Realising the demographic dividend in Ethiopia and Uganda

A comparative analysis

Preface

In light of the world’s demographic changes and their influence on sustainable development, the German Federal Ministry for Economic Cooperation and Development (BMZ) published a position paper on Population dynamics in German development cooperation. The paper – launched on world population day 2013 – addresses the future challenges and opportunities that are posed by population dynamics with a particular focus on the young age structure of many of Germany’s partner countries.

Against this background, the following analysis compares Uganda and Ethiopia with respect to their demographic situation, highlighting similarities and differences in their respective demographic experiences. This analysis provides an insight into the complex issue of population dynamics on country level. It serves as basis for further discussions and as background information for adapting strategies to the countries’ particular demographic profiles in order to realize the demographic dividend.

1. Population dynamics: a challenge and an opportunity

Whilst a growing population will increase demands for key services such as schools, infrastructure and healthcare; it is also possible that large generations of young people become large generations of working-age individuals who have lower fertility than their parents. This situation is often referred to as a “demographic bonus” because a disproportionately large generation of working-age individuals lowers the overall dependency ratio and affords opportunities to achieve more rapid economic growth. However, a bonus situation will only lead to a “demographic dividend” if the high number of working-age individuals corresponds with the number of suitable and available jobs. And some of the gains will also need to be set aside to develop an appropriate framework to deal with these workers when they age and become more dependent. This suggests that countries need to analyse their demographic situation in order to make the most of their population dynamics.

2. Population dynamics in Uganda and Ethiopia

Uganda and Ethiopia are both multi-ethnic societies, with recent histories marked by civil war and military dictatorship. Since the 1960s both countries have experienced rapid population growth. Uganda accounted for around 7.2 million individuals at independence in 1962. However 50 years later, the total population had risen almost 4.5 times to nearly 33.5 million. In much the same way, Ethiopia’s population was estimated at roughly 22.5 million at the start of the 1960s but had risen by almost 3.5 times to almost 83 million in 2010.¹ (Figure 1)

Whilst the Ethiopian population has grown more in absolute numbers, Uganda’s comparatively smaller population has been increasing at a much faster rate. Indeed, the growth rate has remained at more than 3 percent since the mid-1970s and Uganda currently has one of the highest growth rates in Sub-Saharan Africa. The corresponding situation in Ethiopia is quite different: following a military coup in the mid-1970s, population growth fell by more than a percentage point. The growth rate then recovered and reached a peak of 3.3 percent in the mid-1990s before entering a period of sustained decline.²

During the past 15 years, the gap between the two countries’ growth rates has increased. In 2010, the Ethiopian population grew 1 percent less than the Ugandan population. To understand these differences, it is particularly important to look at fertility trends. From 1960 until the beginning of the 1990s, fertility rates remained roughly constant in both countries, with women giving birth to an average of seven children during the course of their lives. From the 1990s onwards, Ethiopian fertility fell. By 2010, average fertility in the country was around 2.5 children per woman. In contrast to this, Ugandan fertility only experienced small declines in the same period. In 2010, average fertility remained high at around 6.4 children per woman.³

In both countries, fertility tends to be lower among women living in urban areas than those living in rural areas, with rural women tending to have an average of three more children than those living in urban areas.⁴ At present, the populations of both countries are mainly concentrated in the countryside, with 83 percent of Ethiopians...
Until the start of the 21st century, the proportion of young people under the age of 15 increased in both countries relative to the working age population (i.e. aged 15–64). However in subsequent years, Ethiopia’s rapid falls in fertility have led to declines in this so-called child dependency ratio, whilst Uganda’s constant high fertility rates have fostered a much more stable ratio. As a consequence, Ethiopia is moving towards achieving a “demographic bonus” situation whereas Uganda remains far from achieving this favourable age structure.

3. Demographic ageing and the need for action

Declines in fertility mean that current working age cohorts will be replaced by proportionately smaller cohorts in the future. As a consequence, the existing fertility declines in Uganda and Ethiopia suggest that these countries will need to build up the social protection system in order to deal effectively with the inevitable ageing of their populations in the coming years. Achieving a “demographic bonus” could help these countries to meet this challenge by creating a temporary window of opportunity in which to achieve accelerated economic growth and prepare for the future.

4. Routes to fertility decline: improved child survival & increased use of modern family planning methods

The UN identifies a favourable age structure as one in which the proportion of young people is less than 30 percent and the proportion of older people is less than 15 percent. The speed and strength of fertility declines are important in determining whether a population achieves a “demographic bonus”. It is therefore important to consider why Ethiopia has experienced faster and more substantial declines than Uganda. Quantitative research suggests that lowering infant and child mortality can have a greater impact on fertility decline than increasing urbanisation or per capita income.

Since the start of the 21st century, Ethiopia and Uganda have both been very successful in reducing child and infant mortality. Overall, the risk of dying before the age of five has fallen by an average of 6 percent a year in Ethiopia and 5 percent in Uganda since the year 2000. These trends are clearly positive and it is expected that they will result in declining fertility rates for both countries within the next decades. However, it is worth remembering that overall child mortality remains high and 1 in every 11 children in either country will fail to reach their 5th birthday.

Within both countries, poorer educational attainment is associated with higher child and infant mortality. In Ethiopia, a woman with no education is 2.6 times more likely to lose her child before it reaches its 5th birthday than a woman who has received a secondary school education. In Uganda, children of mothers with no schooling are still 1.7 times more likely to die before their 5th birthday. In both countries, child survival is lower in rural areas than in urban areas. Interestingly, research in Ethiopia has shown that women living in contexts of high infant and child mortality are more likely to report higher desired and actual fertility irrespective of their education and socio-economic circumstances.

Another factor associated with lower fertility is family planning. Contraception enables women to space births and to avoid unwanted pregnancies. The Ethiopian government invests more money in providing contraception than any other country in Sub-Saharan Africa. In 2010, public bodies in Ethiopia spent 15.9 million dollars on contraceptive procurement: 60 percent of these funds were provided by the State with the remaining 40 percent provided by international organisations. In contrast, the Ugandan government provided almost no support for family planning. Although the 2010 budget planned to fund contraception, this funding did not

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materialize and the money to support family planning programmes came exclusively from international organisations.

In both countries, less than 1 in every 3 married women aged 15-49 uses a traditional or modern method of contraception. Hormonal injections are the most popular contraceptive method. Of all women aged 15-49 who were using birth control, 3 out of every 7 Ethiopian women and almost 1 in 2 Ugandan women reported using this method in 2011. However, research suggests that Ethiopian women are often unable to access this method, particularly in rural areas. Overall, Ugandan and Ethiopian women living in urban areas are more likely to use modern contraceptive methods than those living in rural areas. Since 2000, contraceptive use has increased noticeably in rural and urban areas in Ethiopia. In 2011, roughly 50 percent of urban Ethiopian women reported using a modern method, compared to just below 30 percent in 2000.

This pattern of increase is even more marked in rural areas, with a sevenfold rise from just 3 percent in 2000 to around 22.5 percent in 2011. This increase in modern contraceptive use in rural Ethiopia is attributed to the Ethiopian government’s 2003 Health Extension Program, which focused on improving access to contraception among the poor, rural population. DHS data for 2011 suggest that there is less difference between the levels of contraceptive use in urban and rural areas in Uganda. However, this is largely because urban contraceptive use has been stagnating since 2000, whilst usage in rural areas has increased.

In contrast to Ethiopia, increases in contraceptive use are largely attributable to programmes implemented by international organisations rather than the Ethiopian government. Overall, unmet need for contraception is much higher in Uganda than in Ethiopia. DHS data suggest that 25 percent of Ethiopian women currently have an unmet need for contraception, around 10 percent less than in 2000. In contrast to this, married women’s unmet need in Uganda is currently estimated at 34 percent, just 1 percent less than in 2000. Importantly, research suggests that lowering unmet need could result in substantial declines in fertility in both countries.

5. Routes to fertility decline: gender equality, education & increased awareness

The success of family planning programmes in reducing fertility is heavily dependent on the overall social context. In general, Ugandan and Ethiopian women tend to want fewer children than their partners. This suggests that further fertility decline can be achieved when women in these countries have more freedom to realise their own desired family size. Education can have a particularly important influence on fertility by lowering desired family sizes and by giving women the tools to realise these desires.

In both countries, women with more education are also more likely to want fewer children and to use contraception. However, the impact on fertility is more pronounced for Ethiopia than for Uganda. On average, Ethiopian women with some post-primary schooling tend to want 2.1 children, whereas similarly educated Ugandan women report a desired family size of almost four children. In both countries, education is closely associated with socio-economic status, with girls from the bottom income quintile far more likely to receive no schooling than girls from the top quintile. Access to secondary schooling is one of the strongest factors

**Figure 2: Improvements in Ethiopia, stagnation in Uganda**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Fertility Rate</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>1960</td>
<td>7.0</td>
<td></td>
</tr>
<tr>
<td>1970</td>
<td>6.5</td>
<td></td>
</tr>
<tr>
<td>1980</td>
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<td>1990</td>
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<td>2000</td>
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<td>2010</td>
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**Ethiopia Demographic and Health Survey. Addis Ababa, Calverton**


influencing Ethiopian fertility. However, women’s educational opportunities are poor and research suggests that improving women’s access to education could help to promote further fertility declines in the country. Education also has an important influence on Ugandan fertility. However, the high desired fertility among educated women means that these effects are more muted than in Ethiopia. Overall, the Ugandan experience emphasises that education does not automatically lead women to desire a two child family. Indeed, education might reduce desired fertility but it is important to recognise that the ideal family size is also influenced by broader social norms.

Interventions that use mass media can play an important role in promoting increased awareness of the benefits of smaller families. 2011 DHS data for Uganda and Ethiopia found that a majority of women aged 15-49 reported receiving information about family planning. However, women that were poorer, less educated and living in rural areas were less likely to receive such messages. Uganda research shows that media campaigns have a clear impact on fertility behaviour and can increase contraceptive use irrespective of socio-economic background. It also suggests that the willingness to use contraception rises, when individuals are targeted by different types of media.

Focusing on the factors associated with fertility decline is useful in helping to make sense of the differences in Ugandan and Ethiopian population dynamics. In particular, Uganda has a variety of political, cultural and religious factors which combine to promote a high desired family size. As a consequence, fertility has fallen less than one might expect given the country’s level of education and contraceptive access. Importantly, this particular experience emphasises that improvements in factors associated with family planning are not sufficient to achieve a “demographic dividend”. It is also essential that countries have the political will to address population dynamics.

The Ethiopian experience illustrates what can be achieved when there is clear government commitment to improving access to, and awareness of, family planning. The country is on track to achieve a “demographic bonus” and needs to invest in education, health and employment in order to take advantage of the economic opportunities that this “bonus” creates. The slow declines in fertility mean that Uganda is much further from achieving a demographic bonus. Indeed, more substantial gains in family planning are unlikely to occur unless Ugandan leaders start placing less emphasis on the benefits of large families and putting more resources into making family planning and sexual health services more widely available.