

## A Note on Population Growth

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### INTRODUCTION

In the past, population growth has bothered humanity more than once. Global population is multiplying at unparalleled rates but so also are aggregate output (notably industrial output) and international trade, while educational and health services and so on are growing. If population growth as such has negative repercussions this is not detectable to the naked eye, notwithstanding for many perturbed with the population problem, if food, housing or jobs are few somewhere this is elucidated by saying that there are too many of us searching for them. But this is far from axiomatic. Some of us would keep an eye to conceive that the flaw may be not on the periphery of demand but on the side of supply, which may actually be deficient or too spasmodically distributed.

Take unemployment for example. It is said that in our less developed countries, swift population growth brings too many people to the labour market annually and that this is, therefore, responsible for the growing unemployment which, it is said, is coming about. Now, one could think that the climb in unemployment could be obviated not by having fewer people searching for jobs but by utilizing more of the available resources in our countries to permit more people to work dynamically. If people are workless that can only be because either there are not adequate means of production in terms of land, tools, machine, equipment and other facilities, or the available means are not being fully

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and other facilities, or the available means are not being fully utilized. To ensure a finer use of the prevailing capacity, a reduction in the population growth would not be of much help. Quite to the contrary, to the extent that idle capacity is the consequence of a too small domestic market and that is the case quite often, then population growth may, at least promisingly, help to resolve the predicament. If the question is to expand capacity, however, then savings must be augmented and that means that a larger portion of current output must be committed to further production instead of immediate consumption. One could conceive, for example, that if the rich were to fritter away less on luxuries and that if the resources thus saved could be effected to repatriate less in profits, royalties and so on to their mother lands, may be we could use such added resources to import more equipment.

But such non-demographic answers seem to be out of reach in the opinion of those involved principally with the population problem. For them the appropriate method to eschew unemployment in the future is rather to try to decrease population growth in our less developed countries by disseminating the practice of birth control among the population. They are convinced that any attempt to alter the distribution of income or to change the relationship between poor and rich countries is hopeless and they prescribe that we must accommodate our numbers to our opportunities, given the present arrangements.

## POVERTY NEXUS LOGIC

To broaden the discussion, let us take up the issue of poverty. It is said that our developing countries are poor because we consume too much and save too little and that this is so because there are so many children in our families, as everybody knows, children are consumers not producers. Of course, high dependency rates emanate from high fertility rates. If fertility in our countries could be lowered, then suggested, consumption as a portion of total output would fall, and more could be saved and invested. As an

upshot, development could be accelerated and our present plight overcome.

But this also is not obvious, because everyone who looks around in our countries notices that some families have fairly sizable incomes. Such families are not copious; maybe they include not more than one tenth or one twentieth of the total number of families, but they hold as much as one third of all incomes. In these families there are not many children, whose upbringing would inhibit their parents from saving the greater part of their incomes. If these families do not save amply, it is because they have very large houses and many servants and because they use expensive durable goods and take vacations abroad and so on. One could simply think that the best way to increase savings in our countries would be to take away some of the income that is appropriated by the rich or, at least, encourage them to spend less and save more.

Such a proposition is not shared, however by those concerned with the population problem. They aver that instead of trying to save resources by reducing luxury consumption, it is the consumption of the vast majority of the poor that should be held in check by persuading them to limit the number of their children. It seems doubtful whether poor families in our countries could save anything out of their skimpy incomes, even if they had less mouths to feed. One would expect that if poor families become smaller they would use their higher percapita income to buy some of the many things they need and would not be able to acquire otherwise. This would in fact be a plausible stimulus for limiting the number of one's children. But it is complicated to comprehend in which way a downturn in fertility would help us as nations to overcome the paucity of capital and thereby expedite development.

## **MENACE AND GROWTH**

Population growth is not only a menace to our countries, where most of the world's population growth is taking place, but it

is also a menace to the world as a whole because it augments the consumption of non-renewable natural resources. The quantitative expansion of humanity is held accountable for the using up of soon exhausting certain resources, like oil and copper, without which our civilization could not survive. Once again, one could not arrive at such an outcome just by inspecting the data, because these show that most non-renewable resources, like all raw materials, are guzzled by the developed countries, where population growth is already quite small, but material consumption is growing swiftly. Even if the population in our developing countries were to stop growing, the consumption of non-renewable resources would still augment in the developed world, and also in our countries if the material well-being of our population is to be upgraded. If it is argued that, by slowing down population growth, our countries would be capable to quickly accelerate their rate of development, then it must ensue that our consumption of non-renewable resources would increase even more than now. It, therefore, appears that if our countries were to try to reach zero population growth as soon as possible so that the resources in question would not be squandered so soon, this would be effective only if the current arrangement of raw material consumption by rich and poor countries were to stay the same, and that means that our countries would have to remain being less developed.

### **MALTHUSIAN HING**

The demographic modus operandi, as invariably, puts the guilt for the possible future imbalance between demand and supply of natural resources on the side of demand, and its correctness seems to be obvious in this case because the supply of non-renewable, by definition, cannot be expanded beyond certain limits. First of all however, this analysis does not take into detail to what extent the headway of knowledge may expand reserves, multiply the sources from which wanting materials may be acquired, ameliorate methods for the re-employment of waste materials and, for most use, widen the feasibility of superseding wanting materials

by others which are abundant. But, ever since Malthus, this appear to be an endless debate. What should be reiterated, however, is that the demographic approach, by obtaining demand straight from numbers— the size of the population— glosses over any disparity of distribution. By averaging consumption per head on a world scale, any new-born child is a precise factor of augmentation of demand. It is plainly rejected that in the present world most babies are born into homes in which almost non of the scare non-renewable resources are consumed.

It appears that the current anxiety over the population crisis may be neglecting, if not concealing, some other types of crisis. In some of our less-developed countries, social and economic disparities are augmenting because the benefits of development are reaped by tiny minority of the population. The majority are becoming less and less ready to bear this. The same appear to be happening between rich and poor countries: disparities are becoming more detectable and less acceptable. It may quite well be that this is he real catastrophe of our age.

In our less developed countries, the rural outcasts are flowing into the cities, where some are absorbed into gainful activities, while others are compelled to make a living by penetrating the service market or if they have somebody to sustain them, they become open unemployed. Anyhow, by coming to the city, these outcasts become distinguishable and thereby emerge as an ominous component. Their demand for housing, food and urban services seem to come from nowhere. How they lived while they were in the rural areas nobody seems to care. Now they are here, in the city, where you are supposed to live in a house, not in a hut, and where you are supposed to send your children to school and so on. The means to meet these wants appear to be flawed unless all are to be cut down to the identical level of poverty. From the point of view of the existing social order, this is the crux of the population problem; too many mouths to feed, more hands than can be gainfully employed. If one cannot do away with these excess numbers, let us

at least forestall the heightening of the difficulty being responsive to birth control.

## GLOBAL SCENARIO

The same is occurring in the global setting. The rules of international trade and capital transfer are being defied by some of the less developed countries. They cry out for better prices for their exports and the right to expropriate assets that belong to multinational concerns. The swiftly increasing populations of these countries are even as the pressure source that imperils the present global order. By the rules of free trade and private ownership, the needs of these populations cannot be met unless the rich countries give up some other current benefits. The alarm about population is being fed, in the developed world, by the panic that the increasing weight of the growing populations of the so-called third world may disturb the balance of the global economy.

This panic, however, is not established, we are not living in a world in which only population is expanding. In fact, the global economy is increasing much faster than global population. If it is predicated that in the next 30 years global population is going to double, it is very possible that global output is going, in the same period, to be multiplied at least by four. That means that in order to develop, our countries do not require the resources of the now developed countries. What is required is a separate method of dividing the fruits of economic growth of the next decades. This transformation is already starting. Many countries that produce primary products are becoming aware that their bargaining power can be much enhanced if they adopt a common pricing, taxation and production policy.

It would be a gaffe to think that the recent price rise of raw materials is a consequence of the pressure of demand on a limited supply and that this pressure stemmed in population growth. It is well known that the supply of most primary goods is somewhat elastic to price vicissitudes, although the outcome of price rise on

supply is felt only after some years, because of the time needed to increase plantations, prospect for minerals and so on. But, it can easily be presaged that the present dearth of some foodstuffs and raw materials will be replaced by overproduction in the following years. Then will be the opportunity for most less developed countries to enter primary producers organizations in order to shield themselves against the deterioration of their terms of trade.

The commotion against population growth cannot redeem the current distribution arrangement of the world output between rich and poor countries. But one ponders if it may not provide political fuel for endeavours at recognition under the guise of international control of the source of scarce raw materials situated in less developed countries. The peril lies in the view that mankind is on the edge of misfortune on account of the approaching depletion of vital resources brought about by controlled population growth in the third world. If this credo comes to be held by the majority in some large industrialized nations, it could be used to legitimize interference in some area in order to assure the reserves of non-renewable resources for mankind.

The demographic approach to the troubles of mankind, be it on the national or global scale, supposes a sort of straightforward association between man and nature. It claims that if, somewhere, there are shortages of food, housing or jobs this cannot be because something is erroneous with the social and economic organization of society, since this organization and likelihood of changing it are entirely neglected. Any scarcity must, therefore, emerge from excessive numbers. As we have noticed, the involvement with the population problem does not lead to any solution because numbers can never accustom to a failing social and economic organization. There is no logic whatsoever to believe that the situation in our less developed countries would have been in any way better if the growth of their populations during the last decades not occurred. There was, indeed, meaningful headway in many of our countries during the last decades while, at the same time, the population was growing. Between 1960 and 1993 the population of the less developed

regions increased quite substantially. While such rapid population growth was taking place, the gross national product (GNP) per capita of the less developed countries also increased. Other socio-economic indicators show also that rapid population growth did not hinder progress in the less developed countries: calorie intake, as percentage of established standards, increased between 1970 and 1993 in Mexico from 108 to 112, in Brazil from 109 to 116, in Central America and the Caribbean from 92 to 95 and in other South American states from 96 to 99; in East, West and Central Africa from 105 to 110 and North Africa from 99 to 103; in the Middle East from 99 to 103, in East Asia from 97 to 102, in South Asia from 97 to 104 and in centrally-planned Asia from 86 to 96 (UNICEF 1993). It should be reiterated that, notwithstanding high population growth, in none of the regions or countries did the calorie intake fall.

## **DEVELOPMENT AND SOCIAL TRANSFORMATION**

Economic development is abetting to mold in most countries a kind of social organization, be it capitalist or socialist, in which time-honoured function of the family, like providing for the old, the sick or the unemployed, are socialized. This is perhaps the major historical reason why in all modern industrial societies, fertility is tending to decline to a level quite close to that of mortality. There is no reason to suppose that in our less developed countries, industrialization will bring with it anything else but a fall in fertility and, in the long run, possibly zero population growth. All empirical evidence confirms this trend.

The swift downturn of fertility, which is showing itself in many less developed countries, is not in itself helping to solve any problem. It emanates from a vital change in reproductive performance, which is itself the outcome of social changes within the family in countries that are becoming industrialized and urbanized. In these countries, the spreading of wage labour and schooling is checking the exploitation of children, is revolutionizing the association between older and younger generations, as well as



between man and woman. The woman's role is no longer solely confined bearing and breeding children, who will later abet the man to earn a living and will afterwards supply surplus to support the couple in their old age. Wherever traditional socio-economic arrangements are disappearing and the economy provides increasing remunerations for formally acquired aptitudes, the family structure of reproductive behaviour is altering entirely. Migration has become more common and helped to sever old family tie, the choice of marriage partners has been of the individuals' concern and no longer the matter of the head of the family, women has started to enter the labour market first and marry later. Many women stay in the labour market even after marrying and try to blend the role of wife, mother and worker; more children go to school, many stay longer in school and start to work later. Family-planning, the use of contraceptives and the resulting dive of fertility are among the many results of all these changes.

If the wage corresponds to a precise part of the total social labour time which is allotted to the reproduction of the labour force, then an augmentation in the value of the average individual labour force, due to an augmentation of skill requirements, poses the following quandry: either the total wage, as the social cost of reproduction of the labour force, is augmented or it is spread over fewer consumers. The first alternative is succeeded to the extent that social funds are utilized to pay family allowances, to supply free education for workers' children, etc.; the second is the reproductive response at the family level, given the fact that in most countries individual wage incomes do not move up in congruence with the reproductive undertaking undertaken by each family. In other words, if the wage or labour income in general is the only means by which workers raise and support their families, the size of each family must be associated to the income level and to the cost of rising a certain number of children. Since family allowances are often appallingly low, there is generally no functional adoption of the labour income of most workers families to their reproductive needs, as defined by the socio-economic system. The market

generally remunerate skills but not children. It is no wonder, therefore, that in order to supply the skills the number of children drops. As an upshot, this proletariat's traditional inclination to be prolific is vanishing in less developed countries wherever industrial capitalism is taking roots.

However, the adjustment of reproductive behaviour to the wage level or, eventually, to the income distribution is not always the most suitable on the macro level. It is easy to see that an expanding economy requires a growing population, both as a growing labour force and a growing market. The economic history of most industrialised countries, which have had to use an augmenting number of workers from less developed countries during the last decades, furnishes much empirical facts in support of these statements. One can, of course, conceptualize a model of an expanding economy with zero population growth, in which all the increases in output issue from the growth of productivity. But the growth of productivity is the outcome of technological advances which cannot be stabilized in all of the many different branches of the social division of labour in such a way that all sectorial requirements of labour always sum up to a constant sum. The growth of productivity in one branch generally necessitates the expansion of employment in other branches. Even if the growth of productivity in the first branch could free some labour which could be transmitted to the others, such transference cannot be done beforehand and it is hampered by the skill requirements of the branches where employment is expanding, which released worker may not own.

## **DILEMMA**

An expanding economy based on a constant labour force, and to become feasible, has to depend on a very large reserve of labour. That means that such an economy, in order to be able to expand employment quickly in some branches while the demand for labour in other branches is shrinking, may have to keep an atypically large

part of its working population as an idle reserve. This is a social and political price that most democratic capitalist countries seem not ready to pay. For some of them a slowing down of economic growth has been recommended but that seems also not to be agreeable. In our less developed countries, where economic expansion is an undeniable necessity, the adjustment to a rapid decline of population growth may also not be easy. This is a difficulty which most less developed countries will not have to face in the near future because a decline in the number of births means a decrease in the number of persons entering the labour market only some 15 to 20 year later. But, nevertheless, it should be stressed that development is a process of uneven and combined growth that requires massive transfer of manpower from rural to urban areas, from agriculture to manufacturing, from handicrafts to factories and so on. Such transfers are smooth when the labour force of the country is rather young and growing rapidly. If most of the labour force is already settled in industrially advanced branches when the consequence of fertility decline begin to influence the growth rate and the age formation of the labour force, the adjustment will be much easy. But, if fertility downturn is premature in this sense, problems may arise such as those faced by most West European countries in the post World War period, when the decline of fertility resulted in an almost constant labour force, making the importing of labour a necessary condition for economic growth. It should be added that the importing of labour is not at all an easy solution in the developing world, principally because low living standards in these countries make them less attractive for foreign workers.

An expanding economy also requires an expanding market. Again, one could imagine a model in which the growth of effective demand originates only in the increase of percapita income. Growth in such situations becomes viable if income is permanently redistributed downwards and/or if the introducing of new products kindle new need amongst the more well-to do consumers. This denotes that if an increase of income in an economy, in which the number of consumers is constant, would supply an adequate

growth of final demand, then most of the extra income should go to the poorer consumers, who still have many unsatisfied needs, and/or the richer consumers must be encouraged, possibly by the offer of new products, to expend an adequate part of their extra income. The first case is not comfortably met in capitalist economies, mainly because any massive downward redistribution of income would violate the rules of the market and probably produce strong inflationary results. The second condition is the actual answer in most of today's advanced capitalist countries, but it is difficult to employ in less developed countries. That is so because the number of people who have incomes which are high enough to afford most new products introduced in the industrialized world is too small to provide a sizable market for the autonomous growth of the economy of most less developed countries. Possibly, population growth, integrated with some marginal redistribution of income is at current the principle factor of expansion of the domestic market in the great majority of less developed countries. In the future, the decrease of population growth in many of these countries may have to be compensated for by a larger redistribution of income so that the expansion of the domestic market may be ensured. This will be easier for countries where the public sector of the economy is comparatively large and investment is controlled by planning authorities. Where the laws of capitalism predominate and the profit motive is the main criterion for investment, the adjustment to slow population growth will have to depend more on the augmentation of exports and on the appeal of new consumption goods for the affluent minority who have money to spend.

## CONCLUSION

It is therefore, pellucid that the less developed countries do not face just one population problem as so often is indicated. Some countries, depending on their size, stage of development and socio-economic organization, may have an overpopulation problem while others have a problem of underpopulation. The type of population

problem, a given country has, cannot be expounded just by taking into account the size, density and dynamics of its population in relation to the natural resources of its territory. Other structural aspects must be taken into account, including the requirements of its socio-economic system, so that any generalisation would be hazardous. But as a common rule, one can state that whenever changes at the socio-economic level accelerate development, previous overpopulation problems tend to be lessened or even solved while previous underpopulation problems tend to become more acute. That is so, as we have seen above, because development, like any intensive economic growth process, requires a young, mobile and growing labour force and an expanding domestic market. Finally, it may not be out of place to reiterate that both the developed and the developing world should cooperate in resolving issues and problems that may emanate from population growth.

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