

POPULATION GROWTH: SOCIAL AND ECONOMIC DIMENSIONS

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Introduction

During the past two decades or so, Pakistan has managed to bring the rate of population growth from 2.99 percent to 1.90 percent (Annex-I). Even so, the absolute size of the population has risen from 90.3 million in 1983 to 148.7 in 2004. It is estimated to rise to 168 million by 2010 and 195.5 million at the end of the following decade. Among the six most populous countries, Pakistan has the highest rate of population growth. It makes the highest net addition to the world population annually after India and China. Even at the declining growth, population will double in 37 years. High fertility is the single most important contributor to this increasing size of the population. In terms of major demographic indicators, Pakistan lags behind the countries of the region. Table 1 gives this comparison. As can be seen, the highest population growth rate of Pakistan is associated with the highest Crude Birth and Death Rates, Infant Mortality Rate and Total Fertility Rate.

Table 1

Country	Crude Birth Rate (per 1,000 pop)	Crude Death Rate (per 1,000 pop)	Infant Mortality Rate	Total Fertility Rate	Natural Growth Rate
India	25	8	64	3.1	1.7
Iran	18	6	32	2.5	1.2
Sri Lanka	19	6	10	2.0	1.3
Pakistan*	28	8	82	4.1	1.9

Sources: 2004 World Population Data Sheet, Population Reference Bureau, Washington D.C. and Pakistan Economic Survey 2003-04.

At a simple level, a high population growth forces a society and its economy to run faster to stay where it is. As can be seen in Table 2, there is an enormous net requirement of social sector facilities and jobs and GNP by 2010 merely to maintain them at the per capita levels of 2000.

Table 2

	2000	2010	Net requirement
Health facilities	12,300	15,357	3,075
Primary schools	170,500	210,209	39,709
Housing units (Million)	19.7	24.3	4.6
Employment (Million)	37.0	45.6	3.6
GNP (billion Rs.)	3,120	3,842	722

Sources: Pakistan Demographic Survey 2000

Social Dimensions

Social dimension encompasses education, health, housing, jobs, urbanization and migration.

The East Asian experience indicated education is necessary for augmenting the stock of human capital. Higher levels of human capital are associated with higher rates of economic growth. Education is also strongly associated with fertility behaviour.

The progress of education in Pakistan has been slow. Estimates for 2002-03 male literacy are at 54%, 42% for females and far less in rural areas. With two third of the population in rural areas, low literacy produces a situation of very poor access to population welfare services. The situation of primary school enrolment is only slightly better. The objective of enrolling all children in the relevant 5-9 age group by 2010 is also made difficult by the rapid growth in the group due to high fertility. Similarly, for secondary education, rapid population growth increases the number to be served, the quality of education at all levels at the same time. Education has the greatest potential to influence the lives of the young. Most of non-student youth are employed in industry, agriculture and other fields in the private and public sector. Their productivity and their contribution to development are initially constrained by illiteracy or semi literacy in the case of drop-outs.

Advances in health and expanding access are an important feature of demographic transition. Typically the death rate drops

before the birth rate drops, which leads to high population growth. Population growth begins to slow down when birth rate also drops. The ultimate aim of population policy in Pakistan is also to achieve replacement level by 2020. However, the country spends only 3.5 percent of GDP on health and only 0.7 percent of it in public sector. According to one estimate, the expenditure on health is around 4 dollars per capita, compared to the requirement of 34 dollars per capita. Life expectancy has increased to over 60 years, but child and maternal mortality remain high. By 2002-03, 36 percent of population was still without excess to save drinking water and 59 percent of the population was without sanitation.

A higher population growth rate in the 1990s resulted in an appreciable rise in the ratio of the current population of youth (15-29 years) to the rest of population. It is estimated that around 35 million population falls in this category, which is nearly one-fourth of the total population. This increase not only caused general economic difficulties but also many social costs. Amongst key issues affecting Pakistani youth are: unfavourable living conditions; unemployment and underemployment; inadequate access to basic education and a high percentage of illiteracy; problems of educational standards and the relevance of curricula; campus indiscipline; lack of vocational training opportunities; increasing violence, ill-health and unhygienic living conditions; lack of sports and recreational facilities; drug abuse; migration; and lack of guidance and counseling services. These are but some issues which seriously affect the nurturing and appropriate development of this potential productive resource of national wealth.

Urbanization refers to the proportion of urban population in total population. Rural to urban migration is as important a demographic feature as the population explosion. The interaction between migration, mortality and fertility in the process of urbanization has significant implication for population growth. Fertility levels are generally lower in urban areas than in rural areas. In the 1998 census, urban areas were defined administratively but almost all cities have sprawled beyond their urban boundaries. The result is that Defence Housing Authority in Lahore, for example, is defined as rural. A definition based on urban characteristics would



also means a faster GDP growth per capita. Similarly, for a given GDP growth, faster population will lead to slower GDP growth per capita. Economic development and GDP growth are thus correlated. This does not necessarily suggest causation, the direction of which is always a matter of debate.

There is a view that population growth stimulated economic development in Europe during the period of industrial revolution by introducing innovation and technical change and a skilled and educated labour force. But today's developing countries can look towards the more developed countries for a stimulus than the population growth. They have experienced higher GDP growth rates than the developed countries achieved during their initial phases of economic transformations, but the population growth rates experienced by developing countries are also far higher.

Marxists used to be dismissive about population growth and its relationship with economic development. According to them, if all the problems are resolved, which ideally they would be in a socialist world, there would be no population problem as the economy and the people will have the ability to deal with it. The practice, however, varied in these countries. China, for example went all out for establishing a small family norm.

The dominant view, however, has been that population growth is detrimental to economic development. A higher growth of population simply means that investment must grow at an even higher rate to cover the demographic overhead and to add to the national product at the same time. In addition to growth of population, its size also matters. There is a certain carrying capacity of the economy and an optimum size of the population associated with it. It is, however, not easy to determine this optimum. In any case, what matters more than the growth and size of the population is its age structure. A young age structure implies a higher dependency ratio i.e. the ratio of workers to non-workers. Potentially, it also requires the economy to generate more and more jobs for the new entrants into the labour market.

A young population also presents the country an opportunity. In the case of Pakistan, if the young are imparted good education and trained in skills, vocations and technologies which are in demand in the economies with aging populations such as Europe, the country can reduce unemployment as well as enjoy large inflows of remittances. Pakistan has declared 2005 as Year of the Youth. It is the first time in 57 years history of the country that youths have been recognized as an entity to reckon with.

A Youth Policy is being formulated. It is aimed at providing youths an enabling environment so that they can play their role as politically and socially active citizens. The policy would also help devise an appropriate, viable and youth-friendly institutional arrangement where youth support and development programmes and initiatives could be initiated collaboratively and cost-effectively. It seeks to establish Youth Resource Centres, provide interest free loans to deserving youth and introduce "Pak Jawan" youth award etc. Most importantly, it would be backed up by a vocational training and skill formation plan.

High population growth is no doubt undesirable in economic terms. It creates pressure on resources thereby increasing unemployment and poverty. The consensus reached at the International Conference on Population and Development (ICPD) in Cairo (Egypt) in 1994, stressed that early stabilization of population would make crucial contribution towards achievement of sustainable development and poverty reduction. Nevertheless, widespread poverty remains a major challenge to development efforts. Poverty is often accompanied by unemployment, malnutrition, illiteracy, low status of women, exposure to environmental risks and limited access to social and health services including family planning and reproductive health services. All these factors reinforce the vicious cycle of high levels of fertility, morbidity and mortality, and lead to low economic productivity and hence contribute to growth of poverty. Efforts to slow down population growth, reduce poverty, achieve economic progress and protect environmental degradation are, therefore, mutually reinforcing. Slowing population growth will contribute to reducing poverty and vice versa.

Population Growth

Mid year	Total Population (Million)	Growth Rate (%)
1983	90.30	2.99
1984	92.96	2.95
1985	95.67	2.90
1986	98.41	2.86
1987	101.18	2.82
1988	103.99	2.77
1989	106.84	2.73
1990	109.71	2.69
1991	112.61	2.63
1992	115.54	2.60
1993	118.50	2.56
1994	121.48	2.51
1995	124.49	2.47
1996	123.87	2.47
1997	126.90	2.45
1998	129.97	2.42
1999	133.01	2.34
2000	135.90	2.20
2001	140.36	2.06
2002	143.17	2.00
2003	145.95	1.94
2004(E)	148.72	1.90

Estimates Source: Population Census Organization and Planning & Development Division.

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