

Population growth, youth bulge and social conflict

The challenge of the nation building process of Asia's newest nation - Timor-Leste

Udoy Saikia, Merve Hosgelen and Gour Dasvarma
Applied Population Studies, Flinders University, South Australia

Contact: udoy.saikia@flinders.edu.au

EXTENDED ABSTRACT

Background:

With an additional 2.5 billion global population by 2075 and 85% of these additions from developing countries with a very high proportion of young population, it raises the concern that in future the destabilising effects of demographic changes could have a profound impact not only on national security but also global security. This concern has been echoed by the United Nations report¹ which mentions that societies which are currently in conflict or in post conflict transition and are still recovering from the scars of occupation, an economic slump, and periodic outbreaks of political violence, the high proportion of young population will be a source of unrest and conflict if adequate educational and employment facilities are not available.

The nation building process of the Asia's newest nations Timor-Leste is currently facing the strong possibility of re-emergence of social unrest due to the rapid population growth, which is the fastest in Asia and one among the fastest in the world (The World Bank 2008²). The annual population growth rate between 2005 and 2010 was estimated at 3.5 per cent, ranking the country highest 5th in the world (UN 2008³). The major contributor for this unprecedented growth is Timor-Leste's extremely high total fertility rate (7.8⁴), of Timor-Leste which is one amongst the highest in the world. Amidst the worrying signs of poor socio-economic conditions in this new nation, it is of great concern that if the current fertility rate and its implied population growth continue, the population of Timor-Leste will double in 17 years⁵. The country has a very fragile history where it experienced centuries of colonial rule and survived a 24 year Indonesian occupation to gain its independence on the 20th of May 2002. This new nation stands out as the poorest nation in Southeast Asia and among the poorest in the world. The percentage of the population living in poverty has been estimated to 41 percent in 2009 (UNDP 2011⁶). The Human Development Index (HDI) for Timor-Leste was 0.495 in 2010, ranking the country 147th out of 187 countries⁷ resulting in Timor-Leste's HDI being one among the lowest in Asia. However the biggest challenge of Timor-Leste is emerging to be the absolute lack employment opportunities for youths. The current President of Timor-Leste has expressed this concern in the following words: "The country is experiencing demographic

¹ UNFPA 2010, *State of World Population 2010- From conflict and crisis to renewal: generations of change*, P.47.

² The World Bank (2008) *Policy Note on Population Growth and Its implications in Timor-Leste*, Washington, D.C.

³ United Nations (2008) *World Population Prospects 2008*. Available at: <http://data.un.org/Data.aspx?d=PopDiv&f=variableID%3A43>. (accessed 17 March 2010).

⁴ Source: Ministry of Health and National Statistics Office, Timor-Leste, and University of Newcastle, The Australian National University, ACIL Australia Pty Ltd, Australia, 2004. *Timor-Leste 2003 Demographic and Health Survey*, University of Newcastle, Newcastle, Australia.

⁵ Ibid.

⁶ <http://hdrstats.undp.org/en/countries/profiles/TLS.html>

⁷ [ibid](#)

changes with profound implications for its future development. The majority of its population are below the age of 21, and migration from the countryside to the capital, Dili, is at very high levels. The challenge of employing this population is immense" (UNDP 2011⁸). In addition to these challenging conditions, the country faced a new form of crises only four years after its independence (Neupert and Lopes, 2006⁹). Violent clashes in 2006 emerged as a result of rivalry between the Eastern and Western regions of Timor which led to a displacement of two thirds of the capital city's population, roughly about 150.000 people¹⁰. Although the political and security situation became relatively stable in Timor-Leste soon after violence erupted, the majority of the displaced people were unable to return to their homes. Around 100.000 people are still estimated to live in camps or with host families in the district (Harris and Goldsmith, 2009¹¹). Explaining how complex it is to determine the reasons behind the renewed violence in Timor-Leste Neupert and Lopes (2006) mentions that various explanations ranging from foreign conspiracies to the adverse socioeconomic situation and old ethnic enmities can be held responsible for these violence. Examining the demographic component of ethnic conflicts in Timor-Leste Neupert and Lopes (2006) concludes that while Timor-Leste civil unrest cannot be simply reduced to demographic processes as it was caused by the interaction of multiple determinants, however part of the problem was related to the population position of the country at the initial stages of the demographic transition with an extremely high proportion of teenagers and young adults. In a study conducted by Conciliation Resources and Safer World and funded by the European Commission to assess local people's perspective on violence and rising social conflicts in post-independent Timor-Leste has found that the limited livelihood opportunities among the youths has resulted in apathy and lack of engagement with their community, thus making them even more susceptible to political manipulation. One of the local leader in this survey mentioned- *"many times conflict happens because the youth....are frustrated. Frustration is the cause of conflict so in order to minimise the risk of conflict the government has to create or generate more jobs or adequate job for youths so that (they) will be able to have something"*¹².

Theoretical framework:

The theoretical framework for this study is predominantly based on the framework used by Neupert et al (2006). Cincotta et al. (2003, quoted in Neupert and Lopes 2006) presents convincing evidence that countries in the early stages of the *demographic transition* are more vulnerable to civil conflicts than those near its end. However that vulnerability reduces as the demographic transition proceeds gradually (Neupert and Lopes 2006). This theoretical framework proposes that the position of societies in the process of demographic transition is related to vulnerability to conflict and there are three socio-demographic risk factors: a) a high proportion of teenagers and young adults in the population combined with little opportunities of employment other than in the predominant subsistence sector of the economy; b) high in-migration rates to the urban centre (capital Dili) and the consequent rapid urbanization that the capital city is experiencing; and c) the surfacing of a strong regional component in the conflict as a result of the presence in Dili of migrants of different origin.

⁸ United Nations Development Programme 2011, *Human Development Report, Timor-Leste, Managing Natural Resources for Human Development 2011: Developing the Non-oil Economy to achieve the MDGs*.

⁹ Neupert, R. & Lopes, S. (2006) *Demographic Component of the crises in Timor-Leste- Political Demography - Ethnic, National and Religious Dimensions*, Associations for the study of Ethnicity and Nationalism, London School of Economics.

¹⁰ Ibid.

¹¹ Harris, V., & Goldsmith, A., 2009, *Integration Security, Development and Nation-Building in Timor-Leste*, Conflict Security and Development, 9: 2.

¹² Source: www.cicr-columbia.org/wp-content/.../PPP-Timor-Leste-briefing.pdf (accessed 10 September 2012).

Methodology:

The core analysis in this study is based on a combination of primary and secondary data. The primary data was is qualitative in nature and collected in two different time periods – 2007 and 2011-12. The secondary data comes from two different sources: Timor-Leste census, Timor-Leste Living Standard Survey conducted by the World Bank in 2007 and Timor-Leste Demographic Health Surveys 2003 and 2010. Apart from the analysis of the current situation, this paper will offer an insight into the future of Timor-Leste's demography by projecting the population scenario up to the year 2030 with a particular focus on the impact of the pace of population growth. This study will also provide a sectoral analysis (economy, labour demand/supply, urbanisation and food security) to highlight the implications of the future demography in the nation-building process. It makes use of a computer model called Spectrum System, developed by USAID (U.S. Agency for International Development). Two specific components of this model were used for the analysis in this report and consist of: i) Demography (DemProj) - a program that makes population projection and ii) Socio-economic Impact of High Fertility and Population Growth (RAPID) – A programme to project the social and economic consequences of high fertility and population growth for sectors such as labour force, education, health, urbanisation and agriculture (USAID 2008¹³). For a more realistic assumptions related to future socio-economic conditions, this study has utilised information from Timor-Leste's strategic development plan 2011-2030 as set out by the Timor-Leste Government.

Key findings and policy recommendations:

The major contributor for the unprecedented population growth in Timor-Leste is the extremely high total fertility rate which is one amongst the highest in the world. Amidst the worrying signs of socio-economic condition in this new nation, it is of great concern with the prediction that if the current fertility rate and its implied population growth continue the population of Timor-Leste will double at the end of next decade. The qualitative findings show that the wanted fertility too remains alarmingly high. The dependency ratio will only marginally decline by 2030 which was 0.95 in 2005 thus creating an enormous pressure on youths and the economically active population as a whole.

The rapid expansion of the labour market translates into the necessity of job creation for the young Timorese population that are entering into the work force. Our projections shows that number of urban youth aged 12-25 will increase from 62,720 in 2005 to 112,540 in 2015 and 146,250 in 2020 and will be near 200,000 by 2030. This means the pool of the urban youth will expand by 133 per cent by end of this decade. **On average Timor-Leste needs to create 19,190 new jobs each year** to absorb new entrants in to the labour market. Due to the demographic composition, the necessity for new job creation peaks in 2014 with 21,250 and slightly decreases to 20,440 by year 2020. **Interestingly only 400 formal jobs are being created each year despite the approximately currently 15000 new entrants into the labour market** (UNFPA et al 2009¹⁴).

With an increasing population, arable land per capita will dramatically decrease - from 0.18 ha in 2005 to 0.12 ha in 2015 and 0.10 ha in 2020 and will get even worse by 2030. The overall 5.5 per cent decline in arable land per capita signals that there is an increasing threat for further deforestation that can take place in the country. The situation can even get worse as the analysis shows that basic education and food security do not look very promising in near future. For example there will be an increasing gap between production and consumption of maize and rice. The gap can

¹³ USAID 2008, *DemProj: A Computer Program for Making Population Projections*, Online. Available: <http://software.futuresgroup.com/Spectrum/DemmanE.pdf> (accessed 1 July 2009).

¹⁴ UNFPA and The Government of Democratic Republic of Timor-Leste, 2009, Country Programme Action Plan (CPAP) Timor-Leste 2009-2013, Dili, Timor-Leste, January 2009.

be translated into the increasing import requirement or need for food aid for these two staple food items. For example additional demand for rice is projected to be 32,950 metric tonnes in 2010, 50,330 metric tonnes in 2015 and more than 70,000 metric tonnes annually from 2020 onwards.

Further analysis on the social conflict situation in Timor-Leste should take the urban youth indication into account to better estimate the likely future outcomes if the country cannot succeed to meet the needs of these young people in the near future. It is important to highlight the sector which will provide most of the employment opportunities in the near future. The largest economic sector 'agriculture' can arguable be seen as the crucial destination for future investment and advancement, as it will possibly remain to be the major source of job opportunities in the near future. Investment in agriculture in the rural sector is highly desirable as this is the sector which can provide short term employment for unskilled youths which will help in reducing the impact of unsustainable urbanization. However evidences suggest that in the longer term agricultural development tends to increase rural out migration and hence it is also important to develop alternative destinations through sustainable development of other urban areas. This will also allow an even distribution of various ethnic groups in different urban centres – thus reducing the risk of concentration of dominant ethnic groups just in one centre. However more importantly the future of Timor-Leste will heavily depend on how and in what sector Timorese Government invests the revenue from its oil. Our analysis strongly supports the view that instead of investing oil revenue mostly to foster industrial growth, this new nation should invest in building social capital. No doubt the young structure and extraordinarily high dependency ratio along with the exceptional growth in Timor-Leste's population create enormous challenges to the nation building process. However adequate investment in human capital in this early stage of demographic transition in Timor-Leste can provide the country with a strong opportunity to achieve a demographic dividend. According to Bloom et al (1998, 2000) the demographic dividend played a vital role in the "economic miracles" of the East Asian Tigers. Investment in primary education should be prioritised as the most essential and urgent need for Timor-Leste in achieving this dividend. For the world as a whole, there has been considerable progress in human development over the past 40 years with the global average HDI growing by 29%. What is notable is that economic growth is not the driver of these big improvements; instead progress comes from improvements in areas where primary education strongly figures (Rodriguez 2010¹⁵, citing a study by Gray & Purser). Non-income indicators, like the quality of schooling outcomes, correlate positively with income that individuals can earn later in life. No country can simply sit back and rely on expanding income-related growth to flow into the knowledge sector. Governments have driven the remarkable improvements in global school enrolment since 1970. The decision by states to expand their educational system shows is one of the primary drivers of human development.

Policy-makers in Timor-Leste have acknowledged the importance of human beings in sustaining longer-term growth. This implies a healthy, knowledgeable population, as well as jobs. It implies well-structured and well-targeted public spending to enable all individuals to develop a range of gender-sensitive capabilities on physical, inner, and social level. The guiding vision trusts in the resourcefulness of Timorese people and the human and collective necessity of human resource development. This intrinsic value of human resource development feeds back into the social-economic collective whole, thus forming a virtuous circle. A precondition is that public investment in knowledge-producing services ensures accessibility for all persons at the earliest stages of life and throughout that life. It is crucial that this newest nation in Asia takes this precondition as imperative to its nation building process.

¹⁵ Rodriguez, F. (2010) Let's talk HD: trends in HDI, HDR Announcements 2010. Retrieved 16 March 2010, from website: hdr.undp.org