Population data and projections

- As the SDGs have the explicit intention of being people-centred and improving lives, they must therefore take account of population dynamics.
- Without knowing how many people are alive, where they live, how old they are and how these variables will change, it is impossible to understand the characteristics of populations and thus meet their needs.
- Considerable investment in data collection is needed – through censuses, surveys and vital registration – as well as investment in data processing.

3. Population analysis and planning

- Collecting and producing population data must be complemented by much greater efforts to strengthen the use and analysis of data for policymaking.
- Not making use of population data and projections would be an inexcusable mistake, and not taking the evolving population dynamics into consideration for planning would be a consequential omission.

There are few things social scientists can predict with relative great certainty over the next fifteen years. Demographic change is one of these things. Population data and projections enable countries to anticipate and plan for the demographic changes. Doing so they can pro-actively address many of the associated challenges before they blow up in their faces, including the unplanned growth of cities, the collapse of rural communities, or the aging of populations which has profound implications for example for the design of pension and health systems. Planning based on population data enables policy makers to be ahead of the curve, instead of running behind managing one crisis after another. The neglect of population data and projections in the design of the MDGs was a “consequential omission”, and not using population data and projections to inform the SDGs would be a heart to justify mistake.