

Chapter 9

Conclusion



9.1 Introduction

Answers to three important questions emerge from our examination of the developing world's fertility transition. The questions are, first, what have we learned that might be of use to policy makers in contemporary high fertility populations? The UN projects that its 953 million population will be 1.9 billion in 2050 and 3.5 billion in 2100. What actions can help bring about a faster transition to low fertility and slower growth? Second, what are the benefits of declining fertility and slower population growth? Third, what are the global consequences of the 4.7 billion low fertility population's successful completion of its fertility transition? This completed transition has obviously changed the international demographic landscape, but in what ways has it also changed the international economic and policy landscapes?

9.2 What We Know Now that We Didn't Know Back in 1950

Our story started in the 1950s when dramatic mortality decline led to an acceleration of population growth in the developing world. At the time there were many questions about what might happen and what might be done to successfully cope with new demographic challenges. There was very little empirically based knowledge that could be used to formulate successful policies. Today, we have a seven-decade knowledge base from which to offer policy makers in high fertility countries valuable insight into what works.

Several of our conclusions should be useful for policy makers. Fertility levels of developing countries correlate with many socioeconomic variables, including education, child mortality, GDP per capita, and percent urban. Our multivariate fixed effect regression analysis identified girls' education as the most important determinant of

fertility. It is about five times more important than child mortality as an explanatory variable for fertility trends. If policy makers wish to hasten their countries' fertility transitions, they should focus resources on schooling, especially schooling for girls. Expending resources on improving child mortality will have an additional fertility decline effect. Since both enhanced schooling and improved child mortality conditions are very desirable ends in themselves, these policy interventions are easy to recommend.

Policy makers should also strive to establish high-quality family planning programs. Our analysis reveals that such a program is likely to produce a rise of 25–35% in contraceptive prevalence and a TFR decline of about 1.5 births per woman. This in turn would lead to a large reduction in future population growth (Chap. 6). Access to a family planning program increases the use of contraception by women who do not want to be pregnant, and thereby reduces unwanted and unplanned fertility. In addition, family planning programs have a substantial impact on the overall demand for contraception, as well as on wanted fertility. Traversing the fertility transition entails women finding themselves with an increasing number of years in which they are fecund and sexually active but want no additional children. Family planning programs will assist women to integrate modern contraceptives into their new fertility regime and allow them to enter the paid labor force. Again, this is a very easy intervention to recommend.

9.3 The Benefits of the Fertility Transition

Once a fertility decline starts the population age structure changes with direct economic benefits. Figure 6.5 showed how substantial the first and second demographic dividends have been during past fertility transitions in the developing world. Between 1955 and 2015 East Asia's GDP per capita (PPP) grew 123% larger than it would have been without the demographic dividends, and South Asian countries experienced more than a 60% larger GDP per capita. In general, developing countries have experienced more rapid rates of economic growth per capita than developed countries. With declining fertility and slowing population growth their GDPs per capita (World Bank, 2022) have been catching up to that experienced by the United States. India's GDP per capita was 5% of that of the US in 1990, and by 2020 it was 10%. Over that period, China's went from 4 to 27%, Chile's from 19 to 40%, Indonesia's from 13 to 19%, South Korea's from 35 to 72%, Vietnam's from 4 to 14%, and Bangladesh's from 4 to 8%. The exception is the high fertility population, where a delayed demographic dividend and more rapid population growth has attenuated economic growth. Sub-Saharan Africa's GDP per capita was 8% of that of the US in 1990 and 6% in 2020.

This economic convergence in living standards is expected to continue in future decades in part due to a substantial second demographic dividend in much of the developing world. For example, the OECD projects that by 2060 India's GDP per

capita will be 36% of that of the US, China's will be 51%, Indonesia's will be 44%, and Mexico's will be 39% (Guillemette & Turner, 2018: 16).

In addition to the economic stimulus from demographic dividends, there are several other important benefits from fertility decline: the improvement of maternal and child health, the empowerment of women, the government's increased ability to maintain public capital (e.g., schools, clinics, infrastructure), increased political stability, an improved environment, and a slower depletion of natural resources (Chap. 6). These wide-ranging positive effects of fertility decline should make a government's decision to invest in family planning all the more straightforward.

9.4 The Global Consequences of Low Fertility

The low fertility population's successful completion of the fertility transition has dramatically changed the international demographic landscape. The developed countries (16% of the world's population) already face important demographic challenges: significant population aging, and economic and social problems associated with long-term below replacement fertility. Now an additional 60% of the world's population, the low fertility population in the developing world, finds itself entering into a very similar demographic situation: declining fertility, often well below replacement level, and rapid aging of its population. These trends pose critical population policy challenges which were once limited to the developed world, but have now expanded to encompass over three-quarters of the world's population. This is a very different demographic environment than that existing in 1950.

With the completion of the fertility transition in much of the developing world a new international economic pyramid is emerging, and further significant shifts in countries' economic rankings are likely as the century progresses. According to the OECD (Guillemette & Turner, 2018: 11), the US, Japan, Europe, and 15 other OECD countries produced 52% of the world's GDP in 2020, while India and China produced 34%. As soon as 2040 the OECD's share of the world's GDP is expected to drop to 44%, and India's and China's share to increase to 43%. The world is rapidly becoming a multi-polar one, and this is having a significant effect on how international policy is made. In the first decades after 1950 the overwhelming economic dominance of the West lessened the importance in international affairs of relative human numbers. A country in which a large majority of citizens were impoverished had little political clout even if its population was large. Now, in a world that privileges democratic norms and in which each individual's economic weight is becoming more equal, relative human numbers are assuming a greater political and policy significance.

The fertility transition has produced a new international policy environment, one in which power is more equitably shared, that is indispensable if the global challenges of the twenty-first century are to be successfully met. An enlarged human population consuming natural resources at increasing per capita rates is generating disruptive climate and other environmental changes that recognize no national boundaries. Shortages of vital resources, especially of water, appear likely as this century

progresses. Attempts to move populations away from rising coastlines or to resettle those who find themselves living in increasingly inhospitable areas, are much more likely to be successful if jointly made by fully-invested international partners. The fact that an additional 4.7 billion of the world's population has successfully completed its fertility transition has helped create the invested international partners needed to meet these new challenges.

References

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