

INTRODUCTION

The population of Timor-Leste is one of the youngest in the Asia and Pacific region and 15th youngest in the world behind Afghanistan and a group of African nations. According to the 2015 Timor-Leste Population and Housing Census, the median age of the population is 17.4 years and approximately 74 percent of the population is below 35 years (DGE 2015). Consequently, young people have the potential to play an extremely important role for the country to fulfil its development aspirations. Timor-Leste's annual population growth rates have been high since independence in 2002. Timor-Leste is currently the most rapidly growing country in South-East Asia and one of the most rapidly growing countries in the world. The remarkably high total fertility rate (TFR), especially during the first 10 years since independence has been a major contributor to Timor-Leste's high population growth (Saikia and Hosgelen 2010). The 2003 Demographic and Health Survey of Timor-Leste reported a TFR of 7.8, one of the highest contemporary TFRs in the world. However, Timor-Leste experienced a considerable decline in its TFR thereafter. The 2009–2010 Timor-Leste Demographic and Health Survey reported a TFR of 5.7. (DGE, MOF, and ICF Macro 2010). However, the latest Demographic and Health Survey finds another noticeable drop in TFR, to 4.2. This rapid reduction in fertility is a positive sign for the country's development, but studies have shown that preference for large families has always been the tradition in Timor-Leste. The country's high fertility rate has led to a population age structure that shows a bulge among children and youth and a considerable narrowing at older ages. While 39 percent of the population is below the age of 15, a small share—6 percent—is over age 65. Because of declining birth rates and decreasing mortality rates among children ages 0–14, Timor-Leste is now progressing rapidly through its demographic transition. The bulge in the youth population, together with declining fertility is eventually going to create a demographic window of opportunity for the country. Therefore, appropriate policies and strategic investments must be formulated and implemented by the policymakers today, particularly for the benefit of the youth, if Timor-Leste is to convert its demographic window of opportunity to demographic dividend.

A Well Being Approach to tap into the Youth's Potential for Development

The underlying assumption for reaping a demographic dividend is conditioned on a youthful population that is not only vibrant and skilful but also physically and mentally healthy, environmentally and socially aware and willing to participate in the development process of its nation. The National Strategic Development Plan (NSDP) of Timor-Leste, 2011–30 takes up employment as a frontline issue. The NSDP prioritizes, “core infrastructure, human resources ... the growth of private sector jobs in strategic industry sectors – a broad based agriculture sector, a thriving tourism industry and downstream industries in the oil and gas sector” (Planning Commission, Timor-Leste, 2011). While earning an income through a job is fundamentally important for one's wellbeing, it is only a part of the equation. Policy makers often fail to explore how being a part of a community or society could have positive contributions to one's capabilities and functioning. Cultivating a value system that encourages trust and cooperation, compassion and empathy, self-reliance and persistence, and working toward a common purpose is not only conducive for building strong social foundations, but also underpins economic success.

Before suggesting purely economic solutions for the Timorese youth, it is only far-sighted to look at the values, cultural traits and the historical context in which today's youth live. The Timorese, having successfully emerged from a prolonged struggle for independence, have a strong sense of national identity and pride. It would be important to work with such values, especially toward building a stronger and more resilient economy. It is hence imperative that social, cultural and historic dynamics be given adequate attention in identifying causes of problems and proposing solutions. Unfortunately, except for a few notable cases, achieving well-being and happiness has generally been ignored as a goal of

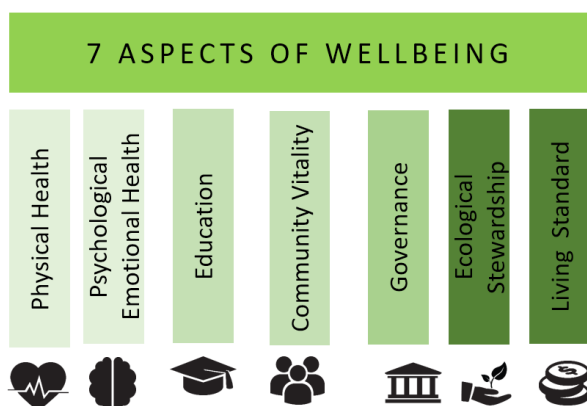
policymaking, but the consensus is emerging among the global community that well-being and happiness shaped by people’s life satisfaction are worthy goals of development.

METHODOLOGY:

Based on data collected at the Timor-Leste Youth Wellbeing Survey of 2017¹ covering all the districts, conducted and led by the authors and a team as a part of the project on National Timor-Leste Human Development Report 2018, this paper provides an insight into the various policy scenarios that will help Timor-Leste to achieve demographic dividend in the near future. This research employed an innovative methodology based on the wellbeing framework developed by the authors in collaboration with the Government of Timor-Leste and the UNDP (Saikia et al. 2018), and building on Amartya Sen’s (1999) capabilities approach and the “Gross National Happiness” (GNH) index developed by the Oxford Poverty and Human Development Initiative (OPHI) (Alkire and Foster 2011). The innovation of this approach is twofold, comprising a bespoke well-being framework and the set of measuring tools that capture objective and subjective indicators of wellbeing in the pandemic situation.

Tailored to the Timorese context, the framework accounts for wellbeing across multiple dimensions of individual experiences in Timor-Leste and includes both economic and non-economic impacts (Figure 1). In addition to aspects of physical health, psychological and emotional health, education and living standards, this framework also evaluates interpersonal connection and social engagement (community vitality), attitudes toward government oversight and actions (governance), and activities involving nature and the environment (ecological stewardship).

Figure 1



Moreover, to quantify the demographic dividend and guide the country towards the most preferred policy pathway, it posits three policy scenarios to project the possible outcomes of the demographic dividend by 2050. The projection modelling presented in this paper is derived from the DemDiv Model, a cross-national, customizable projection modelling software developed through a five-year cooperation agreement funded by the US Agency for International Development (Moreland et al. 2014).

FINDINGS:

While most youth across Timor-Leste perceive themselves as living satisfactory and physically healthy lives, inadequate investment in education means that young people – particularly adolescent girls and young women – feel unprepared for and lack the skills required to access decent employment.

However, the survey conducted for this research covering all the districts finds that unemployment among youth is widespread, and 57 per cent among the unemployed are not looking for work. Of these, 25 per cent are not searching for a job because they are discouraged by the difficulty of finding work.

¹ The findings presented in this paper is from the project Timor-Leste National Human Development Report 2018. The authors of this paper were the lead and key researchers for this project. The Timor-Leste youth wellbeing survey was a part of this project.

In addition, 60 per cent of youth aspire to undertake further studies or training but only around one third reported that they had been able to do so.

This research also finds that with the signs of noticeable decline in birth rate in recent years the largest human development gains and a rise in GDP per capita from \$2,619 in 2015 to \$15,375 in 2030 can be achieved if interventions in education and the economy are complemented by increased access to reproductive health services.

If these perceived gaps in wellbeing are not addressed now, Timor-Leste will miss a unique opportunity to benefit from substantial economic and human development gains over the next 12 years. This research recommends that the Government of Timor-Leste consider allocating 25 per cent of its budget to education and training and calls for the transformation of economically inactive youth into entrepreneurs in agriculture and other sectors of the economy that show potential for growth.

Tens of thousands of youth continue to face multiple vulnerabilities, severely impacting Timor-Leste's opportunity and ability to benefit from its increasing proportion of working age population unless more dedicated and quality investments are urgently made in health, education and the economy which are crucial to human wellbeing.

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