

**Population Growth:
The Causes and its Effect on Economic Development**

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Abstract

Population has grown tremendously and faster than expected in the entire world. The number of people sharing finite resources such as food, water, and energy has increased more and more, which has become an issue for many countries. This uncontrollable growth has mostly to do with the excess of births over deaths. Nowadays people live longer, and the number of babies being born has drastically increased. Other causes of population growth include: poverty, women inequality, and urban immigration. Developed countries such as USA have not faced as many problems, because they have experienced low population growth. However, in some countries, this situation has turned out to be a threat for their future development. As population grows, it becomes harder for these nations to keep up with their quality of life. The higher the population, lower the income per capita growth in developing and poor countries. Overpopulation also affects health, education and the environment. Some countries such as Nigeria, China and India, have taken some actions in order to control their population size. However, some of these measurements have not succeeded as expected.

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Introduction

“Every year, more than 75 million of people are being added to the world’s population. Almost all of this net population increase (97%) is in developing countries. Increases of such magnitude are unprecedented. But the problem of population growth is not simply a problem of numbers. It is a problem of human welfare and of development. Rapid population growth can have serious consequences for the wellbeing of humanity”.

--- Todaro & Smith, 2011, p. 270 ---

Population has become an issue for many countries economic development. The low rate of mortality along with the rapid increase in the rate of fertility, affects the countries ability to distribute the available resources, and services such as clean water, energy, education, health among their population. Without enough available resources and services, quality of life is affected and poverty increases, which contributes to an even higher population growth rate, and seriously affects a country’s economic development. Therefore, it is very important to understand the causes of population growth, how it affects a country’s development, and some ways to control this issue by looking at countries like China as an example. The purpose of this paper is to analyze the issue of population growth, its causes, and the effects it has on a country’s economic development. ✓

Literature Review

In order to perform this study, it was necessary to understand the issue of population growth, its many causes, and how it can affect a country's economic development. It was also necessary to understand how overpopulation has affected some countries, and what they have done to fight this issue.

Population Growth:

In the Economic Development book, Todaro and Smith provide concrete demographics of the current total world population, as well as the expected population for 2050 (2011, p. 269). The article, "*Population Growth: Fastest Growing Urban Area? It May Surprise You*", by Emily Alpert provides more information of this rapid population growth, as well as examples of some countries that are facing this problem. She also gives examples of some countries, where the highest problems of overpopulation are concentrated in rural areas (Alpert, 2012). The world population demographics graph was also very helpful to prove these authors' point (Index Mundi 2011).

In the article "*French Population to Match Germany's by 2055*" Carine Fouteau mentions the examples of France and Germany, and how their factors of population growth differ (Fouteau, 2012). In addition, Index Mundi also provides more information about life expectancy in France and its rapid population growth (Index Mundi, 2011). In the article "*America: Heading Towards Zero Population Growth? - Seeking Alpha*" Sami J. Karam talks about the decline in US's population growth over the past decades, and the increase in immigration, which according to him, is the component that mostly contributes to the country's overpopulation (Karam, 2012). As evidence, cairco.org provides a graph of US immigration growth from 1820 to 2010 (cairco.org).

Population Growth – Causes:

The Economic Development book by Todaro and Smith provides a lot of information about the causes of population growth, such as poverty, woman's lack of opportunity, and rural immigration to larger cities (Todaro & Smith, 2011, p. 202, 315-317). In the article "Poverty and Population Growth: Lessons from Our Own past", Global issues website talks about the connection between population and poverty, as well as the association between hunger and fertility. Global issues also suggests that women's education can be a powerful predictor of lower fertility, and affirmed that women's fertility tends to fall, as their schooling increases (Global Issues, 2000). Contrary to Todaro and Smith, John Cromartie and Peter Nelson state on the article "*Baby Boom Migration and Its Impact on Rural America*", that in some countries, a large amount of people are moving from the cities, to live in smaller towns and farms. They give examples of people who are retiring and looking for a peaceful place to live (Cromartie and Nelson, 2009).

Population Growth – Measures taken by Some Countries:

This section shows examples of three countries who took measures in order to decrease their level of population growth. In the "*Connections and Solutions: II*", Paul Ehrlich, and Anne Ehrlich talk about the measures taken by Chinese government in order to control the massive population growth, and its positive results (Ehrlich, 1990). In the article "*Measure Being Taken to Control Population Growth in Nigeria*", John Cromartie explains the actions taken by the Nigerian government against their rapid population growth, and how their strategy has worked so far (Castrillón, 2011). A Third example

was given by Todaro and Smith in the case study “*Population, Poverty and Development: China and India*”, where they explain the actions taken by India against the high level of fertility, and how they succeeded but not as well as China and Nigeria (Todaro & Smith, 2011, p. 303-306). It is possible to see the decrease in these countries birth rates in the Index mundi graphs provided in this section (Index Mundi, 2011).

Population Growth – Effects on Economic Development:

In this section, the Economic Development book by Todaro and Smith provides a lot of information about the effects of population growth on a country’s economic development. They are: quality of life, health, education, rate of unemployment, availability of pensions, and environment. Todaro and Smith address all these factors and describe how they are affected by population growth (Todaro & Smith, 2011, p. 234, 296). In the article “*Population Growth*”, Nicole Wet compliments Todaro and Smith’s argument by affirming that when fertility increases, the pressures on healthcare also increase, and it becomes harder to provide adequate benefits to the entire society (Nicole Wet, Myfundi). Additionally, the Clear Water Action Council website supplies information on the strong effect that population growth has on the environment. The website suggests that we all need the available natural resources such as, water, land, energy in order to survive. However, the rapid population growth puts a time pressure on earth to provide everyone enough resources, and quality of life (Clear Water Action Council).

Method of Analysis

The qualitative information for this term paper was collected throughout the two first weeks of April 2012, carefully analyzed and related to the issue of study. The method of analysis was done based on online research, the library, and the book used in class: Todaro, Michael P., and Stephen C. Smith. "*Economic Development*" 2011. The Economic and Development book was the primary source for this paper, where most of the information, and knowledge could be acquired from. The online research and the library were the secondary sources, which served as complementary qualitative information, where additional facts found in order to support the thesis. This analysis was also based on concrete demographic population and fertility graphs, which shows the changes in the population that the countries mentioned on the paper are facing. By comparing and contrasting the information from these sources, it was possible to achieve a final conclusion. ↓

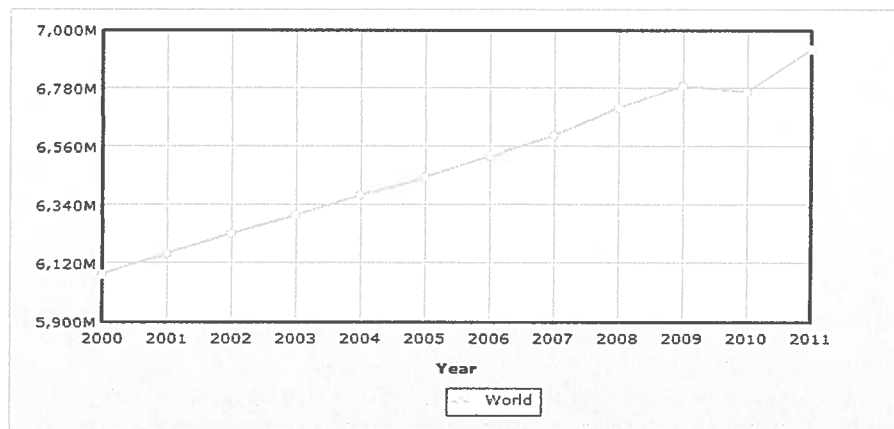
Population Growth:

The Causes and its Effect on Economic Development

Population Growth:

According to Todaro and Smith, the world population has reached 6.8 billion in 1999, and it is expected to increase to 9.5 billion by 2050 (2011, p. 269). Some parts of the world such as Asia, Africa, France, and Germany have faced a high population growth in the past years. According to Emily Alpert, the highest population problems in Asia and Africa are mostly concentrated in urban areas. It is expected that these two continents alone will make up 86% of the world's population growth in urban areas by 2050. Therefore, the United Nations estimated that the urban population in Africa is expected to exceed 1.2 billion, and to grow in Asia from 1.9 to 3.3 billion. Miss Alpert states that there is a positive and a negative aspect regarding the population growth of urban areas. She affirms that in urban areas it is much easier for the government to provide education, and services to people, than if they immigrate to the cities. On the other hand, it is challenging for the country to provide them jobs, housing, energy and infrastructure (Alpert, 2012).

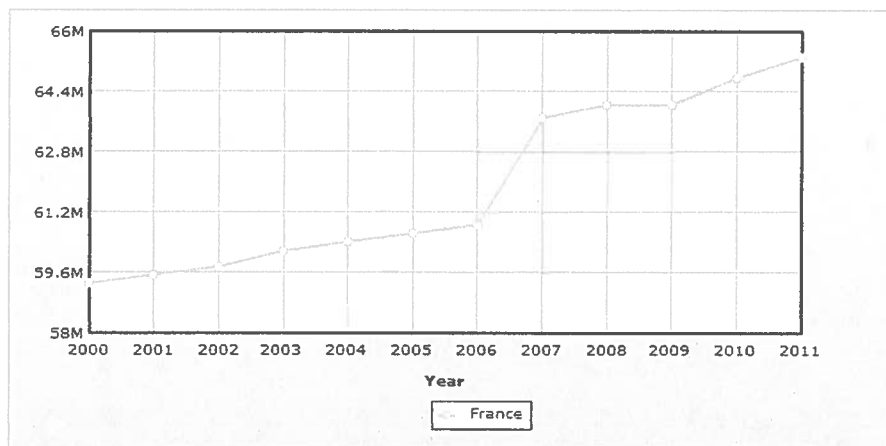
World Population



Data From: Index Mundi, Last Update: January 1, 2011

France and Germany have faced very high population growth, but their issue has been not only in the rural areas, but throughout the entire country. Currently, Germany has the highest population in the Western Europe, and according to Carine Fouteau, it is estimated that France will reach the same level by 2055. However, the reasons for the population growth in these two countries are the opposite. Germany's population has increased mostly due to the high level of immigrants that entered the country in 2010. Germany doesn't really have much of a fertility issue; their largest problem has been controlling immigration. Conversely, France's population growth is related to a high rate of birth, which is significantly higher than the number of deaths (Fouteau, 2012). According to the index mundi, the life expectancy in France is really high; men live to around 78 and women until 85. On the other hand, the number of babies being born has also increased on the last few years (Index Mundi, 2011).

Population: France

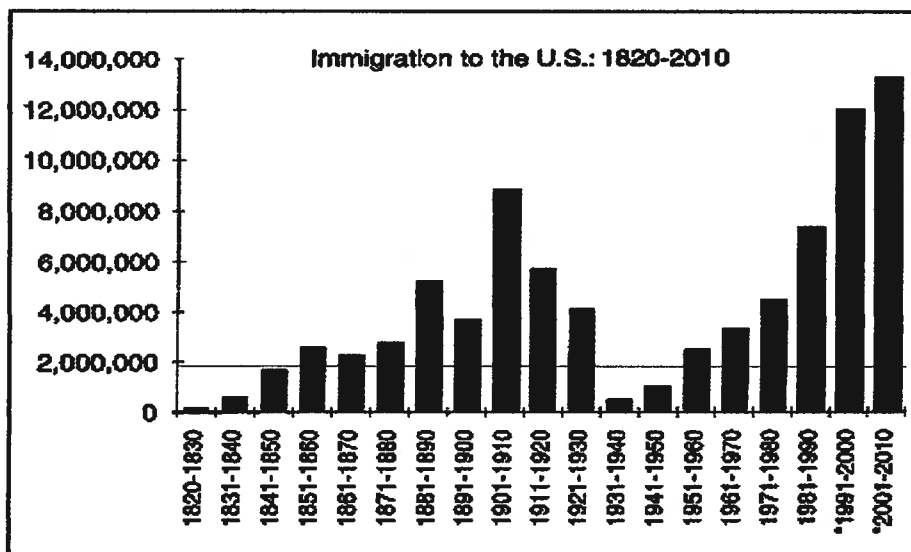


Data From: Index Mundi, Last Update: January 1, 2011

While many countries are facing problems in development due to their high population growth, countries such as US have not experienced the same issue. According

to Sami J. Karam, the US population is fortunately declining. From 1939 to 1960s, US population has grown about 1.6% per year, from 1960s to 2007 it declined to 1% per year, and it has declined even more since then. The key component of US population growth is the immigration. About 1 million of legal immigrants are added to the US population every year. Additionally, the high number of illegal immigrants, who enter the country without authorization, is not part of this factor. Therefore, it is very possible that when the country becomes able to control immigration, its population will fall to 0.5% or not grow at all. Another reason for this decline in population is the relatively low birth rate compared to the high death rates from baby boomers. Much less people are being born in US, compared to the number of people that are passing away. However, when the country achieves equilibrium between the number of births and deaths, the population growth will be mainly due to immigration (Karam, 2012).

US Immigration



Data From: cairco.org

Population Growth – Causes

There are some factors that are directly related to population growth. One of them is poverty, which for many people is related to overpopulation, few jobs and not enough food. Poverty and population grow together. As population increases, the number of people living below specific minimum level of real income, with lack of sufficient resources and basic needs also increases. Poor people usually have large families in order to have more people working, and as source of old-age security. Poor families have low access to birth control, which makes it harder to control their family size. Consequently, as population grows, the number of families with low income, and low quality of life increases even more. This situation affects people's health, nutrition, education, economic productivity, employment, and access to family planning programs, which contributes to further population growth, and slower economic growth. Therefore, hunger and fertility are directly connected, and they both persist in countries that deny security, and opportunities for their citizens to have access to all the factors above. Without these resources to secure their future, people rely on their families having many children in order to guarantee their own survival (Global Issues, 2000). ✓

Another issue that contributes to population growth is the low opportunities, and inequality between woman and men in the job market. Most of the time, women have less opportunities than men in areas such as education, and are seen as less powerful than men in the job market. They have lower status, and are usually assigned inferior roles, which consequently results in lower wages than the male population. In many cases women have restricted access to birth control, unequal health, education and economic well being. Therefore, population growth has a lot to do with women's lack of opportunity,

especially in the developing and poor countries (Todaro & Smith, 2011, p. 292). Global Issues mentioned that after a lot of research, it was found that women's education can be a powerful predictor of lower fertility. The research concluded that women's fertility tends to fall, as their schooling increases. Education not only teaches women how population growth affects the society, and the importance of limiting births, but also gives them knowledge and power, which provides them higher opportunities in the job market. Poor women are the most affected in the society, and the ones who manifest in higher fertility. For this reason, if these factors are improved, women will feel more empowered, and have more access to birth control, which would lower their fertility, along with their family sizes (Global Issues, 2000).

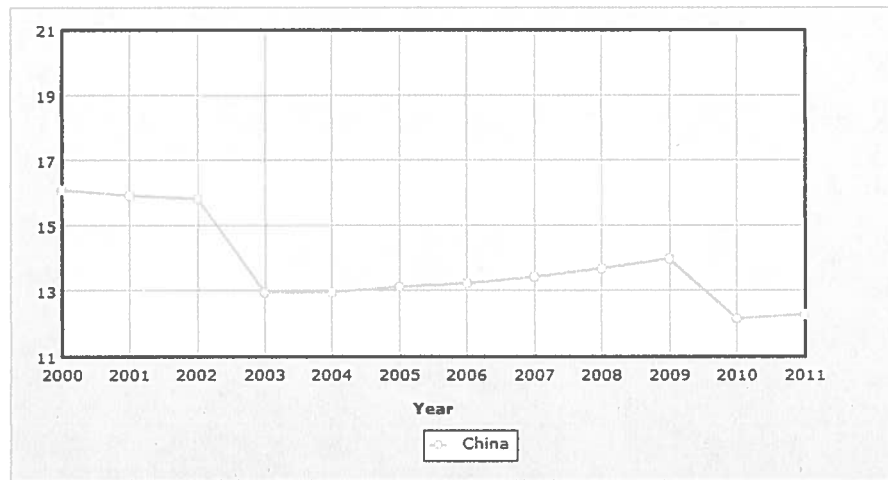
A third factor that contributes to population growth is the migration of people from rural areas to the urban villages, towns, and farms searching for jobs. Industrial revolution, technology, and economic opportunities are factors that largely contributed to this rapid migration. However, as urban population grows, the number of slums and shanty-towns increases, such as the favelas in Rio de Janeiro, and many other small poor communities around the world. According to Tadaro and Smith, 35 to 60 percent of the urban population growth is due to rural immigrants, which if not controlled, will become the most important issue in the coming years (Todaro & Smith, 2011, p. 315-317). On the other hand, the opposite also happens. In some countries, a large amount of people are moving from the cities, to live in smaller towns and farms. According to John Cromartie and Peter Nelson, USA is an example of this situation. As American baby boomers approach their retirement age, they start considering the possibility of moving to smaller cities, and rural areas. Therefore, it is estimated that in the next decade, many baby

boomers will opt to live in more quiet areas, with natural and scenic amenities such as, mountains, lakes, and sunshine. As a result, if this trend continues, it is predicted that the size of the American rural population will have increased 30 percent by 2020. Consequently, this migration can seriously impact the size, and distribution of retirement-age populations in some countries (Cromartie and Nelson, 2009).

Population Growth – Measures taken by Some Countries

Consequently, overpopulation has already become an issue to many developed and developing countries. If this trend continues, high population growth rates could cause major problems to many countries, and their economic development. Some countries such as China, India and Nigeria have taken some measures in order to control their population sizes. In 1982, the Chinese government created the policy of one child per family, which put pressure on the population to limit the size of their families. In order to have their first child, women needed to ask their neighborhood committee for permission. A first child was usually approved, however, no second child was allowed. The only exception was if the first child has birth defects, or if the woman engaged in another marriage. In order to motivate the families to obey this policy, the government offered economic incentives such as, housing, medical care and education. On the other hand, the families who attempted to have two or more children, would not benefit from these incentives, and would be subject to very steep fines according to their incomes. China has successfully lowered population growth, and anticipates population to steadily decline over the long term (Ehrlich, 1990).

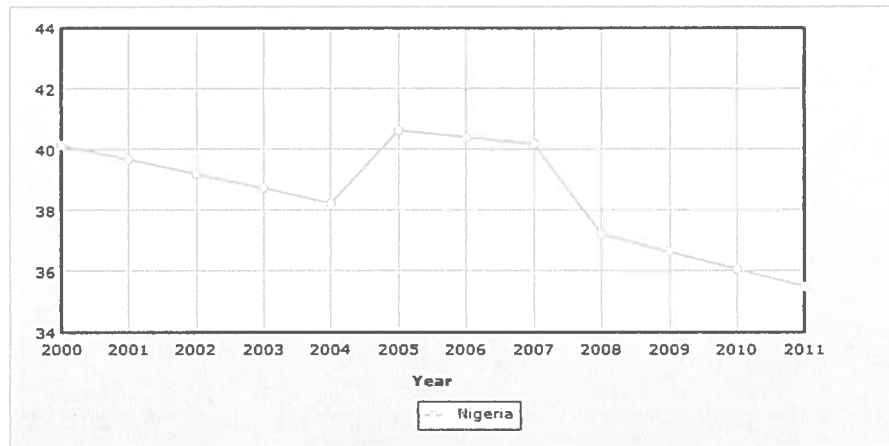
China - Birth rate (births/1,000 population)



Data From: Index Mundi, Last Update: January 1, 2011

The Nigerian government is also taking measures in order to decrease the country's population growth rate. Nigeria's population has been growing to a 2.9 percent in the past few years. Therefore, the government set up family planning sectors in all of the secondary hospitals and health care centers around the country. These sectors are responsible for providing families free supervision on health including health check ups, birth control and other types of contraceptives. However, family planning is not obligatory in Nigeria, since the country's constitution allows freedom of birth. Therefore, as a way to controlling family sizes, the government suggests a maximum of four children, which are rarely followed by rural families. Additionally, the government also has also advised that girls get better education, and women enjoy the same job opportunities and equal pay with men. Family planning has been very well accepted by Nigerian citizens, and it seems to be succeeding so far; however, the country still has a long way to go in order to overcome this issue (Castrillón, 2011)

Nigeria - Birth rate (births/1,000 population)

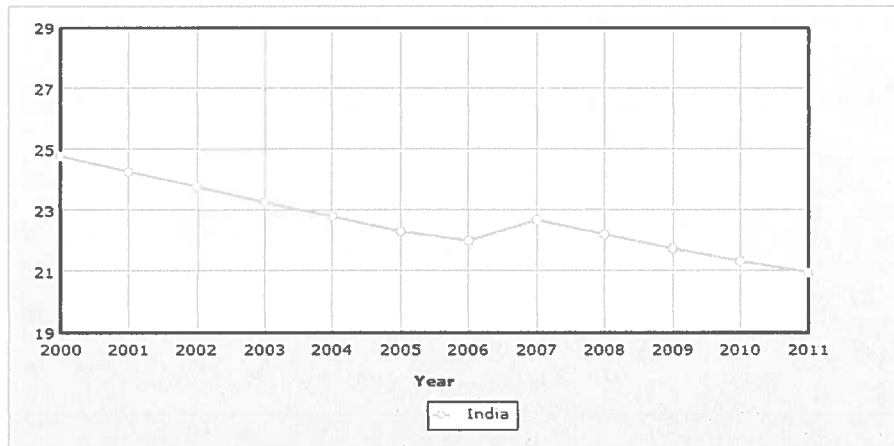


Data From: Index Mundi, Last Update: January 1, 2011

A Third country that also took actions in order to encourage smaller families was India. In 1949 India implemented the national family-planning program, which was considered inefficient. As population continued to grow, the Prime Minister Indira Gandhi tried to control the situation by implementing a fertility and coercive birth control policy, which was forcing women to practice sterilizations. However, this policy failed and gave family planning a bad reputation towards the country. Later on, when family planning was being practiced again, family sizes started to shrink, which contributed to rising incomes among the population. This advancement motivated the country again to encourage smaller families through policy incentives. Therefore, some states started to implement their own incentives to the families who kept a low number of children. India's family planning program contributed to the fertility reduction, but didn't have as much success as Nigeria's and China's strategies. In India, government took less aggressive measures and the population was not "punished" if they didn't follow the policy. India also has a large population of young people, which are mostly found among

the Muslims. Muslims are very attached to their beliefs, and certainly don't believe in birth control. They believe that they should have as many children as Allah wishes (Todaro & Smith, 2011, p. 303-306).

India - Birth rate (births/1,000 population)



Data From: Index Mundi, Last Update: January 1, 2011

Population Growth – Effects on Economic Development

Population growth is strongly related to economic development, which is not only measured by income distribution, but also by the overall population standard of living, health and education. High population leads to higher consumption demand for goods and services, which translates to a need for more food, shelter, healthcare, schools, natural resources, etc. However, when a country suffers rapid population growth, it becomes harder to provide these benefits to society. The education and health sectors are highly affected when population grows. Overpopulation means larger families, and lower income, which makes it harder and expensive for the parents to educate all their children. As more people are added to the society, the demand for schools and professors also

increases, which puts pressure on the government. Therefore, countries facing rapid population growth have to spread their investments in the education sector, which lower the quality of education provided because of lack of trained teachers (Todaro & Smith, 2011, p. 296). Moreover, as population grows, it also becomes harder for the government to provide enough health assistance. A larger population requires a larger number of hospitals, specialized doctors, and medical supplies. Therefore, when fertility increases, the pressures on health care also increase, and it becomes harder to provide adequate benefits to the entire society. For this reason, faster population growth also increases the level of childhood diseases and mortality (Nicole Wet, Myfund).

Additional effects of population growth on standard of living are rate of unemployment, and availability of pensions. Overpopulation generates higher rate of unemployment and lower salaries, which increases poverty, and the number of low income families. Therefore poor people usually try to have large families in order to have more people working, and as source of old-age security. Generally, the members of the poor larger families try to enter the workforce at younger ages to help with bare necessities such as, food and shelter. Often times, sacrifices in child education are made in these families. These sacrifices generally lead to lower incomes, and lower rates of investment due to lower savings, which affects these families level of comfort. Furthermore, high population also tends to affect our future retirement age. Many of the “baby boomers” are retiring, and due to high rate of unemployment, there are not enough workers to support the retirees. Additionally, many companies have eliminated pensions due to population growth and public pensions seem to be heading in the same direction.

very nice analysis

Therefore, more responsibility will be placed on the individual to plan and finance their own retirement (Todaro & Smith, 2011, p. 234).

Population growth also has a strong impact, and it is the number one threat on the entire world's environment. In order to survive, we all need the available natural resources such as, water, land, energy etc. Therefore, if it was possible to maintain the population size, eventual environmental losses could be replaced with renewable resources and regeneration. However, since the population is growing at a rapid rate in many countries, it puts a time pressure on earth to renew as much resources, and provide everyone quality of life. Consequently, natural resources are becoming scarce. According to the Clear Water Action Council, currently, 434 million people are facing either water stress or scarcity, and if population doesn't stop growing at a high rate, this number is expected to increase to 3 billion by 2025. There are also many countries facing scarcity of cultivated land, forests, as well as fish and other animal's extinction. Lastly, population growth also affects the Earth as a whole. Overpopulation means higher level of heat-trapping carbon dioxide emissions per capita, which strongly contributes to global warming (Clear Water Action Council). ✓

Conclusion

Unfortunately many countries have faced a lot of issues due to continuous population growth. Some of these countries such as China, lucky realized the problem early enough to fight against it. However, other countries are still struggling with this problem. After analyzing all the factors above, it is clear that population growth is closely related to economic development. All these factors strongly influence and affect each other as a cycle. Economic development is much more intense than economic growth, because it not only takes in consideration the country's GDP, but also focus on other factors such as: health, education, safety, literacy, infrastructure, human capital, and environmental sustainability. Therefore the country grows when its government is able to provide its population all these benefits, guaranteeing a high-quality standard of living. However it becomes challenging when these benefits have to be shared with more and more people, increasing poverty and lowering the quality of life. ✓

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