Fertility trends and their implications for development

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Population Council

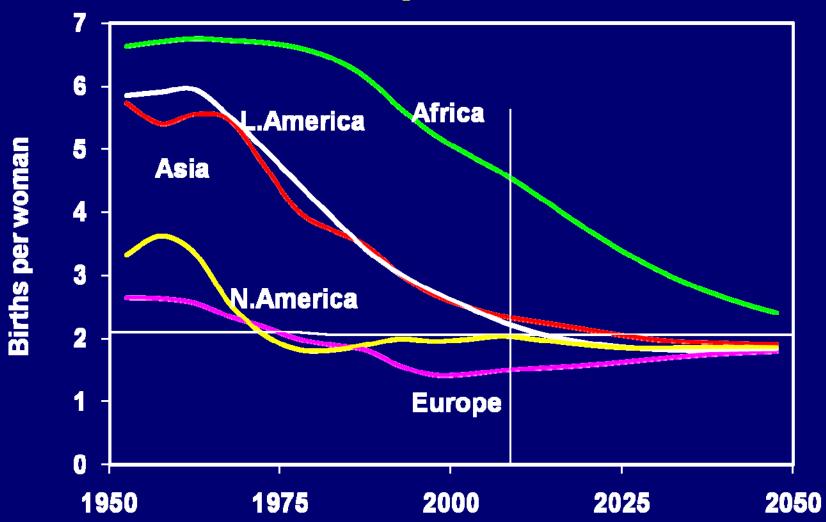


Outline

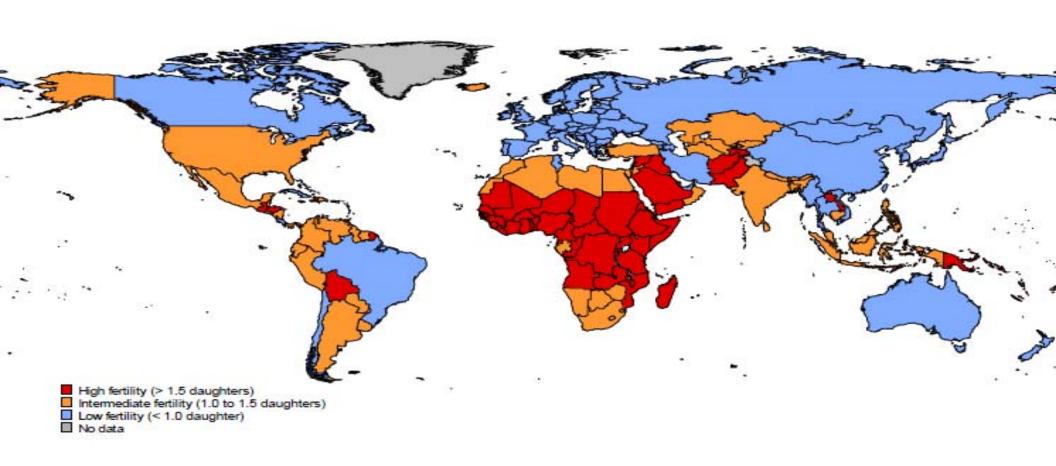
- Background
 (fertility trends and population growth)
- Consequences of demographic trends (High / intermediate / low fertility)
- Policy options



Fertility trends

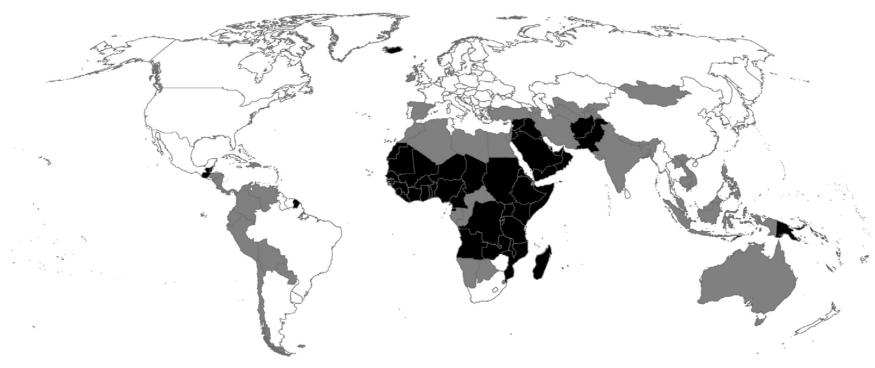


Countries according to fertility level (number of surviving daughters per woman), 2005-2010



Note: The boundaries shown on this map do not imply official endorsement or acceptance by the United Nations.

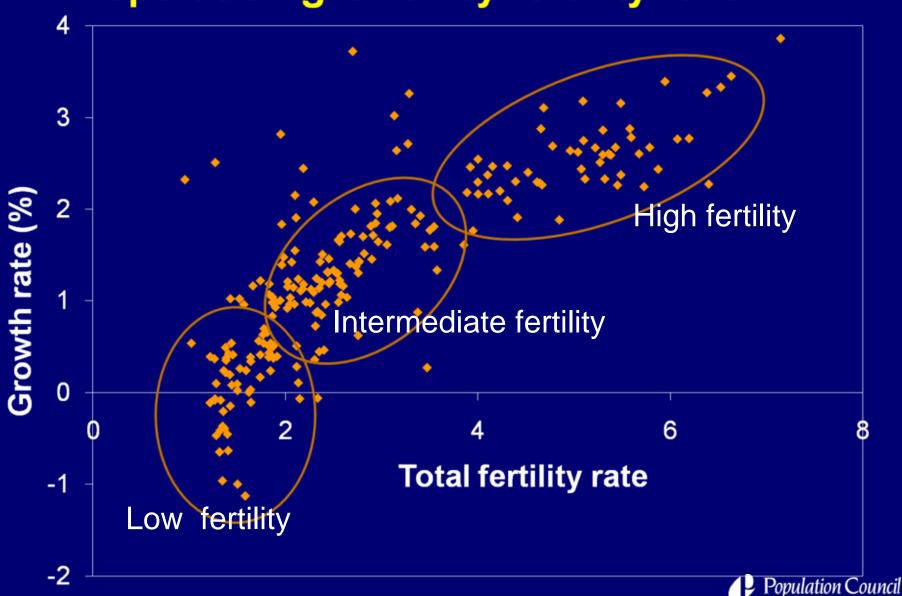
Population growth rates 2005-2010



Population Growth Rate (% per year) 2005-2010



Population growth by fertility level

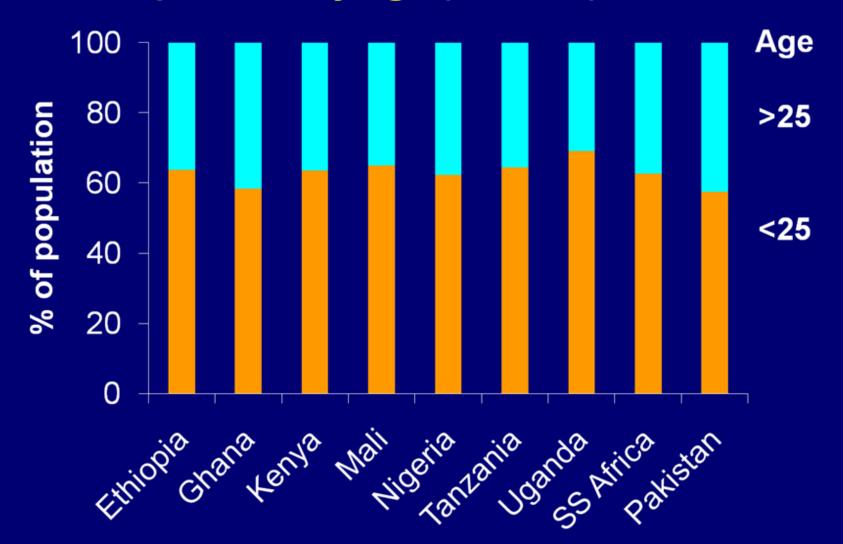


Demographic consequences of high fertility

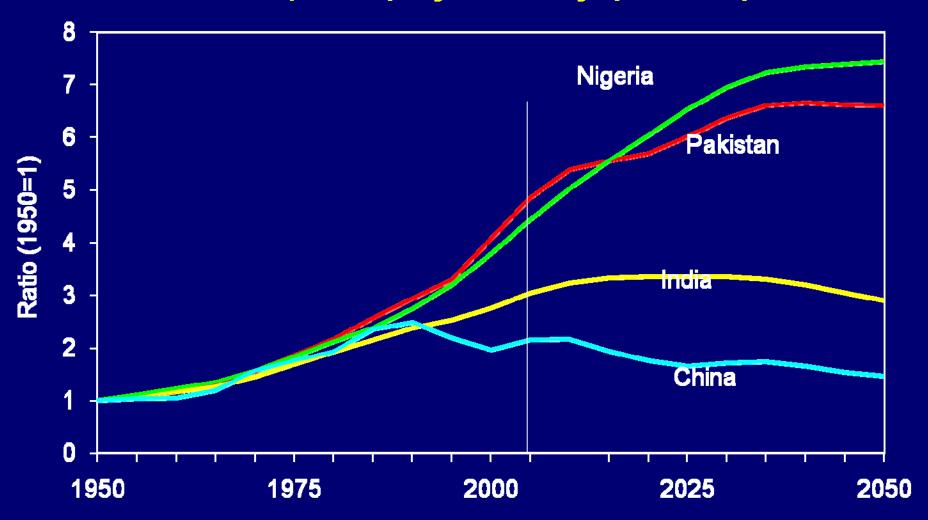
- Rapid population growth
- Young age structure



Population by age (<25,>25)



Youth (15-24) by country (1950=1)





Development consequences of demographic trends High fertility countries

Economic: Low wages, unemployment,

poverty, slow growth

Environmental: Depletion of natural resources,

pollution

Health: High maternal and child mortality

Governmental: Lagging investment in education,

health services and infrastructure

Political: Rising political extremism and

civil strife

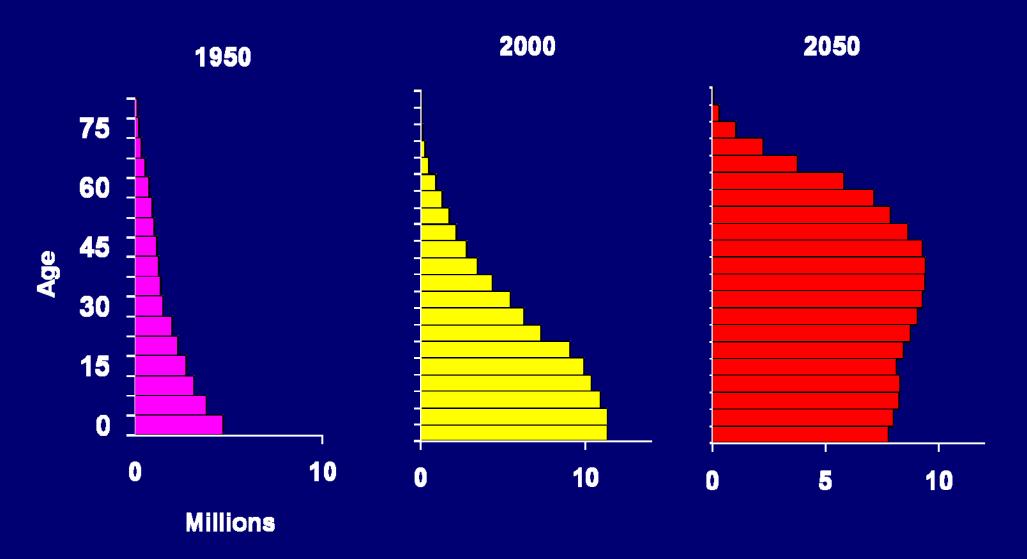


Demographic consequences of intermediate/ declining fertility

- Declining growth rates
- Fewer young people, more workers

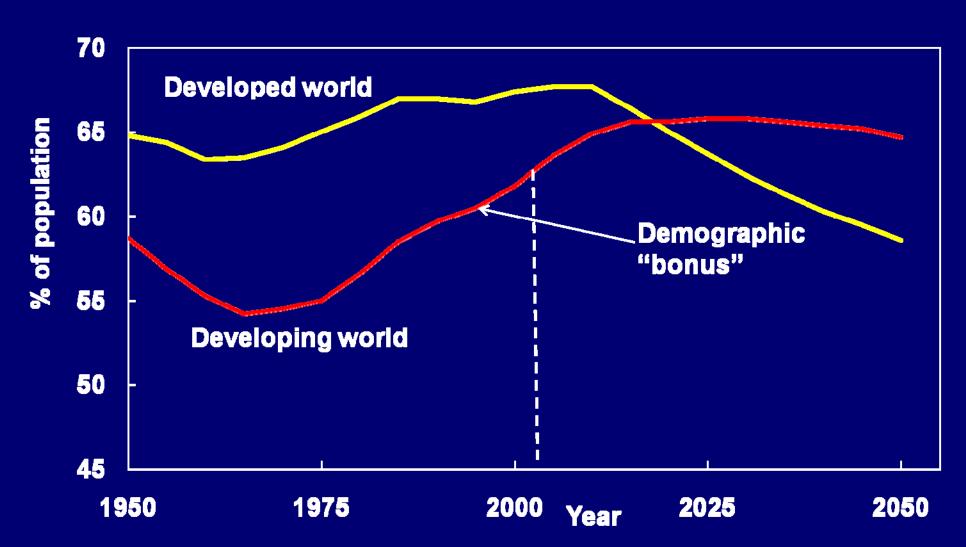


Population by age: Mexico





Working age population (%)



Source: UN 2007



Development consequences of demographic trends Intermediate/declining fertility

Economic: Rapid growth, rising wages, high

inequality. Increasing engagement of

women in wage-paying work

Environmental: Depletion of natural resources,

air, water and soil pollution

Health: Declining maternal and child mortality

Governmental: Massive investments in education,

health services and infrastructure

Political: Inequality and disaffected voters

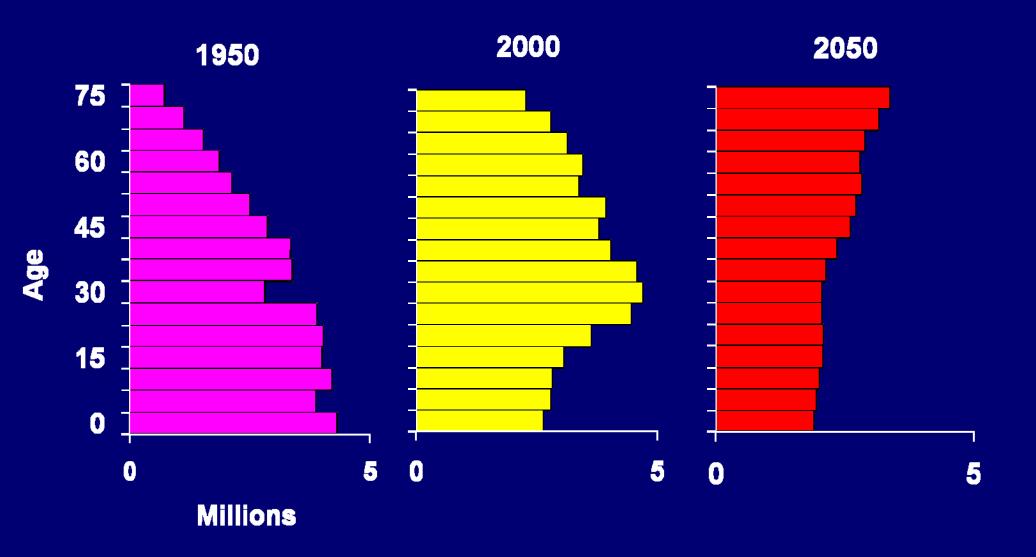


Consequences of low fertility

- Near zero or negative population growth rates
- Rapid population aging



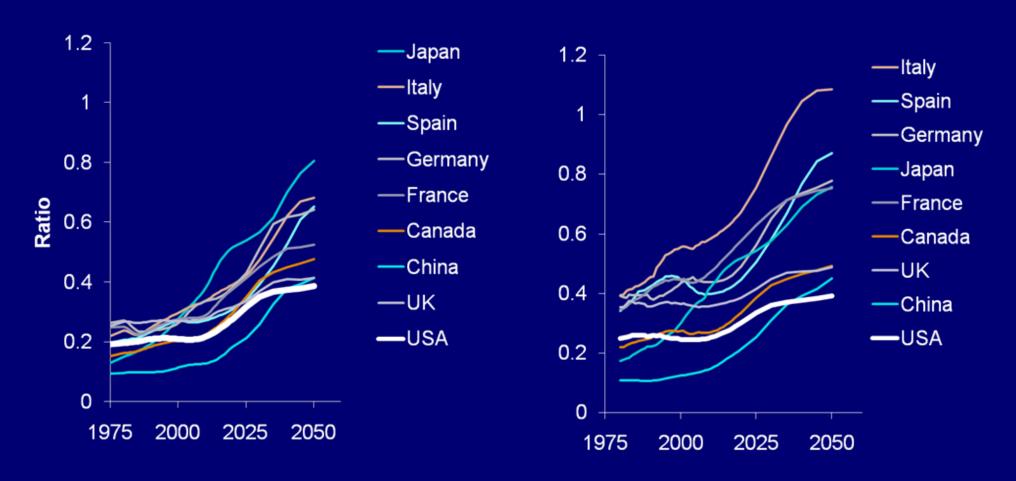
Population by age: Italy





Pop 65+/Pop 20-64

Retirees/Worker





Consequences of demographic trends Below replacement fertility

Economic: Slower economic growth

Slower growth in standard of living

Slower growth in worker productivity (?)

Governmental: Unsustainable health and pension costs

Rising governmental budget deficits

Political: Rising voting power of the elderly



Policy options:

- A. High fertility countries
- **B.** Below replacement fertility countries

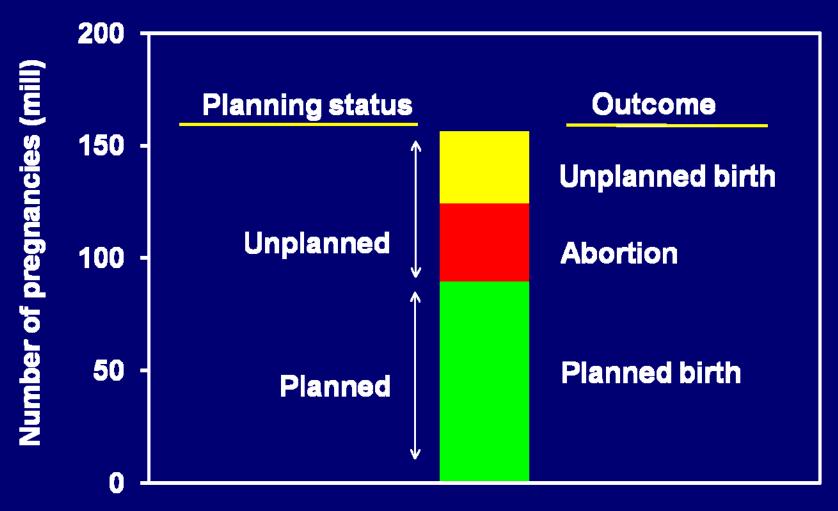


A. Policy options in high fertility countries:

- Family planning programs
- Investments in human capital



Many unplanned pregnancies in the developing world



All pregnancies



Family planning programs contribute to:

- Improving maternal and child health
- Reducing poverty and inequality
- Achieving gender equality
- Ensuring environmental sustainability
- Combating HIV/AIDS



B. Policy options in aging societies

Pension system options:

Raise age at eligibility; encourage private savings; reduce benefits; raise taxes.

Labor force options

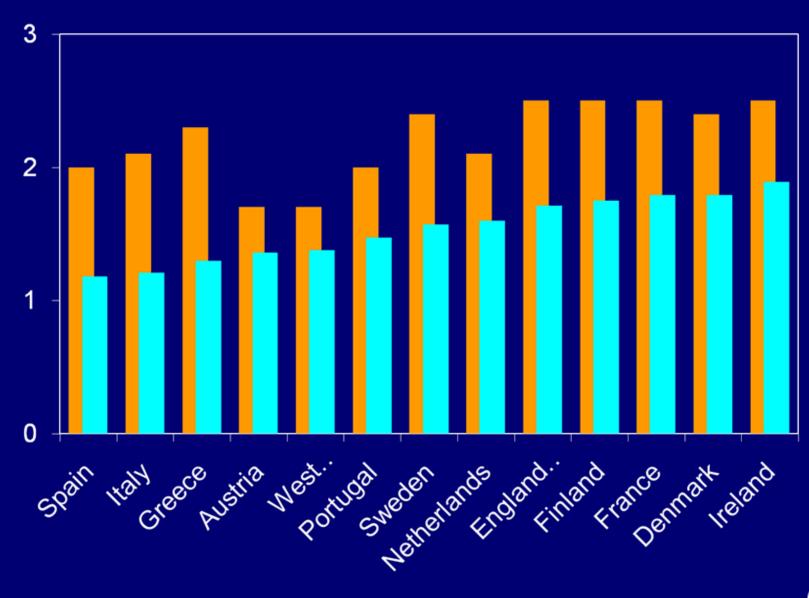
Encourage higher labor force participation and later age at retirement.

Demographic options

Encourage childbearing; permit more immigration.



Fertility and ideal family size for European countries



Ideal family size

Actual fertility



Pronatalist policy options

- Reduce obstacles to childbearing
 - -Economic: childcare, maternity and paternity leave, child subsidies, etc.
 - -Biological: subsidize infertility treatment and development of new biotechnology
- 2) Eliminate or reverse tempo effect
 - -Encourage earlier start of childbearing and birth intervals of two or three years at most



Conclusions

- Declining high fertility brings multiple positive consequences for human welfare and the environment
- Very low fertility has net adverse effects
- Policies are available to maximize positive effects and minimize negative effects

