

**U.S. Population  
Assistance  
A Continued Priority for  
the 1990s?**

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## E X E C U T I V E   S U M M A R Y

Demographic data and research provide compelling reasons that population assistance should remain a priority of U.S. development policy in the 1990s.

**Achieving lower fertility is important to development.** Unless population growth can be slowed, progress toward national development goals will be delayed or reversed by the pressures of increasing numbers. Excessive population pressure breeds political and social instability and makes it more difficult for governments to solve economic problems and provide public services. Slowing population growth gives developing countries breathing space to deal with such pressing issues as massive urban growth, environmental pollution, agricultural productivity, education and unemployment.

The key demographic objective is to lower fertility so that populations will not grow so fast that they undercut efforts to educate young people, create jobs, provide better health care, manage the economy and achieve modern societies.

**Timing is critical.** Even though fertility rates are declining, the size of the developing world's population will continue to rise at an increasing rate before beginning to fall after 2000. This paradox is the result of demographic momentum. Because of previous periods of high fertility, record numbers of women are in their childbearing years. Although women have lower fertility rates than previous generations, there are simply many more mothers, and therefore a larger total number of births.

Keeping pace with the rising demand for family planning information and services is essential. Even small setbacks in the pace of fertility decline during this decade will mean large increases in the future population of the developing world and will delay the eventual attainment of a stable world population total.

**A.I.D. has the experience, expertise and organizational capacity necessary to effective design and management of family planning programs.** There is clear evidence that family planning programs supported by A.I.D. have increased contraceptive prevalence, speeded fertility decline and slowed population growth in a number of countries around the world.

The goal of reducing fertility rates in developing countries to levels that enable them to reach their development objectives is within reach. To attain this goal, A.I.D. needs to "stay the course" and maintain adequate levels of population assistance.

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## Should population continue to be a priority in development assistance during the 1990s?

Population has been a development assistance priority for more than two decades. The U.S. government, through the Agency for International Development (A.I.D.), is the largest single donor of international population assistance, earmarking nearly \$4 billion for population since 1965. Many others - international agencies, other bilateral donors, and developing country's governments - have joined in the effort. Now, as we move into the 1990s, A.I.D.'s development assistance priorities and strategies are being re-examined. Congress is rewriting the foreign assistance authorization bill and paying attention to a wide range of new issues and concerns with potential claims on development assistance resources: enormous developing country debt burdens, degradation of the environment, the AIDS epidemic, and the need to improve public administration, free markets from excess regulations and support democratic movements, including those emerging in Eastern Europe. Development assistance needs are great and budget constraints are tight. Some propose that A.I.D.'s priorities be shifted elsewhere or that its population funding be reduced. What guidance does research on population give on this question?

There are two basic rationales for population assistance: at the individual and family levels it improves maternal and child health, helps women improve their lives, and increases family welfare; at the "macro" or societal level it avoids or reduces the adverse effects of rapid population growth on economic and social development. While benefits at both levels continue to justify population assistance, macro-level concerns were paramount when the U.S. Congress made population a priority by earmarking funds for it beginning in 1965. These concerns are now shared by most LDC leaders who favor slowing population growth, who give high priority to family planning and seek outside aid to increase the availability of services to their people. It could be argued that funding of family planning should be evaluated on the same basis as funding for other sectors, such as education and health. After all, higher educational attainment and lower infant mortality are well-documented correlates of lower fertility. However, rapid population growth undercuts a broad range of other development priorities, including education, health, urban development and the environment. Unless population growth can be slowed, progress toward other development goals will be delayed or even reversed by the pressure of increased numbers. Population assistance helps to

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avoid this; high priority should be given to maintaining adequate funding of population activities.

The initial consensus on the adverse effects of rapid population growth on development was based mostly on the common-sense view that the enormous institutional improvements and investments in productive capacity, infrastructure and human resources needed to raise living standards in developing countries were being undermined by high rates of population growth. Slower growth would at least buy time to accommodate the larger future populations projected for them. At various times people have asked whether this commonsense view squared with scientific research.

The research evidence about macro-level linkages between population and development is a “mixed bag.” As with many complex social issues, few of the research findings are as clear as decisionmakers would like them to be. *First*, data are often incomplete and sometimes misleading, as is the case with LDC national income and product accounts. They leave out non-monetized and informal-sector activities, understate environmental costs, and are often more responsive to a country’s bargaining position with foreign donors and creditors than a reflection of the actual level of economic activity in the country. It is no wonder that most cross-national analyses of the correlation between population growth and growth of output are inconclusive. *Second*, it is often difficult to isolate the erosive action of rapid population growth from its interaction with other organizational and political factors involved in development problems. *Third*, many of the effects take a long time to play out. They do not show up from one year to the next, but accumulate over several years or even decades. To assess the adverse effects of rapid population growth, analysts often rely on simulations of what might happen. Such exercises provide dramatic demonstrations of the adverse impact of rapid population growth and have been very effective in convincing leaders to take action on population. But they are also very sensitive to the assumptions on which they are based and open to criticism that key variables, such as the organization of economies and institutional changes, have been left out.

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In the face of such obstacles, researchers tend to be very cautious, though even the very carefully worded 1986 report of the National Academy of Sciences concluded that “**slower population growth would be beneficial to economic development for most developing countries**”.<sup>1</sup> In any field, policymakers and researchers face different exigencies. From a research perspective, it will be easier to provide a more definitive assessment of consequences during the next century when the impact of this century’s enormous population

increases can be viewed in retrospect. On the other hand, policymakers have to decide now whether to act or not act; the decision has to balance the costs and benefits of acting to avoid damages whose potential cannot be fully ascertained against the costs of not acting and finding out that the damage has already occurred. In fact, the knowledge base about the adverse effects of rapid population growth in developing countries is as robust as those for most other sectors. In the face of this, policymakers have listened to the consensus of experts and acted in a prudent, commonsense way to slow population growth.

*Population has been a priority in U.S. foreign assistance for over two decades.*

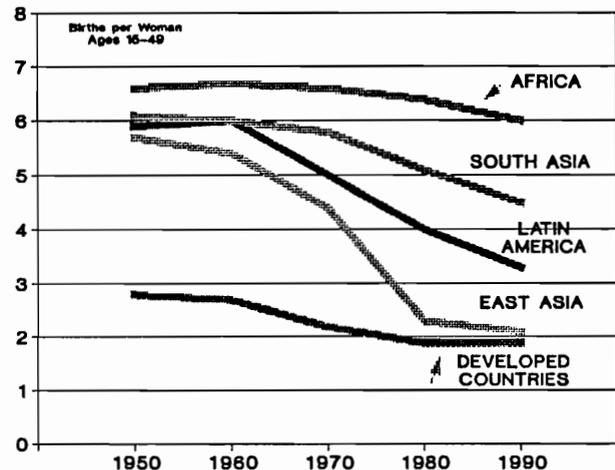
That brings us to 1990. Population has been a priority in U.S. foreign assistance for over two decades. Does the evidence support keeping population as a priority? Yes, for three reasons that will be spelled out in the remainder of this essay:

**First, rapid population growth still threatens LDC development prospects.** Slower rates have already proved beneficial to countries that have succeeded in lowering fertility rates. But most developing countries are still in the earlier stages of lowering fertility and face severe obstacles to development unless that transition can be accelerated (*see Figure 1*).

**Second, U.S. population assistance has a proven record of leadership and success in effective program design and management.** There is clear evidence that its programs have slowed population growth in a number of countries. A.I.D. maintains a clear comparative advantage in this field and has the experience, expertise and organizational capacity to assist developing countries in speeding up reductions in their birth rates.

**Third, because birth rates in LDCs were very high a decade or two ago, very large numbers of people are now in or entering their reproductive ages. In spite of success in lowering birth rates in many countries, the need for population assistance is greater than ever.** Failing to maintain adequate levels of population assistance at this point will slow or reverse fertility declines that are now underway, with adverse effects on other development objectives.

Figure 1  
WORLD FERTILITY PATTERNS  
TOTAL FERTILITY RATES, 1950-1990



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The goal of reducing fertility rates in developing countries to levels that are consistent with the attainment of other development objectives is within the reach of international population assistance programs, but it has not yet been attained. To attain that goal, A.I.D. needs to “stay the course” in maintaining adequate levels of population assistance.

**Does rapid population growth continue to threaten development? Have countries benefited from slower population growth?**

Expert opinion about the adverse effects of rapid population growth on development has evolved in a number of ways since concerns were first articulated. Initially the emphasis was on issues of capital formation and per capita income growth. This gave way to concerns about equity, human needs and development of human resources. Now there is heightened concern about population growth’s deleterious effect on the environment and natural resources, and ultimately the non-sustainability of development if these critical physical bases for economic activity are degraded. The discussion begins with environmental concerns, because they are most current, and then turns to the other issues.

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**The environment**

Central themes in recent assessments of development assistance priorities are the environment, natural resource management and long-term sustainability of developing-country economies. Both industrialized countries and developing countries are damaging the environment. Industrialized countries, due to their consumption behavior and production techniques, currently use more scarce natural resources and do more damage to the environment on a per capita basis than developing countries. But as LDCs pursue higher living standards, they are emulating the environmentally destructive consumption and production patterns of industrialized countries. A doubling or tripling of fossil fuel use by LDCs as they raise consumption levels, when combined with their population increases, could more than offset efforts to reduce the dumping of greenhouse gases into the atmosphere by industrialized countries.

But even with a lower per capita impact, LDC production and consumption have enormous negative impacts on their own environments and natural resources. Poverty and environmental destruction go hand-in-hand. Large increases in very poor popula-

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tions are occurring in regions of the developing world that are already experiencing environmental stress, including large areas of tropical forests and fragile coastal ecosystems. People living at the margin of human survival have little incentive to preserve forests, soils and water resources in the interest of the common good. Ironically, establishment of titles and property rights generally works to preserve such resources, but exacerbates the inequality between those who hold such rights and those who do not. Worse still are the distorted tax and financial incentives that make it more profitable for those who have property rights (generally the wealthy) to destroy the environment for current gain rather than preserve it for future generations.

The pressure of population growth can quickly outstrip traditional agricultural practices, with adverse environmental impact. Land degradation affects many parts of the developing world, particularly in sub-Saharan Africa. The Yatenga plateau in northern Burkina Faso provides a dramatic illustration. Burkina Faso's population has doubled since 1960 and is growing at an annual rate of 2.5 percent. To increase output, farmers have shortened the fallow period, thereby leaching nutrients from the soil, thinning cover vegetation and increasing erosion. Forested areas have been cut to meet increased demands for firewood. As a recent Earthwatch summary of the situation in Yatenga concluded: "The combination of excess pressure of human and animal populations, with soil mining and a deteriorating climate, is disastrous. The overall capacity of the land to support people and livestock is declining."<sup>2</sup>

Destruction of the environmental and natural resource base creates the potential for political tensions. Africa already has many environmental refugees, including the tens of thousand of Burkinabe whose lands are no longer able to support traditional production and who have moved, many to neighboring Cote d'Ivoire. While emigration has reduced Burkina Faso's population growth rate, the country faces the possibility that it might have to re-absorb these emigrants should its neighbors, faced with their own population pressures, expel non-natives. Several nations, including Nigeria and Kenya, have already expelled refugees from environmentally stressed neighboring countries.

In the Middle East, population growth and water scarcity appear to be on a collision course. According to a report in the *Christian Science Monitor*, the region's already scarce water resources "are on the verge of being overwhelmed by runaway population growth."<sup>3</sup> Falling water tables are undermining the region's capacity to feed its rapidly growing population. Experts say that the

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incipient water crisis could be a catalyst for political cooperation, but it could also be the “shortest route to conflict in a region already beset by old feuds and now armed to the hilt with sophisticated weapons.” Further exacerbating the situation are the bulging military-age populations produced by the region’s high birth rates.

Appropriate technology and management could stem and even reverse the adverse effects of population pressures on fragile ecosystems, but peasant farmers and LDC leaders who make policy decisions are often attracted by “quick fixes” and other expediencies that undermine the long-term capacity to sustain production. “Solutions” aimed only at increasing immediate output can cause further soil erosion, salinization and silting from excess irrigation, as well as breed pesticide-resistant insects and lead to deforestation.

Environmental degradation in developing countries is not limited to rural areas. Most of the population increase is occurring in cities, with much of that growth concentrated in large metropolitan centers. Rapid increases in the number of low-income households contribute little to the tax bases of large cities, which are strapped for resources to build and maintain adequate water and sanitation systems, to dispose of municipal wastes and to control industrial and toxic waste disposal. Air and water pollution are acute in many large cities in developing countries.

While poor management and short-sighted decisions are the root causes of environmental degradation, rapid population growth creates enormous pressures at every level to do things in the short run that are costly in the long run. Slower population growth is no substitute for good management, but it does make it easier by relieving pressure on already fragile environments and by giving people and institutions time to focus on effective management rather than always having to accommodate increased numbers.

### **Growth of output**

Initial concerns about the adverse effects of rapid population growth on development emphasized a narrow set of macroeconomic considerations, in particular capital formation and the growth of output. Simulations demonstrated how the high ratio of consumers to producers in a high-birth-rate population would dampen savings and reduce investment. While rapid population probably has diluted efforts to increase productive capacity and is a major factor in the still-widening per-capita income gap between poor and rich nations, output has really turned out to be the wrong issue.

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As understanding of problems and challenges in economic development advanced, conceptualization of population-development relations broadened. The emphasis on production is now criticized as being mechanistic, oversimplified, and failing to account for important organizational and distributional issues. The focus has shifted toward greater recognition of the importance of human resources, equitable access to basic human services, promotion of organizational efficiency, better management and reduction of bureaucratic and legal shackles on markets. Attention now focuses on the adverse effects of population growth on achieving objectives in education, health, urban infrastructure and employment creation. Improvements in these sectors are the key not only to strong economies, but also to equity and human development goals.

### **Education**

Population pressures have made it very difficult for developing countries to reduce their education deficits; even if they are able to maintain or increase enrollment rates, rapid increases in numbers have eroded the quality of education through overloading classes and facilities, increasing grade repetition and dropout rates, and straining educational budgets. In many cases, the actual number of out-of-school children increases even with higher enrollment rates.

Countries with reduced fertility are already seeing the benefits of reduced pressures on their educational systems. In Korea, nearly all young adults in 1980 had attended primary school, about three-fourths of young men and two-thirds of young women had attended lower secondary school and about one-half of all young men and one-third of young women had attended upper secondary. This high level of education was made possible in part by reductions in the population growth rate beginning in 1969. These reductions meant that the government could afford to increase the percentage enrolled and the per capita expenditures without increasing the percent of GNP devoted to education. By 1979, because of a decade of fertility reduction, the government was able to invest much more per pupil - \$102 per student per year - than in 1970, when it spent \$58. This figure represents a slightly smaller proportion of GNP - 3.4 per cent, down from 3.6 percent earlier.<sup>4</sup> Of course, Korea's economic success is a key variable as well. Expanded education in Korea is an example of how economic and demographic factors jointly contribute to development.

Reduced fertility can also help raise the level of education for individuals in developing countries. In Thailand, where fertility

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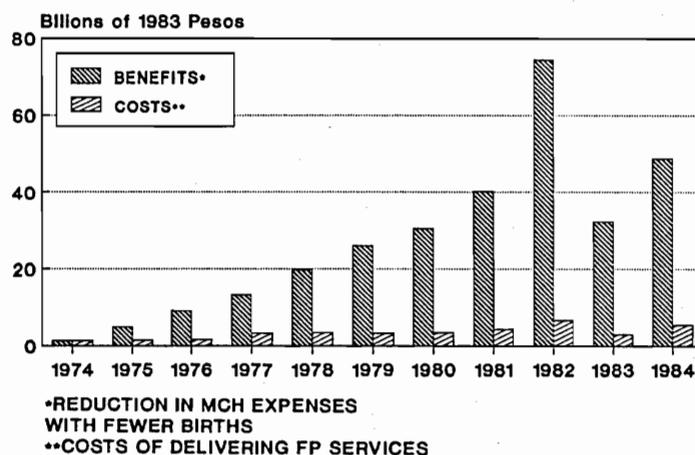
has declined substantially over the last two decades, there have been steady increases in the level of education. Thai parents are keenly aware of the need to educate their children to help them compete in the evolving socioeconomic environment. Such knowledge has served as a major motivator to reduce family size. A recent study assessed whether the reduction in family size has, in fact, helped families to send their children to higher levels of schooling. A clear association between family size and years of schooling was found: children from smaller families attain higher levels of education on the average than children from larger families. For example, a child from a family with one or two children is five times more likely to attain a secondary education than a child from a family with six or more children.<sup>5</sup>

### Health services

Population growth and age structure affect the demand for most human services, including health. Access to basic health services is inequitable in developing countries. Efforts to reform and improve health systems are plagued by many problems, including large and increasing numbers of clients. Developing countries that have lowered fertility have seen immediate health benefits through reduced health risks to mothers and children, as well as slower growth in demand for basic health services, as the experiences of Mexico and Indonesia illustrate.

About 40 percent of Mexico's women of reproductive age (7 million women) are covered by the Mexican Social Security System (IMSS). In 1973, IMSS began providing family planning services through its network of urban health centers and hospitals. During the 1973-84 period, the birth rate for women covered by the IMSS fell from about 50 per thousand to 24 per 1000. Consequently, it has been estimated that some 3.6 million fewer babies were born to IMSS women because of the family planning program. The total cost of the program was \$262 million. Despite the costs, the program saved IMSS money. The savings consisted of the costs for maternity and infant care that would have been incurred for 3.6 million births otherwise anticipated. For every dollar spent, \$9.4 were saved and the total savings were \$2.2 billion.<sup>6</sup> (see Figure 2).

Figure 2  
FAMILY PLANNING IN MEXICO  
BENEFITS VS. COSTS, 1974-84



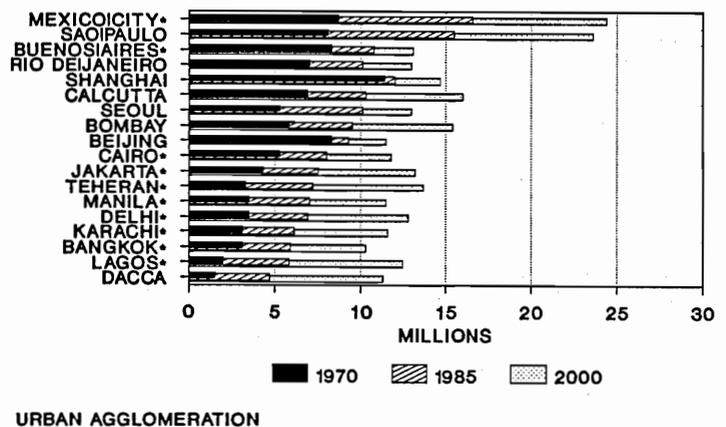
Indonesia's national family planning program was officially started in 1969, in conjunction with the first five-year development plan. Originally a clinic-based program, the National Family Planning Coordinating Board (BKKBN) expanded the program to include community-based distribution to a larger geographical area. Since the mid-1960s, Indonesia's total fertility rate has declined from 5.6 to 4.1 in the 1981-84 period. It has been estimated that because of the family planning program, health expenditures in 1981 were 21 percent less than they would have been - because there were fewer mothers and infants needing care. Without the family planning program, health expenditures would have amounted to \$411 million in 1981, compared to an actual expenditure of \$325 million.<sup>7</sup>

### Urban Infrastructure

Population pressures in rural areas of developing countries have generated large-scale migrations to cities, which already have comparatively high rates of natural increase and will absorb most of the projected increases in overall population. Efforts to build and maintain urban infrastructure for these increasing numbers have contributed to continuing public sector deficits and to the breakdown of effective public administration. Large cities are experiencing fiscal crises everywhere in the developing world. Public infrastructure is deteriorating. The frustrations of urban dwellers over rising prices, shortages of essential goods and breakdowns in services often erupt into violence. Elected officials are under enormous pressure to "do something" and too often make short-run decisions with adverse long-term financial and environmental consequences.

By the year 2000, there will be 18 LDC megacities with populations of 10 million or more in the developing world (see Figure 3). Despite giving appearances of progress - modern office buildings, shops and express highways - these cities are enveloped by squatter settlements and increasing numbers of "street people" (many of them children), as well as by pollution and other scourges of oversettlement. Mexico City, whose population is now close to 20 million, dumps four tons of nerve- and kidney-damaging lead into its air daily, along with 600 tons of fecal dust. Javier Lopez Moreno, chair of the environmental committee of the

FIGURE 3  
LDC MEGACITIES IN YEAR 2000  
POPULATION GROWTH 1970-2000



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Mexican Congress, has characterized the city as a "disaster zone." These ills have many causes; population growth rates of four or five percent a year exacerbate all of them.

### **Job creation**

Children who were born during the 1960s and 1970s, when the acceleration of developing-country population began, are now in the labor-force entry ages. Good jobs, which pay more, but generally require more skills and more investment to create, are scarce relative to the overall amount of labor available. At the same time, many employers have a difficult time finding qualified workers for good jobs because the education and training of most potential workers are so limited.

The benefits of slower population growth are demonstrated in Thailand, where a declining population growth rate made it easier to recover from a decline in economic growth and stem a rise in unemployment that began in the mid-1980s. Caused by declining export earnings, a negative balance of trade and fluctuating exchange rates - events largely outside the control of any Thai policy-maker - the economic slow-down would have occurred whether the population growth rate had been high or low. However, by removing the continued pressure of rapid population growth on the labor force, Thailand's unemployment problem is manageable.<sup>8</sup>

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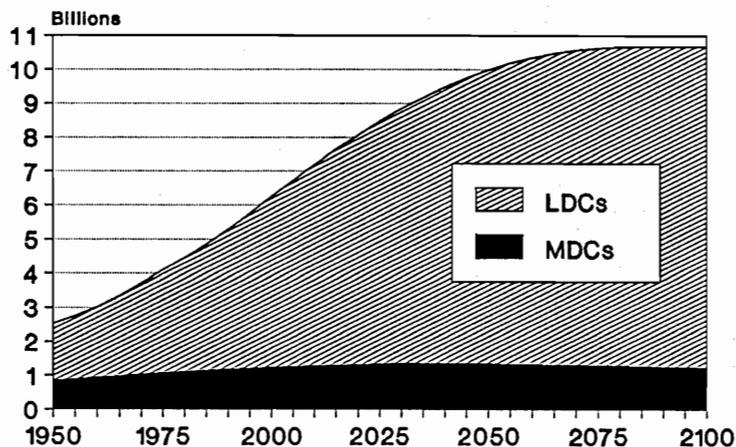
The decline in Thailand's fertility rate began in about 1970. Those relatively smaller birth cohorts began entering the labor force in 1985-90, and thus growth in the overall labor force has already begun to slow. In the late 1970s, the growth of the labor force peaked with a rate of well over 3 percent per year. By the early 1990s, the annual rate of increase will be well below 2 percent and will continue to fall as overall population growth moves toward replacement level.

**What role does reducing population growth play in solving these problems?** Population pressures are more often a contributing or aggravating force than the immediate cause of problems. For example, public administration in developing countries is often fraught with poor management and corruption. Bungling controls over product and labor markets stymie growth of employment and output. Institutional reforms are required to correct such distortions. Yet reforms are almost impossible to implement in a demographic environment in which officials have to run faster just to maintain existing levels of services and infrastructure.

Slower population growth gives developing countries breath-

ing space to deal with economic and social problems; it buys time. Large increases in numbers, if they persist much longer, will swamp reform efforts in all sectors. The issue is not one of reducing LDCs' current population size, but slowing the increases in their future populations. Even if the LDCs were able to reach replacement fertility tomorrow, their populations would be much larger before they eventually stabilize (see Figure 4). The key demographic objective is to slow rates of increase so they will not undercut efforts to achieve other development goals in education, health, and employment and public administration. This objective is and should continue to be a rationale for population assistance.

Figure 4  
WORLD POPULATION GROWTH, 1950-2100



### Is A.I.D.'s population program effective?

Though annual funding of population has averaged only about ten percent of overall U.S. development assistance, A.I.D. has played an important leadership role in the international population field. A.I.D.'s program has been carefully planned, managed and adapted on an ongoing basis to changing conditions, with the result that it is recognized as one of the most effective investments of resources in the experience of development assistance activities. Successes can be counted on several fronts, including the following.

A.I.D. has been a leader in policy development. Early on it recognized that population initiatives could not succeed without the understanding and commitment of developing-country leaders. A.I.D. has supported efforts to compile, interpret and communicate information on the implications of population dynamics for social and economic development objectives. Leaders have responded by mobilizing political and financial support for family planning activities in their countries. Many developing countries now have explicit or implicit policies on population and family planning; some of the most important policy changes in recent years have taken place in sub-Saharan Africa, where attitudes about population have shifted dramatically since 1980.

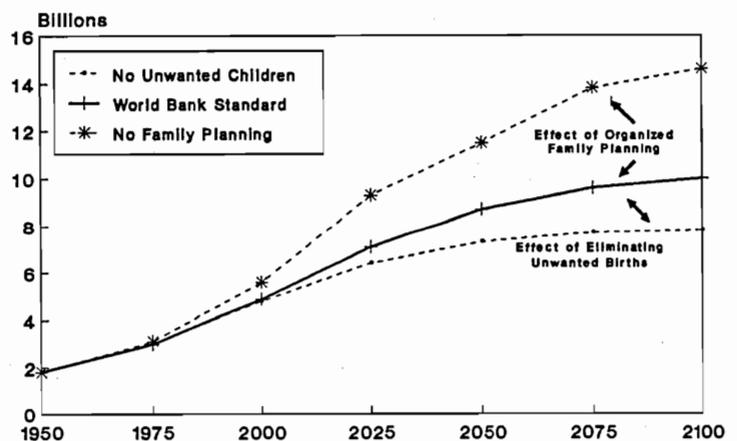
*Population assistance has accelerated the onset and rapidity of fertility declines.*

Population programs have stimulated and accelerated fertility declines in developing countries, lowering population growth rates and improving development prospects. Research on fertility

has shown that a variety of forces shape reproductive attitudes and behavior, including cultural values about children and women's roles inside and outside the home, their education and economic activity; expectations about children's survival and life chances; rural-urban residence; income; and a host of related socioeconomic variables. While the socioeconomic factors underlying recent developing-country fertility declines vary according to the specific contexts in which they occur, a common element in these declines is safe and effective contraception. Family planning programs have made contraceptives available, educated couples about reproduction, and helped to crystallize and legitimize the latent demand for family planning that existed in many countries on the eve of their current fertility declines.

While declines might eventually have occurred in the normal course of economic and social change, there is clear evidence that population assistance has accelerated the onset and rapidity of fertility declines. Analyses by Bongaarts, Mauldin and Phillips have demonstrated that past investments in population programs have already reduced world population growth by more than 400 million and that the cumulative impact of these declines will be more than four billion during the next century (see Figure 5). If all unwanted fertility could be eliminated, another 2.2 billion reduction in world population would be realized. Their calculations indicate that in the absence of family planning programs, fertility in the Third World would have been 5.4 births per women rather than the actual 4.2 for 1980-85.<sup>9</sup>

Figure 5  
DEVELOPING COUNTRY POPULATION, 1950-2000  
THREE FERTILITY DECLINE ASSUMPTIONS



Increased access to safe and effective contraceptives has produced important benefits for individuals and families in developing countries. By giving women greater control over their reproductive lives, contraception has reduced the health risks to mothers and children arising from pregnancies at too young or too old an age, spaced too closely together, or under other high-risk conditions. Family planning also reduces the likelihood that women will resort to abortion in the event of an unplanned pregnancy. It has played a major role in emancipating women to perform other productive roles. It has promoted family welfare by allowing women to allocate more time and resources to the care and education of the

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children they chose to have. It has “democratized” access to family planning for low-income women who cannot afford the services of private physicians or to buy contraceptives at the prevailing market price.

Employment within family planning programs can also affect women’s status, as highlighted by a recent study from Matlab, Bangladesh, which examines the changes in status of the women hired as community workers in this conservative rural area. In 1977 when the use of female community workers was introduced, the women were reviled, and accused of stepping beyond the bounds of acceptable cultural behavior because they traveled beyond their own family compounds and talked to men to whom they were not related. However, these workers are now respected as health/family planning professionals and as women. Their behavior, while innovative in its community outreach activities, was culturally appropriate in other ways. As the services they provided became valued by the community, the workers gained the community’s respect. The study concludes that, “In a more general sense, community workers have succeeded in establishing the notion that women can assume leadership roles. Community acceptance of this new role entails status improvements not only for the worker but for other women in the community as well.”<sup>10</sup>

Population programs reach well beyond the purchasing and shipping of contraceptives. In fact, a large share of commodity costs are borne by individuals and local organizations or through the private market; population assistance has been targeted on more highly leveraged efforts to improve the equity, effectiveness, safety and economy of providing services.<sup>11</sup> In addition to its direct impact on contraceptive development and availability, population assistance has led to innovative models in training, education and communication, and to increased grassroots action and community involvement. It has stimulated research and assessment of alternative service-delivery strategies, program management and evaluation tools, and has built developing-country capacity to collect and analyze demographic data for development planning. A.I.D. has been a pioneer in engaging non-governmental organizations in development activities. Many of these models have subsequently been applied in related fields: primary health care, child-survival initiatives and AIDS prevention.

A.I.D. has also supported a wide range of innovative research to increase understanding of fertility determinants, strengthen program management and improve contraceptive technology. The World Fertility Survey, the Contraceptive Prevalence Survey Pro-

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gram and now the Demographic and Health Surveys are a fundamental source of information on fertility and family planning. A.I.D.-funded operations research activities have contributed to improved program management. A.I.D. support of contraceptive research on low-dose oral contraceptives, subdermal contraceptive implants and other methods has greatly enhanced the safety and acceptability of contraceptives available in developing countries. A.I.D. also spearheaded the application of microcomputers in survey research, program management, and information dissemination and has encouraged the adoption of a wider range of research methodologies, for example, focus group research.

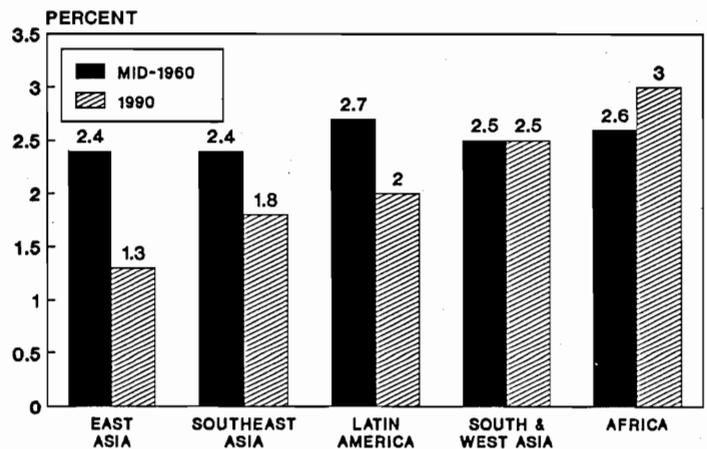
A.I.D.'s population program managers are acutely aware of budget priorities and the competition for scarce resources. They have designed programs to attract alternative sources of sustained funding for family planning through involvement of businesses and private-sector health providers and through commercial marketing of contraceptives. A.I.D. also encourages increased direct support of family planning in developing-country budgets, and where program subsidies are necessary, encourages full or partial payment for contraceptives by those who can afford them.

In short, A.I.D.'s population assistance works and is cost-effective. It is achieving the objectives established by the U.S. Congress and has adapted itself to changing needs and conditions. A.I.D. has created positive models for development assistance that benefit other development objectives. A.I.D.'s years of experience have led to successful program and shared-funding strategies. A.I.D.'s population program will be effective in meeting the demographic challenges of the 1990s if it has the resources needed to finish what has been so effectively started.

**Why is the need for population assistance so great during the 1990s?**

World population doubled from 2.5 to 5.3 billion between 1950 and 1990. Most of this increase occurred in developing countries and coincided with the push to raise living standards. Population has doubled or tripled in many developing countries over the last four decades, and most will experience at least another doubling before their growth rates stabilize. High population growth rates, triggered by earlier declining death rates without parallel declines in birth rates, have started to decrease as a result of recent fertility

Figure 6  
POPULATION GROWTH RATES

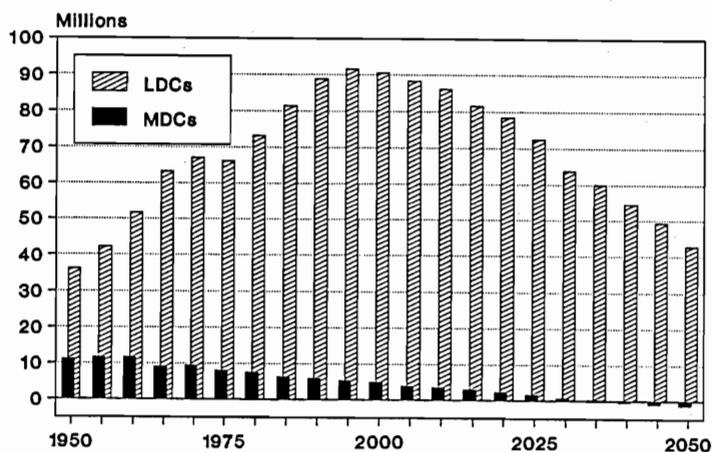


declines in many countries. Since the peak period of world population growth rates in the mid-1960s, dramatic fertility declines have occurred in East Asia, along with substantial decreases in rates in Southeast Asia and Latin America. Rates have not slowed in South Asia, and declines have occurred in only a few countries in Africa, where the regional average has actually increased over the last twenty-five years (see Figure 6).

The 1990s present us with this paradox: even with declining population growth rates, annual increases in the number of people will be enormous. In fact, during the 1990s these increases will be larger than ever, before they decline in the next century. More than 80 million people are now being added each year in developing countries; this number will surpass 90 million later in this decade, increasing the world's developing country population by a country almost the size of Mexico each year. After 2000, if fertility declines can be sustained, the number added each year will slowly taper off (see Figure 7). The reason for such a large absolute increase is demographic momentum. Children born during periods of high fertility are now reaching reproductive age. Though individual women are having fewer children on average than their mothers, there are simply more women having children.

No one expects population growth in developing countries to continue indefinitely. Most experts expect that rates will stabilize sometime during the next century. When they will stabilize and how large they will be when that happens is difficult to ascertain; it depends on the pace of fertility decline, not to mention catastrophic events (wars, famines, environmental disasters, AIDS, etc.) that could raise mortality rates.<sup>12</sup> Barring a large-scale catastrophe, future LDC populations will be significantly larger; indeed, large increases are occurring now and will continue for at least two decades. In fact, the United Nations recently revised its population projections upward. The conclusion is inescapable. The pace of fertility declines in developing countries needs to be accelerated now if we are to avoid untenable growth in numbers in the next century.

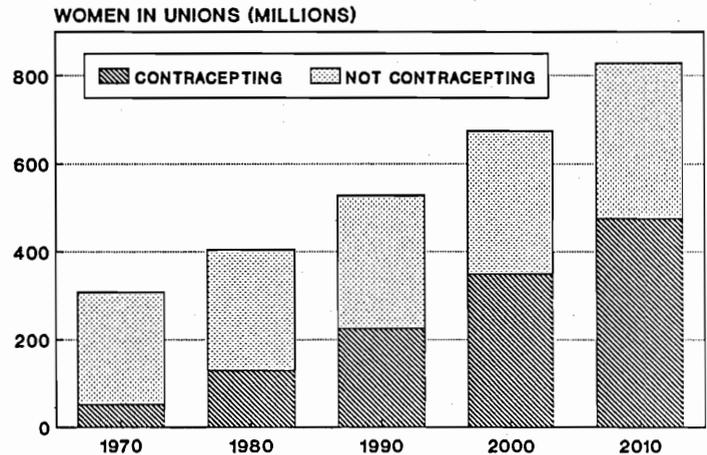
Figure 7  
ANNUAL POPULATION INCREASE: 1950-2050



During the 1990s the challenge of keeping up with contraceptive demand is going to be particularly acute.

- During the 1970s, the number of reproductive-age women in unions in developing countries (excluding China, which is so large that it distorts the picture for other areas) increased by 31 percent, or 96 million women. The number using contraceptives increased by 242 percent (76 million women), bringing an impressive increase in the average contraceptive prevalence rate from 17 to 32 percent of eligible couples (see Figure 8).

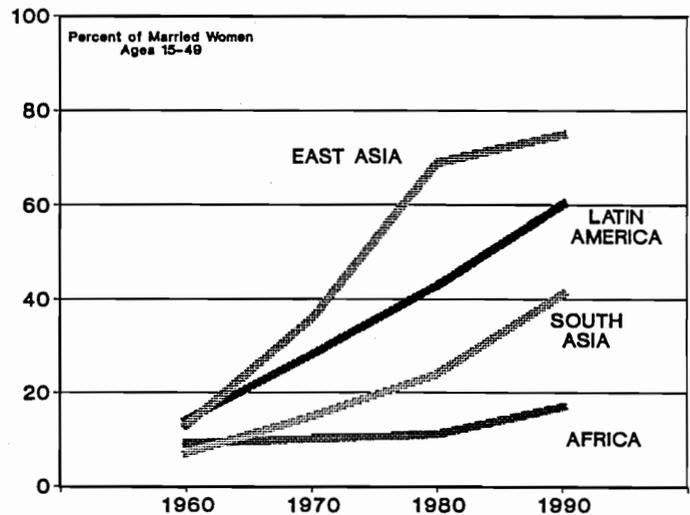
Figure 8  
POTENTIAL DEMAND FOR CONTRACEPTIVES



- During the 1980s, the number of women in these age groups increased by another 31 percent (with a larger population base, the absolute growth was over 120 million) and the number of users by 75 percent (a lower percentage increase than during the 1970s, but still with an impressive 98 million more users). Contraceptive prevalence increased to 43 percent on average. Figure 9 shows regional variations.

- During the 1990s, another 31 percent increase in the number of reproductive-age women is projected. That means an absolute increase of 150 million women in this decade. To maintain fertility declines, an additional 120 million women need to be given access to family planning in developing countries (50 percent more than the 227 million currently using family planning).

Figure 9  
TRENDS IN CONTRACEPTIVE PREVALENCE IN DEVELOPING REGIONS, 1960-1990



The 1990s are crucial in terms of the timing of fertility declines in developing countries. Demographic momentum is the heart of the matter, and works as a two-edged sword: first, it produces the large increases in the number of reproductive-age women we have just seen; second, it raises the cost of not keeping up with

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momentum by turning small differences in the pace of fertility decline during this decade into large differences in the number of people later on. The annual number of births in developing countries (excluding China) increased from 75 million in 1970 to 88 million in 1980, and now exceeds 100 million. The number will reach 113 million by the end of this decade. After that the number will decline provided that the pace of reductions in fertility rates is maintained; if not, the number of births will increase, and the force of momentum continues. This is not speculation about what might happen 30 or 40 years from now; this is current demographic reality.

The 1990s are crucial because this is the decade in which demographic momentum can be turned around. The policies and programmatic know-how to expand contraceptive prevalence to levels that can sustain present fertility declines are in place. What is needed is to "stay the course." It is also crucial because failure to keep pace with the demand for contraceptives will lead to rapid erosion in the pace of declines and delay the turnaround of momentum. Demographically, actions taken during the 1990s will make an enormous difference.

**What does this mean for population assistance during the 1990s? Should population continue to be a priority?**

Assigning priority status to population made sense during the 1970s because that status helped to get programs off the ground. Those programs succeeded in raising access to family planning and helped slow population growth rates in many culturally diverse settings. In 1990, there are important differences from the early 1970s, when the main needs were to get programs going and to figure out how to make them effective. Now we have two decades of experience in learning what is effective and solid evidence that when resources are applied, programs can slow population growth. Unfortunately, some of the funding impetus gained during late 1970s was eroded during the 1980s as the value in real purchasing power of assistance leveled off at almost the same time that children born before fertility declines got underway started reaching reproductive ages. Substantially increased funding is needed to maintain and expand coverage during the 1990s in order to avoid further erosion.

Annual outlays to provide family planning services to the 225 million women currently using them in developing countries (excluding China, with another 150 million users) is estimated at between \$2 and \$3 billion - a bargain in comparison with the size of multi-billion dollar markets for cosmetics and other pharmaceuticals

*The 1990s are crucial because this is the decade in which demographic momentum can be turned around.*

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in industrialized countries - but still a large order for developing-country budgets and for donors who assist them. Population assistance from all donors is about \$660 million, with A.I.D. contributing \$225 million. Cautious estimates of resource needs to meet the increased demands of the 1990s are in the \$9-10 billion range.<sup>13</sup> No one expects that donors can come up with the full amount of these increases; but donor assistance can and must be maintained and leveraged to mobilize resources from a full range of local sources.

Should population assistance continue to be a priority during the 1990s in the face of competing needs? Yes, because underlying all development problems and threatening to undermine efforts to deal directly with them is population increase. True, growth rates have slowed, but the numerical increase is greater than ever. The challenge of the 1990s is to get ahead of the crest of the demographic-momentum wave. If that can be done, the force of momentum will diminish. It can be done, if population assistance continues; population should be a development assistance priority during the 1990s.

*This is the crucial decade for population assistance.*

What is required is not a shift of priorities but effective and adequately funded program strategies that:

- recognize current demographic realities and mobilize adequate resources from official and non-governmental sources
- take advantage of the careful assessments that have been done to show what it takes to sustain programs during this decade, such as involving the private sector more heavily in the effort; and
- apply lessons that have been learned about how to improve efficiency and management of programs by linking them to reform of the health sector and other initiatives that A.I.D. has undertaken in recent years.

The current level of coverage is an enormous achievement: family planning was extended to an additional 175 million women in developing countries between 1970 and 1990. The challenge is to maintain that and extend it to 220 million more women during the next two decades. This is the crucial decade for population assistance. Clearly it would be a mistake to reduce funding just at the time when concerted effort is needed and we know what works.

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## FIGURES

- Figure 1: UN: *World Population Prospects 1988* (New York, 1989).
- Figure 2: D.L. Nortman, et al., op. cit., 1986.
- Figure 3: UN: *Prospects of World Urbanization 1988* (New York, 1989).
- Figure 4: UN: *World Population Prospects 1988*, and PRB projections.
- Figure 5: John Bongaarts, op. cit., 1990.
- Figure 6: UN: *World Population Prospects 1988*.
- Figure 7: UN: *World Population Prospects 1988*, and PRB projections.
- Figure 8: Duff G. Gillespie, et al., op. cit., 1990.
- Figure 9: UN: *Levels and Trends of Contraceptive Use* (New York: 1989).



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