



How population growth affects poverty reduction

In 1992, the United Nations General Assembly declared 11 October to be International Day for the Eradication of Poverty and invited member states to devote the day to presenting and promoting activities related to that aim.ⁱ Since then, the number of those in extreme poverty has been more than halved globally.

Despite this success, poverty reduction efforts have been hindered by high fertility rates and unsustainable population growth. This is because these factors negatively impact economic development through impeding women's empowerment, redirecting government and household resources away from investment and limiting job opportunities, while also lowering wages for those limited jobs. The UN and other policymakers have repeatedly ignored these impacts and have thus seriously undermined global efforts to eradicate poverty.

This briefing will outline the success that the world has had in tackling poverty since the 90s but will also explain how rapid population growth has hindered these efforts. It will then discuss how this problem can be tackled through promoting women's empowerment and increasing access to family planning and sexual and reproductive health services, before describing the incredible impact on economic growth and development that such policies can have.

Building a sustainable future

The theme for International Day for the Eradication of Poverty 2015 is "Building a sustainable future: Coming together to end poverty and discrimination".ⁱⁱ This theme was selected because, in 2015, the world agreed

to a set of 17 development objectives known as the sustainable development goals (SDGs). These replace the millennium development goals (MDGs) that were introduced at the turn of the century. The SDGs aim, among other things, to end poverty and create a sustainable future, but they fail to consider population dynamics and thus have ignored one of the most important determinants of progress towards those aims.

Poverty under the MDGs

MDG 1 focused on reducing extreme poverty and has had considerable success. Globally, the number of people living in extreme poverty has declined by more than half, falling from 1.9 billion in 1990 to 836 million in 2015, with the majority of the decrease taking place since 2000.ⁱⁱⁱ Proportionally, poverty has fallen in every region in the world but, in sub-Saharan Africa, the absolute number of people living in extreme poverty has been increasing. This is primarily due to population growth.^{iv}

Since the MDG were agreed in 2000, global population levels have increased by one billion, while UN projections predict a further increase of one billion by 2030, the majority of which will be in developing countries.^v This rapid growth will make the goal of eradicating poverty, as well as almost every other SDG, very difficult, if not impossible, to achieve.^{vi} In fact, the Overseas Development Institute predict that the numbers of people living in extreme poverty in sub-Saharan Africa will *increase* by 50 million over the next 15 years.^{vii}

Rapid population growth hinders poverty reduction by:

1. Impeding women's empowerment

Rapid population growth means that women are having high numbers of children, which, in developing countries in particular, means increased chance of death or disability from pregnancy or childbirth related complications. Globally, 800 women die needlessly every day for these reasons.^{viii} This devastating health impact limits women's ability to improve their lives, to take care of children and to lift themselves out of poverty.

Even when women survive pregnancy and childbirth, having unintended children still affects their prospects of empowerment and poverty alleviation, as it limits their ability to pursue education and thus to acquire the knowledge and skills that would allow them to improve their earning power and their health. Having unintended children also means that women's ability to participate in the labour force is diminished. They are forced to work in the unpaid private sphere, thereby reducing household income and overall economic growth.^{ix}

These consequences are intergenerational, as less education and income, as a result of being unable to control pregnancies, means that women's children are also less likely to be healthy and to be educated and therefore will also have less chance of escaping poverty.^x

2. Limiting household investment

High fertility rates and rapid population growth can reduce the resources that households have but they also increase the amount of dependents that those diminished resources have to support. Therefore households are less able to invest in each child. This is why children from large families tend to perform worse in school, to have poorer health, lower survival probabilities and tend to suffer in terms of physical development.^{xi} Girls in large families

particularly suffer because, in patriarchal societies in the developing world, poor parents with large families often neglect girls' education and health in favour of boys and will sometimes push girls into early forced marriages so as to remove them as a financial burden.^{xii}

This reduced investment in health and education and worsening of girls' prospects negatively impacts economic development and the chances that young boys and girls will be able to grow up and lift themselves out of poverty.^{xiii}

3. Redirecting government resources

Unsustainable population growth can also limit the government's ability to productively invest. Governments faced with rapid population growth are forced to redirect resources away from investment towards providing healthcare for mothers and newborns and dealing with the significant complications associated with pregnancy and childbirth, which are one of the main causes of death for women and girls in developing economies.^{xiv}

Health is not the only area in which population growth drains government resources. At projected rates of population growth, many developing country governments will have to provide food, water, housing, sanitation and other basic services to populations that will have doubled or even tripled in size by 2050. This is an extremely difficult task that reduces a country's ability to productively invest its limited resources and to lift its rapidly expanding population out of poverty.

However, if fertility rates decline, these things will not be such a drain on government resources and a large working-age population

and fewer dependents should lead to increased savings at both household and state levels. This period is known as the “demographic dividend” and if governments use this opportunity to invest these savings in their people it can have tremendous poverty alleviation effects, as has proven to be the case in East Asia.^{xv} Without a decline in fertility rates, however, this demographic dividend cannot be achieved. According to the United Nations Population Fund (UNFPA): “Where rapid population growth far outpaces economic development, countries will have a difficult time investing in the human capital needed to secure the well-being of its people and to stimulate further economic growth.”^{xvi}

4. Limiting job opportunities and lowering wages

Despite targets on increasing employment under the MDGs, the number of people unemployed globally has increased by 54 million since 1990 and only 4 in 10 young men and women worldwide have jobs.^{xvii} Population growth has dramatically outpaced job creation and, at current population projections, this problem will worsen unless there is unprecedented job creation across the world’s poorest economies.

Between now and 2050, the working-age population in developing economies will increase by about 15 million persons per year, on average, and the labour force will increase by 33 thousand persons per day in countries where already about 80 per cent of the work force is unemployed, underemployed or are only vulnerably employed.^{xviii} Thus millions of people will be born into economies that have little chance of providing them with productive, paid employment and therefore have little chance of helping them to escape poverty.

Limited job opportunities and large youth populations are issues also considered to play a major role in instability, extremism and conflict,^{xix} which can have a devastating effect on economies and poverty. For example, the World Bank claims that it takes, on average, 14 years for countries that have experienced conflict to return to pre-conflict economic growth trajectories.^{xx}

Another problem caused by rapid population growth is that a large increase in the size of the working age population doesn’t simply restrict job opportunities, it can also cause wages to fall by dramatically increasing the supply of labour available, thereby further hampering people’s chances of lifting themselves out of poverty.^{xxi}

How to confront unsustainable population growth

Unsustainable population growth can be confronted through the promotion of women’s empowerment and through increasing access to family planning and sexual and reproductive health services.

Hundreds of millions of people worldwide have an unmet need for family planning, meaning that they lack the means to choose when, or whether, they have children.^{xxii} By meeting this unmet need, fertility rates can be significantly lowered and indeed have been in many diverse countries ranging from Rwanda to Iran. This is also a cost-effective approach, as for every dollar invested in contraception, the cost of pregnancy-related care is reduced by \$1.43^{xxiii}.

Women’s empowerment is the other key method to confronting unsustainable population growth. Combining family planning services with programmes to increase girl’s access to education and promoting gender equality can increase women’s empowerment

and this is strongly correlated with the lowering of fertility rates^{xxiv}, as empowered women often choose to have less children or to have them later in life.

These approaches do not only have significant consequences for women's health, poverty reduction and almost every other SDG, but they also grant people more autonomy over their lives and therefore are inherently positive approaches to tackling unsustainable population growth.

Impact of lower fertility rates on economic growth

Economic growth has been the main driver of poverty reduction globally.^{xxv} Lowering fertility rates can have a very significant effect on this growth for the reasons outlined above. For example, the UNFPA have estimated that if adolescent girls in Brazil and India were able to wait until their early twenties to have children, the increased economic productivity would equal more than \$3.5 billion and \$7.7 billion, respectively.^{xxvi} They have also estimated that the average poverty incidence in 45 countries around the world would have fallen by one third if the crude birth rate had fallen by an additional 5 per 1,000 in the 1980s.^{xxvii}

These findings have been supported by other studies such as the recent work by Marie Stopes International, which projects that with a five per cent increase in the number of women with access to contraception, a small country in sub-Saharan Africa could expect an increase in GDP per capita of 35 per cent.^{xxviii} The Copenhagen Consensus Centre have also argued that for every \$1 spent on contraception, governments can expect \$120 in economic benefits.^{xxix}

Empirical studies increasingly support the idea that countries which have incorporated

population policies and family planning programmes in their overall economic development strategies have achieved high and sustained rates of economic growth and that they have also managed significant reductions in poverty.^{xxx} Some argue that it is improved economic growth that reduces fertility rates and not the other way around but, with the exception of a few oil-rich states, no country has risen from poverty in recent times whilst maintaining high levels of fertility^{xxxi}.

Conclusion

Unsustainable population growth impedes women's empowerment, redirects government and household resources away from investment and limits job opportunities, while also lowering wages for those limited jobs. Through these impacts, unsustainable population growth limits economic development and hinders poverty reduction efforts and is the reason that the absolute number of people living in extreme poverty in sub-Saharan Africa is increasing.

To eradicate poverty, prevent environmental degradation and make almost every other SDG achievable, fertility rates must be lowered and population growth brought to sustainable levels. This can be done through promoting women's empowerment, increasing access to family planning services and protecting sexual and reproductive health and rights. The economic effect of these policies is enormous and they must be prioritised if policymakers are serious about eradicating poverty and about sustainability, as there is nothing sustainable about relentless population growth on a planet of finite resources.

ⁱ<http://www.un.org/en/events/povertyday/background.shtml>

ⁱⁱ<http://www.un.org/en/events/povertyday/>

ⁱⁱⁱhttp://www.un.org/millenniumgoals/2015_MDG_Report/pdf/MDG%202015%20rev%20%28July%201%29.pdf

^{iv} <http://www.appg-popdevrh.org.uk/Population%20Dynamics%20and%20the%20Sustainable%20Development%20Goals.pdf>

^v <http://esa.un.org/unpd/wpp/Graphs/>

^{vi} <http://www.appg-popdevrh.org.uk/Population%20Dynamics%20and%20the%20Sustainable%20Development%20Goals.pdf>

^{vii}<http://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/9839.pdf>

^{viii}<http://becauseiamagirl.ca/5-issues-affecting-the-worlds-girls>

^{ix}<http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2781831/>

^x<http://www.worldbank.org/en/topic/education/brief/girls-education>

^{xi}<https://www.guttmacher.org/pubs/journals/2804102.html>

^{xii}<http://www.icrw.org/publications/solutions-end-child-marriage-0>

^{xiii}<http://www.worldbank.org/en/topic/education/brief/girls-education>

^{xiv}<http://www.who.int/mediacentre/factsheets/fs334/en/>

^{xv} <http://pai.org/wp-content/uploads/2012/04/PAI-1293-POVERTY-4PG.pdf>

^{xvi}<http://www.unfpa.org/resources/population-and-poverty>

^{xvii}http://www.un.org/millenniumgoals/2015_MDG_Report/pdf/MDG%202015%20rev%20%28July%201%29.pdf

^{xviii}<http://www.un.org/en/events/povertyday/background.shtml>

^{xix} Urdal, H. 2006. A Clash of Generations? Youth Bulges and Political Violence, *International Studies Quarterly* 50: 607–629

^{xx}http://siteresources.worldbank.org/INTWDR5/Resources/WDR2011_Full_Text.pdf

^{xxi}<http://www.unfpa.org/sites/default/files/pub-pdf/AIU%20Paper%20-%20Estimates%20for%202012%20final.pdf>

^{xxii}<http://mariestopes.org/news/addressing-unmet-need-contraception>

^{xxiii}<http://www.unfpa.org/resources/population-and-poverty>

^{xxiv} McNay, K. 2005. The implications of the demographic transition for women, girls and gender equality: a review of developing country evidence. *Progress in Development Studies*, 5(2): 115–134

^{xxv}<http://www.oecd.org/derec/unitedkingdom/40700982.pdf>

^{xxvi}<http://www.unfpa.org/resources/population-and-poverty>

^{xxvii}<http://www.unfpa.org/sites/default/files/pub-pdf/UNFPA-Impacts%20on%20Poverty-1.pdf>

^{xxviii}http://mariestopes.org/sites/default/files/MSI_CaseForInvestment_LongVersion_Stage12_Visual_13102015.pdf

^{xxix} <http://www.appg-popdevrh.org.uk/Population%20Dynamics%20and%20the%20Sustainable%20Development%20Goals.pdf>

^{xxx}<http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2781831/>

^{xxxi} J. Bongaarts. 2008. Fertility Transitions in Developing Countries: progress or stagnation, *Studies in Family Planning*, 39 (2): 105-110, Guttmacher Institute