

# POPULATION AND POVERTY

ACHIEVING EQUITY, EQUALITY AND  
SUSTAINABILITY

POPULATION AND  
DEVELOPMENT  
STRATEGIES

NUMBER 8





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## FOREWORD

The Programme of Action of the 1994 International Conference on Population and Development (ICPD) articulated a vision of population issues being central to poverty reduction and to improving the quality of life of the world's people. The ICPD set a number of interdependent quantitative and qualitative goals and targets to be attained over a 20-year time period. These include universal access to comprehensive reproductive health information and services, including family planning and sexual health; reductions in infant, child and maternal mortality, and universal access to primary education, with special attention to closing the gender gap.

The ICPD goals and objectives map closely to the Millennium Development Goals (MDGs), arising from the 2000 Millennium Declaration agreed to by 189 nations in September. Achieving the MDGs is critically dependent, *inter alia*, on making progress towards the ICPD goal of achieving universal access to reproductive health information and services. Increased access to quality reproductive health services contributes to reduced child and maternal mortality, helps combat HIV/AIDS, and promotes gender equality. Providing reproductive choices is also essential for reducing income and consumption poverty, supporting the achievement of universal primary education and for the promotion of sustainable development.

UNFPA organised a Consultation in Princeton, New Jersey, between 30 September and 2 October 2002, on the linkages between population, reproductive health, gender and poverty. The main purpose was to further a dialogue, outlined in the *State of the World Population 2002*, for

defining a conceptual framework for UNFPA linking population, reproductive health and gender with poverty reduction in a rights-based framework. It is, of course, recognised that many of the pathways, and the strength of causality, between population, reproductive health and poverty continue to be researched. As more models are developed, and more data become available, this discussion will be further enriched.

The importance of population dynamics and structure, reproductive health (including adolescent reproductive health and HIV/AIDS prevention), and empowerment of women and gender equality and equity for poverty reduction is fundamental. The many feedbacks from pro-poor targeting in population, reproductive health, and gender, linked to other human development inputs, both reduce poverty in the short-term and play a vital role, especially for young women and their families, in enhancing the ability to escape or avoid poverty over the life-course.

UNFPA has many key roles to play in helping to achieve poverty reduction, as well as improving access by the poor to information and services. With a conceptual framework linking population, reproductive health, gender and poverty reduction, coupled with related operational tools, the key roles and interests of UNFPA can be better reflected in country-level programming processes, such as Common Country Assessments (CCAs) and United Nations Development Assistance Frameworks (UNDAFs), MDG country-level reports (MDGRs), Poverty Reduction Strategy Papers (PRSPs), and Sector Wide Approaches (SWAps). Much can be achieved through policy dialogue and advocacy. This in turn requires a strong evidence base and alliance building with governments, other UN partners, Bretton Woods Institutions, donors, civil society and, not least, the full range of national stakeholders.

As part of that Consultation a number of papers were presented and discussed, by experts from within and outside of UNFPA, on different dimensions of this theme, including the regional diversity in population and poverty interactions. This publication is based on an edited selection of the presentations made at the Consultation.

On behalf of UNFPA, I would like to take this opportunity to thank all the participants who attended the Princeton Consultation, as well as those who contributed comments on the papers presented and arising out of it. Finally, I would especially like to thank those who prepared papers

and contributed to this report (Page vi) for their hard work. I have every confidence that this set of papers makes a solid contribution to the ongoing dialogue taking place on population and poverty at global, regional and country levels.

Kunio Waki



Deputy Executive Director (Programmes)  
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### Acronyms

<b>ADB</b>	Asian Development Bank
<b>AGI</b>	Alan Guttmacher Institute
<b>AIDS</b>	Acquired Immunodeficiency Syndrome
<b>CBR</b>	Crude Birth Rate
<b>CFPA</b>	China Family Planning Association
<b>CI</b>	Consumption and Income
<b>CIDA</b>	Canadian International Development Agency
<b>CIS</b>	Commonwealth of Independent States
<b>CPR</b>	Contraceptive Prevalence Rate
<b>CST</b>	Country Technical Services Team
<b>DALY</b>	Disability Adjusted Life Year
<b>DFID</b>	Department for International Development (UK)
<b>DHS</b>	Demographic and Health Survey (involving Ministry of Health by country, National Population Council (USA) and ORC Macro)
<b>EMNV</b>	Encuestas Mediciones de Nivel de Vida (World Bank)
<b>FP</b>	Family Planning
<b>GIS</b>	Geographic Information System
<b>GDP</b>	Gross Domestic Product
<b>GNP</b>	Gross National Product
<b>HIPC</b>	Highly Indebted Poor Country
<b>HIV</b>	Human Immunodeficiency Virus
<b>ICPD</b>	International Conference on Population and Development (Cairo, 1994)
<b>IFAD</b>	International Fund for Agricultural Development
<b>IMMPA</b>	Integrated Macroeconomic Model for Poverty Analysis (World Bank)
<b>IMR</b>	Infant Mortality Rate
<b>IPPF</b>	International Planned Parenthood Federation
<b>LAC</b>	Latin America and the Caribbean
<b>LSMS</b>	Living Standards Measurement Study (World Bank)

<b>MDG</b>	Millennium Development Goal
<b>MMR</b>	Maternal Mortality Ratio
<b>NGO</b>	Non-Governmental Organization
<b>NGR</b>	Natural Growth Rate
<b>NAS</b>	National Academy of Sciences
<b>NRC</b>	National Research Council
<b>PoA</b>	Programme of Action (of the ICPD)
<b>PPP</b>	Purchasing Power Parity
<b>PRB</b>	Population Reference Bureau
<b>PRSP</b>	Poverty Reduction Strategy Papers
<b>RCH</b>	Reproductive and Child Health
<b>RH</b>	Reproductive Health
<b>RTI</b>	Reproductive Tract Infection
<b>SFPC</b>	State Family Planning Commission (China)
<b>SRH</b>	Sexual and Reproductive Health
<b>STD</b>	Sexually Transmitted Disease
<b>STI</b>	Sexually Transmitted Infection
<b>TFR</b>	Total Fertility Rate
<b>UNAIDS</b>	Joint United Nations Programme on HIV/AIDS (involving UNICEF, UNDP, UNFPA, UNDCP, ILO, UNESCO, WHO, World Bank)
<b>UNDAF</b>	United Nations Development Assistance Framework
<b>UNDCP</b>	United Nations International Drug Control Programme
<b>UNDG</b>	United Nations Development Group
<b>UNIFEM</b>	United Nations Development Fund for Women
<b>UNDP</b>	United Nations Development Programme
<b>UNFPA</b>	United Nations Population Fund
<b>UNRISD</b>	United Nations Research Institute of Social Development
<b>USAID</b>	United States Agency for International Development
<b>WHO</b>	World Health Organization

## INTRODUCTION

Reducing poverty and ameliorating its impact are urgent global development priorities. Development has often bypassed the poorest people and even increased their disadvantages. The poor need direct action to bring them into the development process and create the conditions for them to break out of their chronic poverty.

The international conferences of the 1990s, the Millennium Summit in 2000 and the International Conference on Financing for Development in 2002 agreed on a series of goals intended to halve the number of people living in poverty by 2015. So what needs to be done to achieve this objective? For individual countries, overall economic growth is not enough: credible remedies require that development efforts be directed at the explicit needs of the poor, and this is what the Millennium Development Goals (MDGs) aim to do. The achievement of these objectives, including those for health, depend on meeting agreed population goals, including the ICPD goal of universal access to reproductive health information and services.

Substantial evidence has been mounting in recent years demonstrating that slower population growth and reproductive health are central to the attainment of the goals identified by the Millennium Summit and to the entire development agenda. Improving health extends beyond simply diagnosing and treating disease. Preventive health efforts, including reproductive health, must be accorded high priority (UNFPA, 2002b).

The MDG's include targets related to reduction in maternal, infant and child mortality. Improved reproductive health services can help meet these goals through direct service provision and the indirect benefits of wider birth spacing. Reproductive health services also deliver education and counselling that contribute to the fight against HIV/AIDS, and these are services that can be delivered directly to the poor.

Although there was a degree of progress in reducing the proportions of people living in extreme poverty during the 1990s, and the absolute numbers were reduced by more than 100 million, this reduction was relatively localized (China alone accounted for more than one-third of this decline), whereas many other regions recorded no significant improvement or witnessed a further expansion of the poor (as in South Asia, for example).

There has been increasing recognition recently that income or consumption poverty is only one aspect of the deprivation of the right to essential development assets and opportunities. Poverty is multidimensional. Education, health including reproductive health, nutrition, water and sanitation, employment, and social and political participation are additional elements in the deprivation of capability and empowerment (Sen, 1999).

On-going population trends will affect prospects for sustained improvement in poverty beyond the horizon of the MDGs. Lower fertility and slower population growth temporarily increase the relative size of the workforce, opening an historic, one-time only demographic window that provides an opportunity for human and financial investment in economic growth. Unfortunately, in many of the poorest countries that are most in need of such a break, population momentum, high levels of unwanted fertility and the all-pervasive presence of the HIV/AIDS pandemic are curtailing the opportunity before it has even begun. In these circumstances, the continuing dependency of youthful populations on the one hand or premature deaths of young adults on the other curtail the prospect of any such "dividend".

The enlarged proportions of working-age populations in countries undergoing fertility decline are complemented by the increasing awareness and support for participation of women in the labour force. This contributes to economic growth especially when it occurs in the formal



sector, contributes skills that are in demand and is adequately compensated. The rising levels of women's education and increased demand for labour by the expanding formal sector raise the opportunity cost of high fertility. The increase in education levels and the decline in fertility can combine in a positive feedback in which the growth of the labour force increases faster than the growth of the working-age population.

A number of other mechanisms have also been identified as significant in influencing the nature and scale of the impacts of population on development at both the national and the household scales. Long-term demographic and economic data indicate that high fertility raises absolute levels of poverty by slowing economic growth, reducing the poverty reduction that growth would have helped deliver, and skewing the distribution of consumption against the poor. Fertility reduction through greater acceptance of family planning counters both of these effects. Investments in improved reproductive health assist in redressing gender inequities and barriers to social and economic participation.

Positive distributional effects come from the reduction of higher outlays for basic needs and education of young dependents, and the increased ability of poor households to increase their labour supply and savings. Women with fewer children are more able and often more willing to participate in remunerative work, and are more likely to invest additional income in the health and education of their children.

There are differences in timing relative to the various stages of the demographic transition. When mortality first declines increased expenditure is needed for young dependents and growth slows. As fertility declines and the rate of population increase slows, economic growth increases. In the early stages of transition, the gap between poor and non-poor households is likely to increase. As poorer families join in the transition, the reduction of poverty and inequality accelerates. The beneficial effects increase as the demographic transition proceeds, especially for a country emerging from high levels of fertility, and generally the faster the fertility decline the larger the benefits but the shorter the time period available to take advantage of them.

The magnitude of demographic effects interacts with the condition of markets, government and institutions. Where these institutions are weak, the initial negative effects tend to be magnified. Positive effects

are likely to be reinforced where labour markets and school systems are working well and parents invest in their children's education. Appropriate economic and social policies, combined with access to reproductive health services can accelerate poverty reduction.

Because of the inaccessibility of information or an inability to act on it, the poor may not benefit as they might from the knowledge of the benefits of small family size and the investment in children's health and education. Generally they have less access to information and fewer assets to take advantage of the opportunities that fertility decline produces in a society. If women and girls are relatively disadvantaged in decision making and resource allocation, they bear the higher costs of high fertility but are less likely to realize the immediate gains. This subverts the motivation to challenge the conditions that restrict their reproductive health access. Such gender inequality presents one of the most pervasive examples of exclusion of the disadvantaged. Reducing gender inequality can accelerate economic growth and have a powerful impact on poverty.

It is this wide range of issues relating to achieving equity, equality and sustainability in the process of reducing poverty that this publication of *Population and Development Strategies* addresses. In the first two chapters, a substantive statement on the broad range of the volume's theme provides the context identifying the important issues at both macro and micro levels. Based firmly on the major parameters of the demographic transition, these two chapters explore the implications and opportunities for economic growth and development. The four chapters that follow are regionally based and, while contributing to the central theme, the authors pick up on particular features of their regions to highlight the diversity and variability in the problems being dealt with in the same broad context of population change and attempts at poverty reduction. The final chapter moves some way towards developing a conceptual framework for responding to the major challenges and establishing a rational basis on which to base operational strategies to deal with these issues.

In **Chapter One**, *Richard Leete* and *Mickie Schoch* focus on the major demographic issues that are affecting the achievement of the Millennium Development Goals for people in extreme poverty. The conclusions they deduce from the evidence available indicate that population dynamics

affect economic performance which, in turn, has major implications for poverty levels. In many societies, health gains and reductions in the birth rate have accompanied the demographic transition and gains in economic growth to produce a decline in the incidence of poverty. Elsewhere, however, persistent population growth not only constrains development opportunities but contributes to environmental degradation. Poverty is associated with high levels of unwanted births particularly in rural areas where the majority of the poor live. Consequently improved reproductive health and provision for unmet needs should be an integral part of poverty reduction strategies, especially in countries such as those of sub-Saharan Africa where major health issues such as HIV/AIDS tend to subvert attempts to achieve sustainable development.

*Andrew Mason*, in **Chapter Two**, focuses specifically on one important accompaniment of the demographic transition: what he terms the “demographic dividend”. Noted in the previous chapter by Leete and Schoch as the key to understanding the interactions between the demographic transition, economic growth and changes in poverty levels, this is the one-time impact the transition has, through the adjustment occurring in a population’s age composition, for a major surge in economic growth and development because the dependency obligations towards young and old are at a minimum. While the economic benefits of this economic “dividend” or “gift” or “bonus” are not assured, there is an opportunity that some countries are embracing but others are squandering to accelerate their pace of economic development. This Chapter explores the character and ramifications of this phenomenon with particular reference to the East Asian experience.

**Chapter Three**, by *Bill Rau*, addresses the particular case of the countries of Africa, especially sub-Saharan Africa. While many of the difficulties confronting the developing nation states of this continent have close similarities to the rest of the developing world, attempts to deal with economic growth and development have been overtaken by the all-pervasive presence and debilitating effects of HIV/AIDS. Scarcely any facet of life escapes the impact of the disease as it affects levels of births and deaths, participation in education and work, involvement and responsibilities in family and community life – all are debased and distorted by this pandemic. Consequently, the ability of individual governments and communities to address poverty and development issues and meet existing obligations such as debt repayments is heavily compromised

and there are diminishing prospects of governments and publicly funded agencies being able to relieve either poverty or the pandemic in the short to medium-term.

The particular case of China is discussed by *Baochang Gu* in **Chapter Four**. Unique in its approach to resolving population growth issues, China has been remarkable for the rapidity with which fertility has declined, the consequent shift in the population's age structure, and the rapid pace of urbanization, but above all for the sheer scale of population numbers and the requisite demand that this implies for services in areas such as the reproductive health of women and the reduction of widespread poverty. A significant shift has occurred in recent years, reducing the prevalence of poverty and suggesting that family planning programmes should no longer be driven by the narrow considerations of basic demographic indicators alone, but conceived of in the much broader context of reproductive health, gender empowerment and the effective means of achieving these objectives.

In **Chapter Five**, the focus shifts to South Asia and a discussion by *Devaki Jain* of the issues and measures enabling reduction of poverty and inequality in the region. In recent years, externalities, in terms of the individual countries of the region, have contributed in a major way to the context in which policies and strategies are being developed. Such structures as the global coalition against terrorism assume immense economic and political power, and however constructive the intentions, have the effect of diverting political and bureaucratic attention and necessitating modification in economic and social sector programmes including attempts to reduce poverty and inequality. This Chapter places particular emphasis on the role and generally disadvantaged position of women, particularly in such areas as poverty reduction, employment opportunities and income, and the powerful potential of political action as advocacy for development through social and human rights movements.

**Chapter Six**, by *Ralph Hakkert* and *George Martine*, provides a Latin American perspective on population, poverty and inequality. While all of the chapters recognize the contribution and involvement of UNFPA, this Chapter addresses directly how to demonstrate the linkages between the Fund's existing programmatic priorities and the reduction of poverty in a way that allows for an the assessment of costs and benefits. The

authors argue that the institutional agenda should be broadened to incorporate non-traditional population issues that are of particular relevance to poverty reduction but whose programmatic potential has not been fully realized. In those areas where the linkages between existing programmatic priorities and poverty reduction are not readily apparent, the rationale and focus of action should be reformulated. Having defined “poverty” and “inequality” the discussion addresses the relation between these concepts and empowerment. After observing how UNFPA can contribute to the achievement of empowerment and to the reduction of poverty and inequality, the authors suggest directions in which UNFPA’s contribution to such exercises might be modified to improve the Poverty Reduction Strategies and Programmes.

In **Chapter Seven**, *John Hobcraft* brings together both the conceptual and empirical discussion of the preceding chapters in a preliminary attempt to move towards a conceptual framework on population, reproductive health, gender, and poverty reduction. He notes that current evidence suggests that both reduced mortality and reduced fertility play a significant and non-trivial part in generating economic growth and that gender equity and equality play a crucial role in ensuring that women can play a fuller part in economic growth and poverty reduction. In the context of sustained economic growth and sustainable development, broader human development goals concerning education, health, empowerment of women, and freedom are all essential elements. Reproductive and sexual rights and health are also integral parts of this development package, ensuring safe motherhood, avoidance of infection with HIV/AIDS, and enabling choices concerning whether, when, and how often to form sexual partnerships and to bear children. These are especially relevant to achieving gender equity and the empowerment of women, but have been shown to play a much wider part in poverty reduction and alleviation.

# POPULATION AND POVERTY SATISFYING UNMET NEED AS THE ROUTE TO SUSTAINABLE DEVELOPMENT

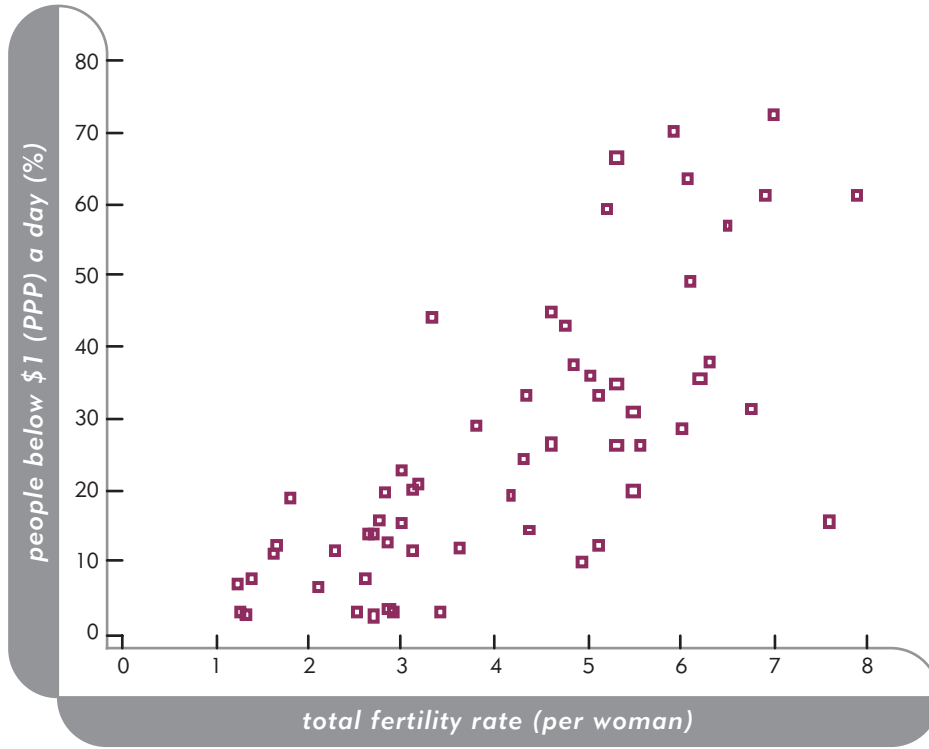
*Richard Leete / Mickie Schoch*

## Introduction

Paradoxes continue to amaze. Just when the World Bank's *World Development Report 2003* rediscovered the idea that demographic transition is central to poverty reduction and sustainable development, the main outcome documents of the World Summit on Sustainable Development ignore the analytical linkages between population, demographic dynamics and sustainable development (World Bank, 2002b; United Nations, 2002a). For most social scientists working in development, whether looking back into the past, forward into the future, or just observing the current country-to-country diversity, demographic transition and population dynamics are crucial to an understanding of the development process (Dyson, 2001).

Global population continues to grow, due in large part to its own momentum, as the demographic transition runs its course. The world's population in 2003 is estimated at 6.3 billion and is increasing annually by some 77 million people (United Nations, 2003). Almost all of the net increase in population is occurring in developing countries, which now account for four-fifths of the global total. Despite the HIV/AIDS pandemic, mortality rates are today only a fraction of what they were several decades ago and fertility levels are declining towards replacement level. Changes in the components of natural increase have led to lower growth rates and changes in age compositions. But overall global figures conceal major differences in these variables between regions, between countries and even between sub-groups within countries, reflecting differences in the onset, speed and magnitude of demographic transition, as well as reverses in some Easter European countries and parts of sub-Saharan Africa.

**FIGURE 1.1:** Proportions in extreme poverty by total fertility rates, developing countries, 2000

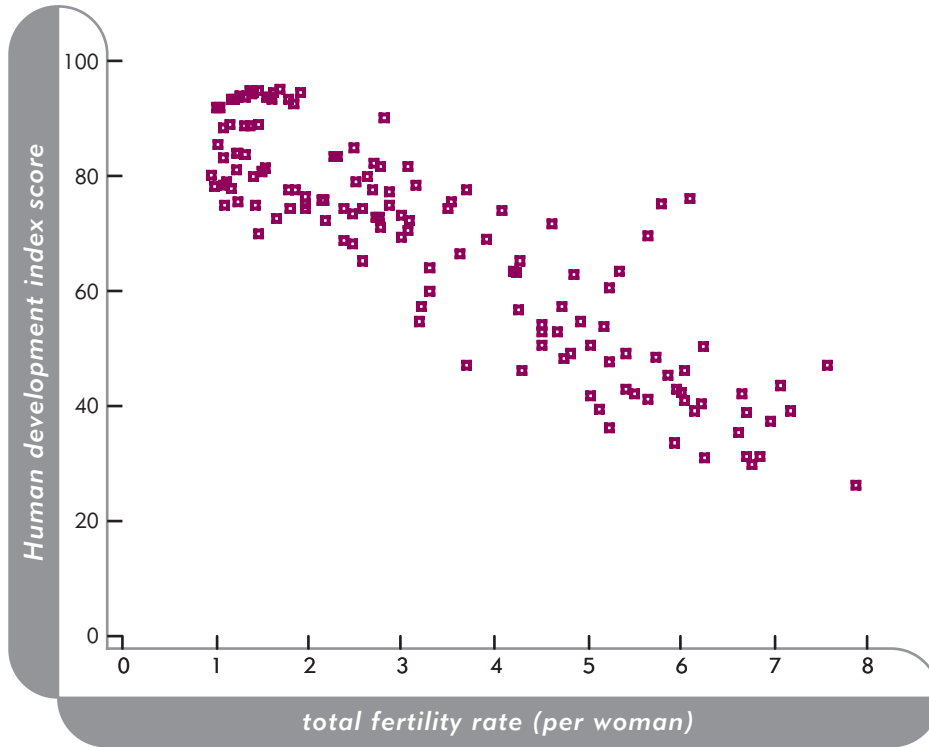


**SOURCES OF DATA:** World Bank (2002b), United Nations (2001).

One in every four persons in developing countries, some 1.2 billion people, live in extreme poverty on less than \$1 (purchasing power parity - PPP) a day (World Bank, 2002a). Countries where poverty levels are highest, as measured by the poverty headcount ratio, are generally those that have the most rapid increases in population and where fertility levels are highest (Figure 1.1). At the same time, in countries where there is broad access to basic social services fertility levels are lowest (Figure 1.2).

This chapter first reviews the macro and micro interaction between population and poverty, taking the demographic transition as a reference framework, and reflecting the emerging consensus from extensive econometric analysis of recent data that high population growth has a

FIGURE 1.2: Relative human development index scores by total fertility rates, all countries, 2000



SOURCES OF DATA: United Nations (2001), UNDP (2002).

quantitatively negative impact on individual welfare. It then examines the relations between population, poverty and sustainable development, especially the environmental protection component. The paper concludes by making the case for including population and reproductive health (RH) in national poverty reduction strategies and sustainable development programmes, and for exploring the value of social interaction and social capital in programme design and implementation.

#### ***The process of demographic transition***

Demographic transition is generally understood as a process of change whereby societies move from a situation of high mortality and fertility, during which time population growth is minimal, to low mortality, dur-



ing which time population rises rapidly, and after a time-lag, to low fertility, by which time population growth tends towards stabilisation. Historically, for today's developed countries, demographic transition occurred as societies changed their mode of economic and social organisation from rural peasant farming to urban industrialism (Notestein, 1953; Davis, 1963; Kirk, 1996). With industrialisation, standards of living rise leading in turn to improved health conditions and a consequential rapid decline in mortality. Because infant and child survival rates are much higher, fertility also declines as aspirations rise and social institutions adjust to accept lower fertility. Although some of these propositions have been challenged, the broad pattern of change still holds at a high level of generalisation (Cleland and Hobcraft, 1985; Coale and Watkins, 1986).

Over the past four decades, many developing countries have undergone rapid demographic changes. The onset, speed and magnitude of the demographic transition differs from region to region (**Figure 1.3**) and among countries within regions. Some sub-Saharan African and South Asian countries are still in the early stages, while others in East Asia have completed the transition. Even within countries there is evidence of differential demographic transition: the poor generally experience mortality and fertility decline later than the non-poor.

#### **| A demographic dividend or tax?**

A key to an understanding of the interactions between the demographic transition, economic growth and changes in poverty levels is the one-time impact the transition has on a population's age composition. During the transition, initial short-term increases in child-dependency ratios rapidly give way to sharp decreases as a larger proportion of the population moves into and through the working ages – and with a considerable time lag old-age dependency ratios rise (**Figure 1.4**). The potential is there for a demographic dividend, arising from the 'window of opportunity' for increased savings and investment for economic growth, at a time when relatively fewer resources are required for investment in education. The faster the demographic transition, the more quickly a country reaches the window of opportunity which may last for two or three decades. In East Asia, where the transition was very compressed, the demographic dividend is estimated to explain about one-third of the 'economic miracle' (Williamson, 2001).

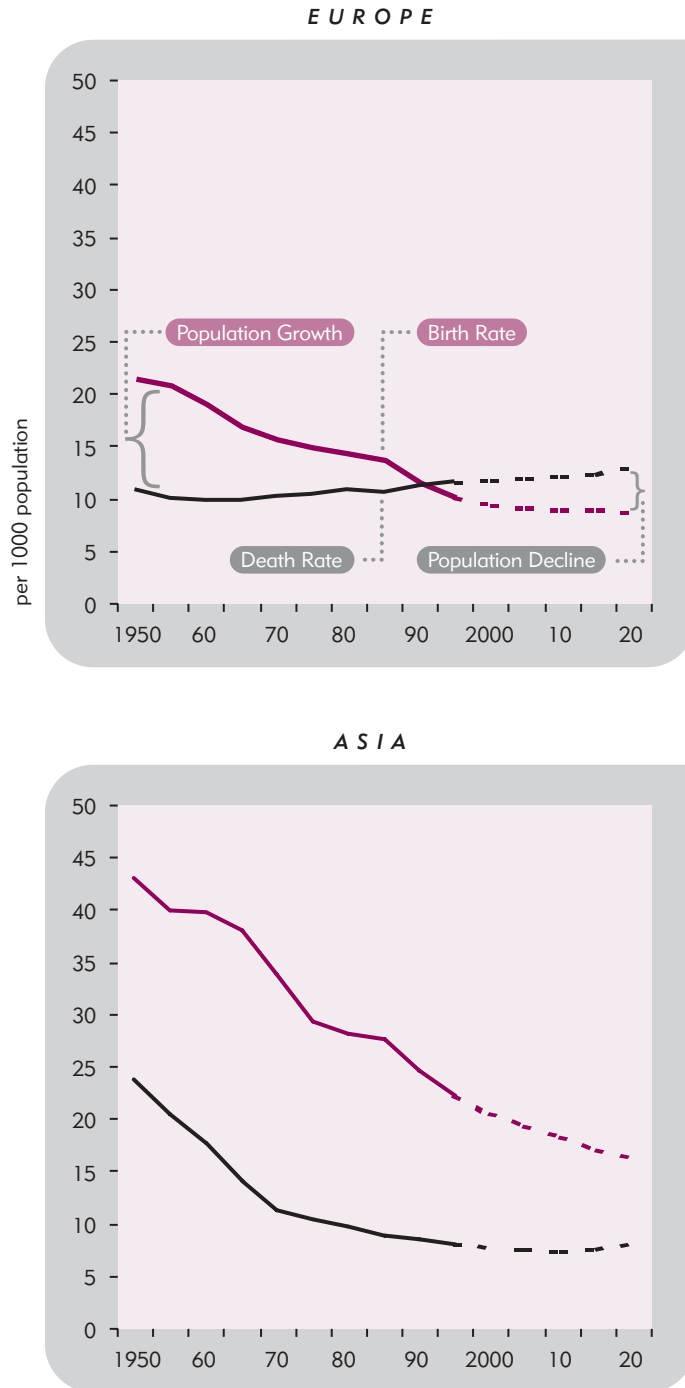
The demographic dividend should not be taken too literally, however, since the economic benefits are uncertain and are contingent, *inter alia*, on a favourable external and internal economic setting and policy environment, as well as on political and social stability (Bloom *et al.*, 2002; Mason, 2002). The relatively rapid growth of the labour force is thus advantageous only for those countries that can, *inter alia*, increase employment opportunities with sufficient speed to match the growth in labour supply, maintain growth in labour productivity, improve public health, including RH and invest in physical infrastructure. Conversely, increased cohorts of young persons entering the labour force can be a tax on those countries with a lack of employment opportunities, stagnant labour productivity and ill-designed policies and investments. In such situations this could lead to growing unemployment, increased poverty and an undermining of democratic institutions.

While the demographic transition in East Asia has contributed significantly to economic growth and poverty reduction, the transitions in parts of South Asia and Latin America have not resulted in sizeable economic gains and reductions in poverty levels. In South Asia, this may be attributed to the relatively closed economies and to low human capital, even though significant progress has been made in educational levels in recent decades (Navaneetham, 2002). Although in Latin America demographic changes have been favourable for growth since 1970, the region has failed to thrive. A combination of weak governance, high tariff barriers and vast institutionalised inequalities appear to have slowed the potential growth and reduction in poverty levels that demographic changes might have brought to these countries (Lustig *et al.*, 2002).

Furthermore, the demographic transition framework and the notion of the demographic dividend, appear to have little current relevance in large parts of sub-Saharan Africa where the HIV/AIDS pandemic is having a devastating demographic, social and economic impact (Table 1.1). The pandemic is affecting young working-age adults most, weakening economies by destroying human capital, lowering productivity and increasing public sector costs, especially for health (Haacker, 2002). It is compounding already high poverty levels by impoverishing communities, households and individuals, and leaving millions of orphans in its wake.

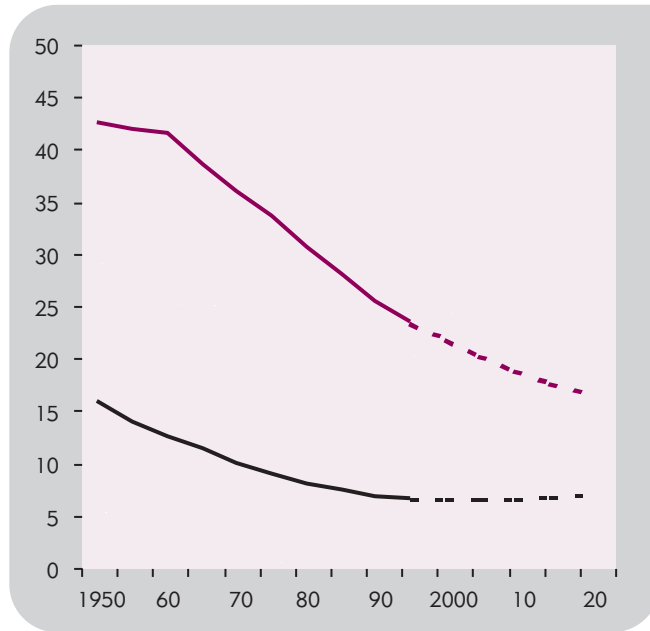
In Botswana for example, the country with the highest HIV prevalence, life expectancy has dropped markedly from 60.2 years in 1990-95 to an

**FIGURE 1.3:** The demographic transition: actual and projected crude birth and death rates, 1950-2025

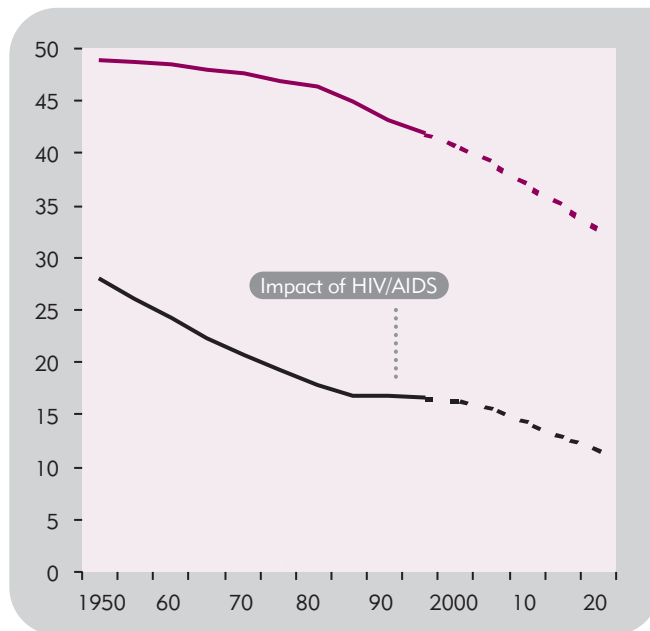


POPULATION AND POVERTY  
SATISFYING UNMET NEED AS THE ROUTE  
TO SUSTAINABLE DEVELOPMENT

LATIN AMERICA AND CARIBBEAN

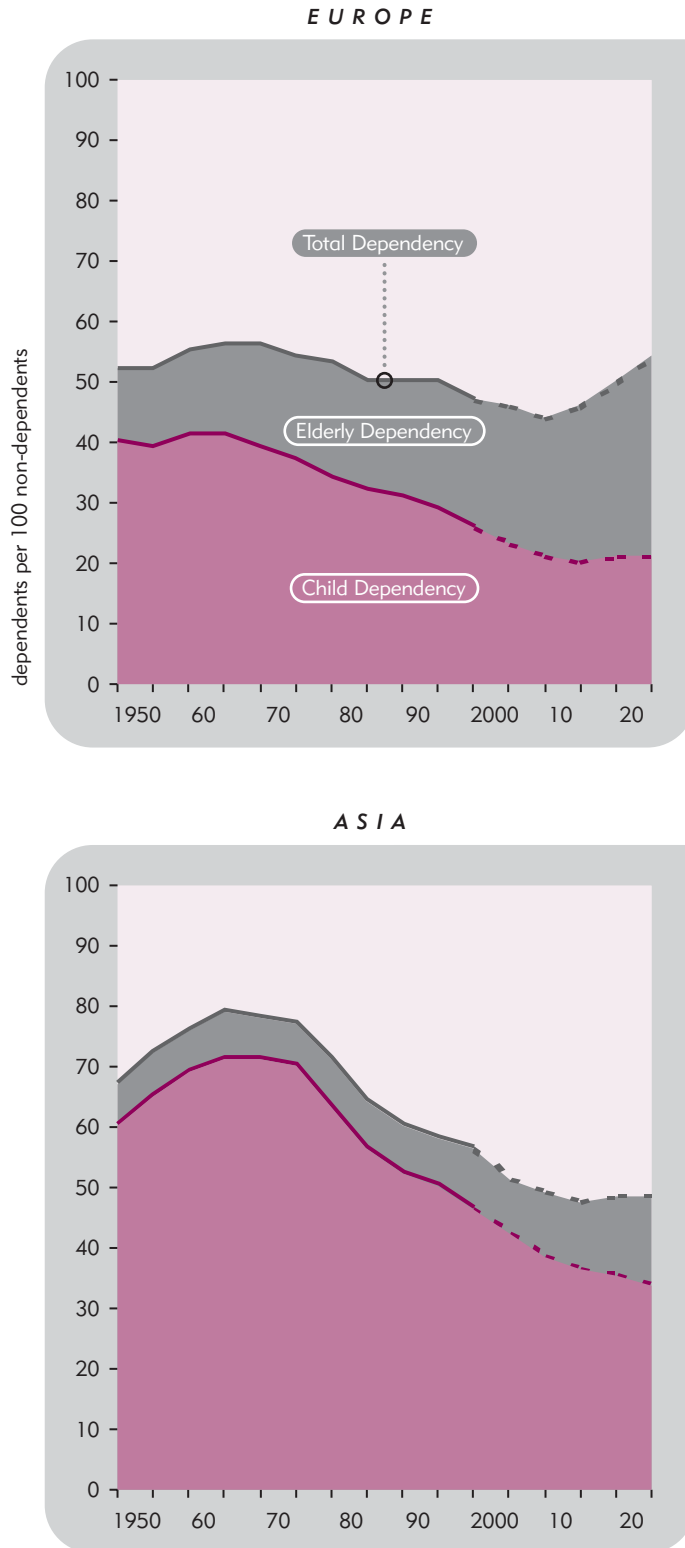


SUB-SAHARAN AFRICA



SOURCE OF DATA: United Nations (2001).

FIGURE 1.4: Actual and projected dependency ratios, 1950-2025

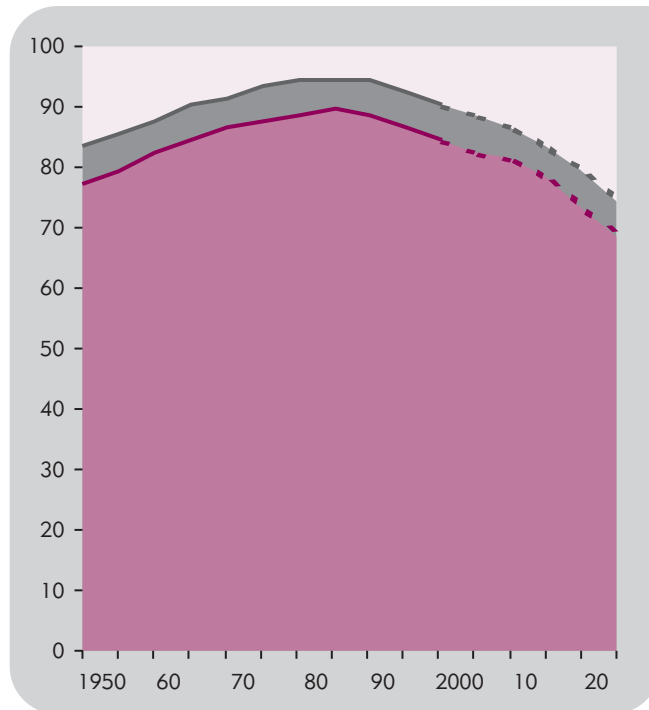


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SOURCE OF DATA: United Nations (2001).

estimated 36.1 years in 2000-05 as a result of HIV/AIDS related mortality, and population growth rates are declining sharply. With the passage of time the effects of the pandemic become increasingly evident in the age-sex composition of the population (Figure 1.5). One effect is that Botswana's population is projected to be 34 per cent smaller in 2025 than it would have been without HIV/AIDS. While currently, the HIV/AIDS pandemic is mainly concentrated in sub-Saharan Africa, the next major area of infection is Eurasia where it is predicted that by 2025, cumulatively 105 million people will have died of the disease in China, India and Russia (Eberstadt, 2002).

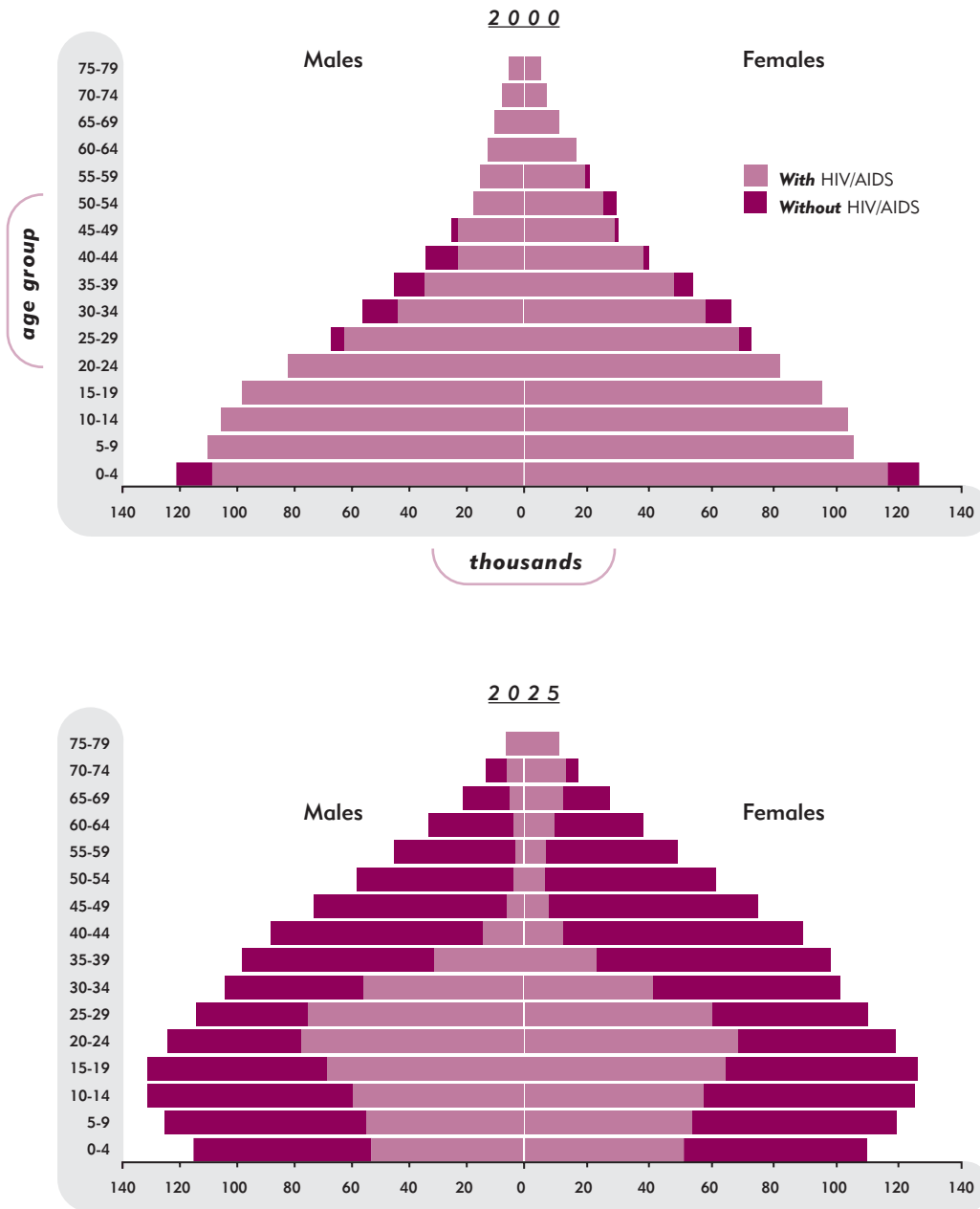
**TABLE 1.1:** HIV/AIDS prevalence in the worst affected countries\* in sub-Saharan Africa, selected indicators, circa 2000

Country	Population (millions)	HIV/AIDS prevalence (per cent) for persons aged 15-49	Number of AIDS orphans (thousands)	Per cent below \$1 per day (PPP)
Botswana	1.6	39	69	33
Zimbabwe	13.1	34	780	36
Swaziland	1.1	33	35	n.a.
Lesotho	2.1	31	73	43
Namibia	1.8	23	47	35
Zambia	10.9	22	570	64
South Africa	44.2	20	660	12
Kenya	31.9	15	890	27
Malawi	11.8	15	470	n.a.
Mozambique	19.0	13	420	38
Central African Rep.	3.8	13	110	67
Cameroon	15.5	12	210	33
Djibouti	0.7	12	n.a.	n.a.
<b>sub-Saharan Africa</b>	<b>693</b>	<b>9</b>	<b>11.000</b>	<b>48</b>

\* HIV/AIDS prevalence among adult population greater than 10 per cent

SOURCES: Population Reference Bureau (2002); World Bank (2002a); United Nations (2002b).

**FIGURE 1.5:** Actual and projected population in Botswana with and without HIV/AIDS



**SOURCES OF DATA:** Projections made by the authors using data from United Nations (2001) and US Census Bureau (2002).



### Approaching Population and Poverty Linkages Analytically

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Much of the debate on population and poverty interactions has focused on macro-level effects. It has been fuelled by simple, albeit inconclusive, correlations between aggregate population growth in numbers and economic growth, with reverse causality making the correlations difficult to interpret. A more insightful line of approach is to analyse linkages through components of the growth in population numbers, including the age structure, using the demographic transition as a reference framework.

Population and poverty interactions should also be analysed from a *micro* perspective. A solid knowledge of micro-level determinants is essential for policy making on, for example, critical decisions regarding desired family size and whether or not to use contraception, since these decisions are made at the individual or household level.

Combining both macro and micro-level analysis allows us to understand “poverty traps”, such as situations where aggregate high fertility slows economic growth and poverty reduction, but where it may be optimal individually for families to choose large family size. Eastwood and Lipton (2001) adopt a useful framework which we apply and draw heavily upon, for macro and micro-level analysis of how changes in population size and age structure affect poverty. These variables can alter:

- the rate of growth of consumption and income (CI) per person through, for example, the effect of increased investment and savings: this is the *growth effect*;
- the distribution of CI due to differential rates of demographic transition: this is the *distribution effect*;
- the ability of the poor, with emphasis on women and children, to convert a given level of CI into nutritional requirements and to access, for example, basic social services: this is the *conversion effect*.

The first two effects are best analysed at the macro level, while the conversion effect is best approached at the micro level.

#### **Macro-level linkages**

Aggregate links between fertility and poverty operate at the national level, or in large interacting markets. A key question is how do popula-

tion factors, particularly the dynamics of demographic transition, relate to economic growth, and through it to poverty reduction? Economic theory points to the possible route of age structure as one of the determinants of the rate and level of savings. Most research has found a positive relationship between income growth and savings (Asian Development Bank, 1997). Savings can be channelled into productive investments, such as education, health, employment and infrastructure that are important in poverty reduction strategies.

The distribution of assets of a population is also considered to have an impact on poverty reduction. Poor people frequently do not have the same chances in life as rich people because they lack adequate education and are unable to obtain credit to start a business, preventing them from realising their full productive potential. In a population with many poor people, the productive capacity of the economy is under-utilised which impedes economic growth and poverty reduction efforts.

#### ***Savings, demographic transition and economic growth***

Savings and economic growth are positively related. However, linkages between savings and economic growth and poverty are not straightforward. There is a variety of determinants of saving that seem to play an important role. Statistical evidence shows that savings increase along with the relative size of the working-age population. For example, in East Asia the share of the working-age population rose from 55 per cent in the 1960s to 70 per cent in the 1980s, while saving rates rose from 24 per cent to 42 per cent of GDP during the same time (Asian Development Bank, 1997). It may be that life expectancy is also an important factor in the pattern of savings. Thus, low life expectancy with its correlates of high infant and child mortality, widespread disease and short time horizons, provides a setting where savings tend to be low. Moreover, the institutional setting has an important impact on savings: people are little inclined to save if they cannot access or have little faith in the banking system (Merrick, 2001).

Demographic dynamics have an important impact on saving rates and levels. The dependency hypothesis (Coale and Hoover, 1958) postulates that in the first part of the demographic transition increased child-dependency ratios enlarge consumption requirements at the expense of savings. The second part of the transition results in a savings boom during which *per capita* income is expected to rise rapidly. The last stage

of the transition is presumed to be a period of low savings because of the large elderly dependency ratio.

Economists, in contrast, have tended to use the so-called life-cycle model (Fisher, 1930), which assumes that national savings increase with faster population growth. The reason is that rapid population growth tilts the age distribution to young households which save in order to smooth their consumption over their lifetime. The life-cycle model has been used extensively even though this model receives weak or no support from household surveys (Deaton and Paxson, 1997), and appears less applicable in most developing country settings. The Coale-Hoover hypothesis has done relatively well in accounting for savings in macro-time series, particularly in the East Asian case described below.

Evidence of the interrelation between savings, economic growth and demographic factors can be demonstrated in the context of the 'East Asian Miracle'. The working age population in this region grew on average 0.8 per cent per year more than the total population during 1965-1990. This aspect of the demographic transition has been estimated to explain between 1.4 and 1.9 percentage points of GDP *per capita* growth in East Asia (Williamson, 2001).

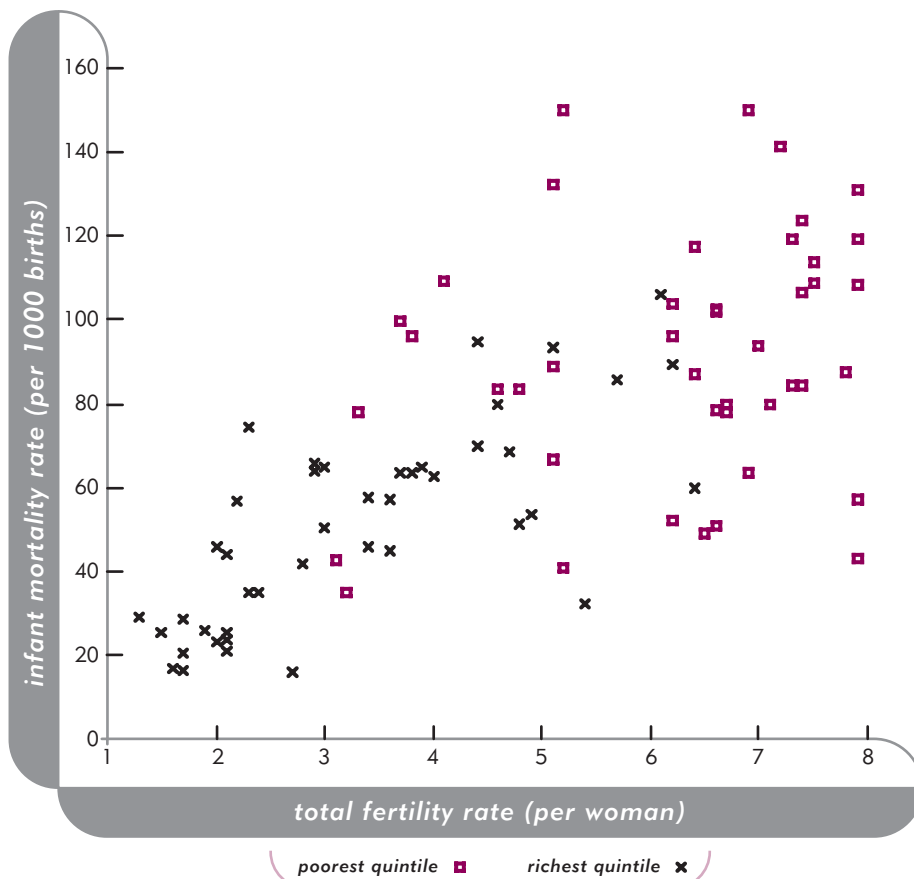
Williamson (2001) has estimated the effect of changes in population age distribution on changes in the saving rate as it deviated around the 1950-92 mean in East Asia. In this region the saving rate was 8.4 per cent above its 1950-92 average in 1990-92 due to the transition to a much lighter age-dependency burden. In contrast, the saving rate in 1970-74 was 5.2 per cent lower than the 1950-92 average because of the heavy age-dependency burden at that time. Demographic factors are arguably the most important explanation in accounting for changes in the rate and level of savings in East Asia. Nevertheless, government policies also played an important role. Sound economic and social policies were implemented that encouraged private and public savings and productive employment opportunities. They also promoted large gains in educational and health outcomes.

#### ***Distribution effects of the demographic transition***

Differential demographic transition is observed at the country level where the poor lag in declining mortality and fertility outcomes (Figure 1.6). Unequal distribution increases inequality in two ways. First, the ability

of poorer households to acquire a level of total household consumption is reduced by extra child costs and falls in real wages over time, as the extra children enter the labour force and concentrate in unskilled agricultural labour. Second, because higher fertility raises the child dependency burden more in these households, household consumption is diluted proportionately more in poor than in rich households. These two components operate through marginal child costs, savings and factor returns.

**FIGURE 1.6:** Total fertility rates and infant mortality rates, richest and poorest quintiles, 43 developing countries, mid-1990s to 2000



SOURCE OF DATA: Gwatkin et al. (2000).

The marginal child cost measures the cost associated with an extra child in the household resulting from the extra burden of child care and costs associated with infant mortality. Marginal child care can be provided by extended families such as a non-working grandparent. One view is that marginal child costs are lower for richer households assuming that costs are fixed independently of household characteristics, as extended family support for rich households is more common (Eastwood and Lipton, 2001). Furthermore, as infant mortality rates are higher for poor households, it is more costly in terms of 'wasted pregnancies' for these households to generate an additional household member.

Another impact of inequality is that higher-income groups are likely to earn a larger share of labour income as the ratio of skilled to non-skilled labour is reduced. They are also more likely to earn larger proportions of income from land and assets, where the rates of return are raised relative to labour when there is an increase in population size. A large population increases the demand for food, which in turn increases food prices. Since poorer households spend most of their income on food, they will be hurt disproportionately. In the short run, higher fertility may reduce consumption in poor households even further because they are less able to absorb the extra cost of children by drawing on savings.

Much of the discussion of macro-level economic and demographic linkages is focused on temporary windows of opportunity for the accumulation of physical and human capital afforded by changes in age composition (Merrick, 2001). Richer households can take advantage of these opportunities by better educating their children and finding good jobs and thus benefiting in terms of income and physical and human capital accumulation. The poor tend to experience fertility decline later and may miss out on the demographic dividend. They may find themselves worse off at the end of the transition if signals are missed that large families are not as beneficial as they were in the past. Besides these 'economic reasons' fertility may be higher for some poorer families if they are located in isolated and homogenous areas and have little access to new ideas and information on implementation of desired fertility levels and the benefits of smaller family size when, for example, returns to education are changing.

### ***Evidence on macro-fertility and poverty findings***

There is strong empirical support for the argument that a reduction in fertility increases economic growth and decreases poverty. Contrary to previous studies, Eastwood and Lipton (2001), using new data and better specified econometric models applied to 45 developing and transitional countries, found that the average country in 1980 had a poverty incidence of 18.9 per cent. Had the average country reduced its crude birth rate by 5 per 1000 and maintained this level throughout the 1980s, this incidence would have been reduced to 12.6 per cent by 1990 – a reduction of 33 per cent. Further, a fall of 5 in 1000 in the net birth rate in 1980, maintained throughout the 1980s, would have raised the trend in annual growth of GDP per head in the 1980s by 1.36 percentage points in a country at the median of GDP *per capita*.

The effect of a reduction in fertility depends on the initial level of GDP per head. A net fertility reduction is associated with a reduction in the incidence of poverty by about 8 per cent for countries with low GDP and only around 3 per cent for those countries at higher initial levels of GDP. Eastwood and Lipton also show that the effects of high fertility on growth and distribution are about equally damaging for the poor, while the conversion effect, discussed in the next subsection, mainly damages women and children, locking them more strongly into non-empowerment and chronic poverty. In another extensive study by Barros *et al.* (2001), it was concluded that the direct impact of the demographic transition on reducing poverty in Brazil between 1976 and 1996 was close to 15 per cent of the overall impact of growth. Both studies confirm that demographic factors have an important and significant impact on poverty.

### ***Micro-level linkages***

Almost every study, for whatever type of population and level of disaggregation, shows that mean household size and incidence of poverty are correlated (Lipton and Ravallion, 1995; Merrick, 2001). The poorest households tend to have the largest number of children, although the direction of causality between household size and poverty is not entirely clear. Analysis of poverty and household size alone conceals intra-household dynamics. As a result of a variety of circumstances, women and girls are more likely to be impoverished than males. Hence variables that have a crucial impact on desired family size, such as education, health and particularly RH services and gender, need also to be taken into account.

Based on a review of a range of studies from the 1980s and 1990s, linking family size to socio-economic outcomes, Merrick (2001), referring to an overview by King (1987), reports on linkages between family size, birth order, and spacing of children on investments in children as measured by education, health and nutrition, the health of the mother and families' consumption and production decisions. Children in large families tend to do less well in school and on intelligence tests, have poorer health and have lower survival probabilities. When socio-economic class is controlled for, the correlation is halved, but still remains significantly negative. Large family size also seems to inhibit physical development through lower maternity care and poorer nutrition. The linkages between parental welfare and family size are less obvious and vary over the life cycle: they depend, *inter alia*, on mother's time spent on child-care and work outside the home. High parity tends to increase the risks of maternal mortality and morbidity (Merrick, 2001).

***High fertility: a logical decision at the household level?***

If large family size is associated with adverse social and health outcomes, why do households choose to have many children? Children may be viewed as productive assets of households. In economies where there are no avenues for formal saving and where public support for the elderly is weak, parents may view their children as a form of old-age security. The poor are frequently located in fragile areas, where basic facilities and environmental resources are scarce. For that reason, households need many hands for simple tasks, such as fetching water and collecting firewood. If these resources are scarce and far from the location of the household, labour productivity is low, not only because capital is in short supply but also because resources, such as water and firewood, are scarce (Anand and Murdoch, 1996).

The above assumes that parents can fully implement their fertility preferences. This is often not the case. Demographic Health Surveys conducted in many developing countries in the 1990s found that between 10 and 40 per cent of parents of childbearing age want to space or limit the number of births they have but are not using contraceptives for several reasons, indicating a significant unmet need for contraception (Westoff, 2001). Contraceptive prevalence is considerably higher in richer than in poorer households, suggesting that poor households find it

more difficult to implement their fertility preferences because of, *inter alia*, lack of access to information and services (Westoff, 2001).

### ***Intra-household allocation and fertility***

Recent work on the relationship between household size and poverty focuses on the implications of non-traditional definitions of households and explicitly considers that household members may not all share the same need and power to make decisions. The addition of an extra child has a negative externality if the fertility choice made by the parent does not fully reflect any adverse effects on the health of other household members (Anand and Murdoch, 1996). Maternal mortality ratios are very high, especially in several countries in sub-Saharan Africa and South Asia, implying that the best interests of the mothers are not fully taken into account in choosing a desired fertility level.

Considering that poor families have more children and that the risk of maternal mortality is higher among such households, it is reasonable to assume that poor mothers will gain through conditions that reduce total fertility rates (Anand and Morduch, 1996). Further, in many low-income settings there are gender imbalances in the decision about who and when to marry, when and what kinds of contraception to use, and even in the power to negotiate safe sex where the risk of sexually transmitted diseases is high.

Some explain gender discrimination of parents to be a result of gender discrimination in the labour markets. So if the returns to boys' education are higher than for girls then it may make more economic sense for parents to invest in boys, if household resources are constrained. In addition, in some societies, parents in old age live with their male children so that investments in female children are not fully recouped. This does not mean that parents are inherently biased; if resources are severely constrained in the household parents may have to make difficult decisions about allocations to male and female children. So it may be that when households become less poor, gender discrimination at the household level will diminish (Anand and Murdoch, 1996). Even if there is no gender discrimination by parents in the allocation of educational resources girls, particularly those of adolescent age, may still perform worse through conditions in schools, such as lack of privacy in bathrooms or lack of personal security (Merrick, 2001).



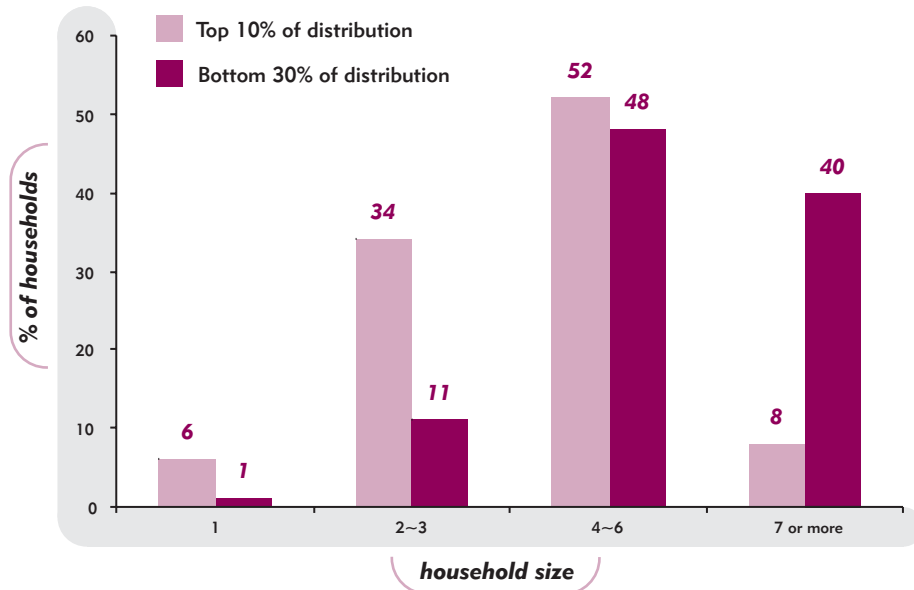
### *The intergenerational cycle of poverty*

In explanations offered of why inequality is so high in many developing countries, fertility, female labour participation and educational attainment are factors that explain most of the differences between rich and poor families (Hausmann and Székely, 2001). Fertility decisions are understood better in conjunction with levels of female labour force participation and education of current and future generations. Fertility decisions are strongly influenced by the opportunities women have in the labour market. The most important variable affecting this opportunity is the relative price of the earning capacity of women in the job market relative to the value of their work in the home.

Earning capacity is strongly associated with education levels. This means that when women have more education, their earning capacity is enlarged, and they are thus more likely to be employed in the formal sector. As the opportunity cost of time for educated women has increased they tend to have fewer children. Hausman and Székely (2001) in a study of 15 Latin American countries find that women with 6 years of schooling or less have 0.7 more children than women with 13 years of schooling. In addition, their research shows that 40 per cent of women with four years or less education participate in the labour market, while 78 per cent of those with 13 years of education do so. Pay in the formal sector is higher and more predictable, so work is more attractive in this sector. However, women with many children find it difficult to be reliable workers in the formal labour market, as they need to rely on a network of support for unpredictable events at home.

There is a circular relationship between fertility and educational attainment of the new generation. The potential of a household to acquire human capital depends, *inter alia*, on income and the number of children in the household, and poor households have significantly larger household size (Figure 1.7). In addition, the average number of years of schooling of children is closely associated with the educational attainment of the mother. This means that low educational status may be transmitted to the next generation, so that this generation is also less likely to be employed in the formal labour market and to opt for higher fertility and thus less likely to break the intergenerational cycle of poverty. However, even though women may be seen as the key to breaking the intergenerational cycle of poverty, it is often the socio-institutional setting that inhibits them from doing so.

**FIGURE 1.7:** Share of population by household size and income in 15 Latin America countries, 1995



**SOURCE OF DATA:** Hausmann and Székely (2001).

### Population, Poverty and Sustainable Development

Population pressures can do irreversible damage to the environment, especially in settings of a fragile ecosystem, marginal lands and high densities where the bulk of the poor reside. For example, a study by the Population Reference Bureau (1996) found that population growth, particularly migration, is associated with the destruction of tropical forests which is linked to a loss of biodiversity and land degradation. Further, population size, growth, spatial distribution and patterns of resource use can have an impact on the levels of all types of pollution, including air, water and solid pollution. However, generalisations about the negative impact of population factors on the environment can be misleading and the benefits of new technologies need to be factored in. While in many regions environmental degradation is the reality affecting large segments of the poor, the 'ecological footprint' is largest in developed

countries, with the poor in the developing world most affected. Over-consumption by the rich and under-consumption by the poor are a manifestation of the inequality between the developed and developing countries (UNFPA, 2001).

Nearly 75 per cent of the 1.2 billion people who are living in extreme poverty are located in rural areas, often isolated from markets and centres of social service provision. The majority of the poor are women and girls whose poverty is reinforced by legal and cultural obstacles (IFAD, 2001). Fast-growing rural areas increase pressure on productive lands resulting in the over-exploitation of the soil, over-grazing and clear felling of forests. The marginalisation of the rural poor is further magnified by the infrequency of private investment flows into the countryside. Due to environmental degradation, rural people, especially women, must walk increasing distances to fetch water and collect firewood. Environmental degradation can also affect poor people through declining employment and income opportunities.

Rural to urban migration, urban population growth and urbanisation are all closely linked with the process of demographic transition, both as causes and effects. In 2000, some 40 per cent of people in less developed regions were urban. By 2025 this is projected to grow to 54 per cent (World Bank, 2002b). The combination of poverty, population pressures and environmental degradation is a powerful force driving rural to urban migration, as well as cross-border movements, including environmental refugees. Furthermore, the propensity to migrate varies by age so that, given the relatively large youthful populations in low-income countries, increasing levels of migration and urbanisation are to be anticipated (Hunter, 2001).

Urbanisation can lead to improved access to health and education, and to increased productivity as economic actors can share infrastructure, labour and information and induce innovation through networks and learning. Nevertheless, rapid urban growth often leads to people establishing or moving to slums where there are problems with water supply, sanitation, industrial waste, indoor air pollution and in some instances mudslides. The rapid pace of urbanisation can also hinder the development of adequate infrastructure and regulatory mechanisms to cope with pollution and other by-products of growth, and can alter local climate patterns (Hunter, 2001). Further, increased consumption levels in

urban areas can have environmental impacts in rural areas. In other words, mobility and spatial distribution of populations, especially at the local and regional levels are a significant determinant of sustainability (Global Science Panel, 2002).

Research points to the value of social capital<sup>1</sup> - often described as the coming together of individuals in (in)formal groups to solve community problems - for the well-managed exploitation of the environment and reduction of poverty. When such relations are under stress because of economic hardship, increased population pressures, migration or the effects of HIV/AIDS, such organisations may suffer and consequently there is less scope for social mobilisation. The urban poor, including migrants who often lack social capital, are particularly at risk from weak property rights, inadequate access to basic social services and exposure to violent crime. When local (in)formal organisations can no longer be relied on, scarcity of environmental resources raises the demands on governments and institutions. A widening gap between demand and state capacity is likely to provoke grievances and, in the extreme, may undermine the legitimacy of the state (McNicol, 1997). However, there is lack of empirical evidence on the linkages between population, poverty, environment and social capital.

### **Reproductive Health, Poverty and Sustainable Development**

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Population and health policies, and through them public sector-led health and family planning (FP) programmes, have had a major influence in shaping the onset, speed and magnitude of demographic transition in the developing world - although opinions differ on the extent of that influence on both mortality and fertility (Jones and Leete, 2002). A study undertaken by DaVanzo and Adamson (1998) found that FP programmes were responsible for 43 per cent of the decline in fertility between 1965 and 1990 in developing countries. Programme successes have, of course, been supported by positive changes in the demand for children caused by development gains, particularly the spread of basic education among both boys and girls and increased modern sector employment opportunities, which together have resulted in increased empowerment of women. Effective FP programmes coupled with social and economic development have a synergistic effect in helping to raise contraceptive prevalence rates, lower fertility and reduce poverty (Bongaarts, 1994).

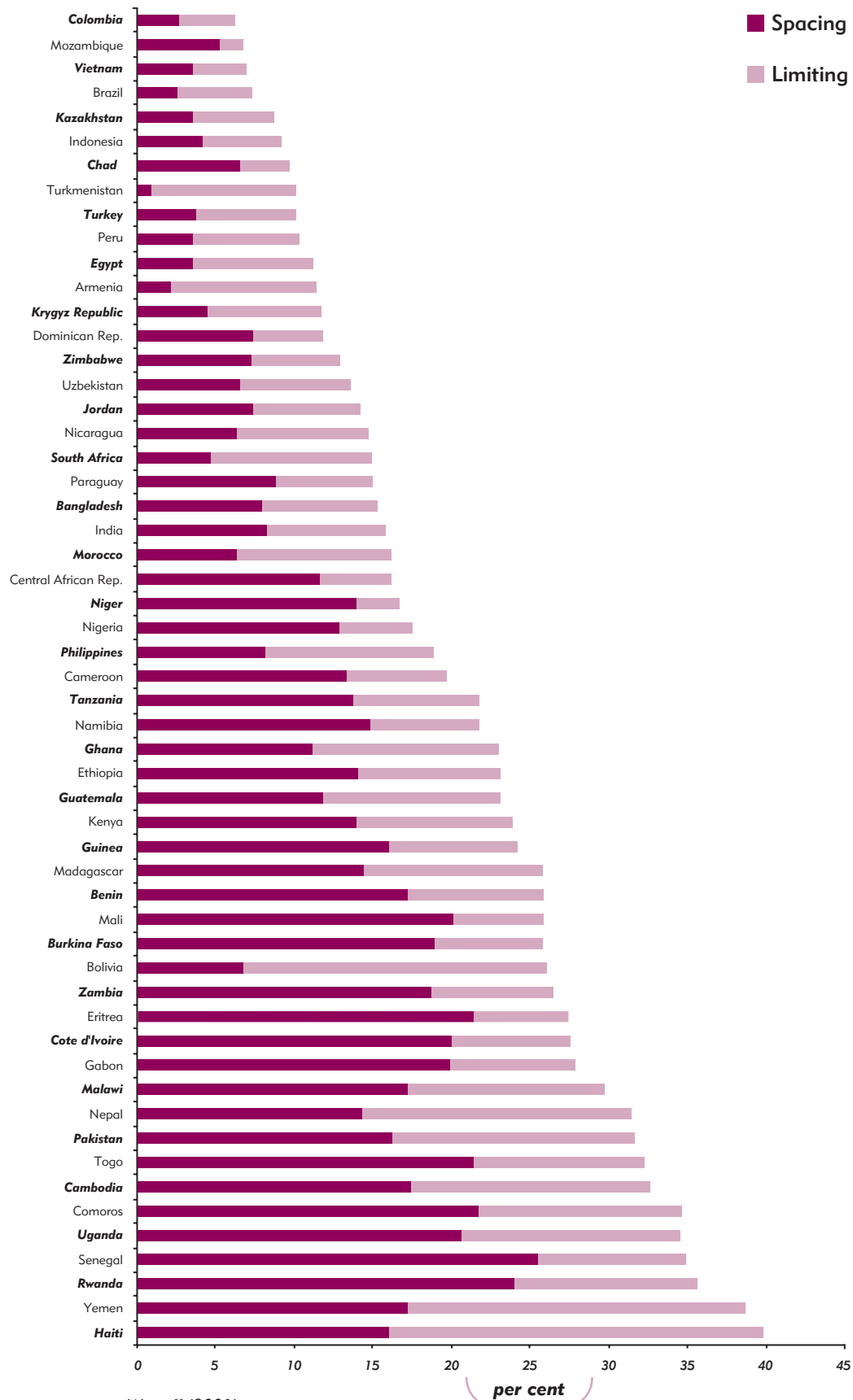
Typically a goal of population programmes has been to improve the quality of life of individuals through changes in childbearing behaviour. An important factor in their success has been the extent to which governments have provided access to RH, especially FP services. Yet it is evident from the differential demographic transition, that high population growth rates still persist in many low-income countries and frustrate efforts to reduce poverty levels. Numerous surveys provide evidence of considerable unmet need for FP information and services, for spacing and limiting births (**Figure 1.8**).

Substantial proportions of women with three or more living children want to stop childbearing but lack choices. DHS surveys show that wanted fertility is significantly lower than achieved fertility in numerous settings, and generally more so in rural areas than in urban areas. For example, in Bangladesh if the actual fertility (TFR currently at 3.3) was at levels wanted (TFR at 2.2) it would be at replacement level with population growth in the short-run merely resulting from age-structure momentum (**Figure 1.9**). Conversely, in countries where desired fertility remains high, such as in Nigeria, but reported unwanted fertility relatively low, the potential for further rapid population growth is high (**Figure 1.9**). Inevitably the impact of HIV/AIDS, currently at 6 per cent of those of reproductive ages, will have a depressing impact on this growth.

The consequences of the unmet need for RH/FP information and services are striking. Globally there are some 80 million unplanned pregnancies per year (Alan Guttmacher Institute, 1999) and in addition there are 120 million women wanting to use contraception for spacing and limiting births but not doing so (Ross and Winfrey, 2002). Based on detailed computations from DHS data and the United Nations data, the authors estimate that there are some 22.6 million unwanted births in developing and transitional countries (see **Annex 1** for note on method).

Satisfying unmet need should be factored into poverty reduction strategies since it is the poorest who have the largest unmet need, and lowest contraceptive prevalence rates, both between and within countries (**Figure 1.10**). Satisfying unmet need does not simply imply providing access to family planning (Casterline and Sinding, 2000). It calls for improving knowledge about RH services, of empowering poor women to use them and to overcome cultural barriers, as well as responding to concerns about the side-effects of using contraception.

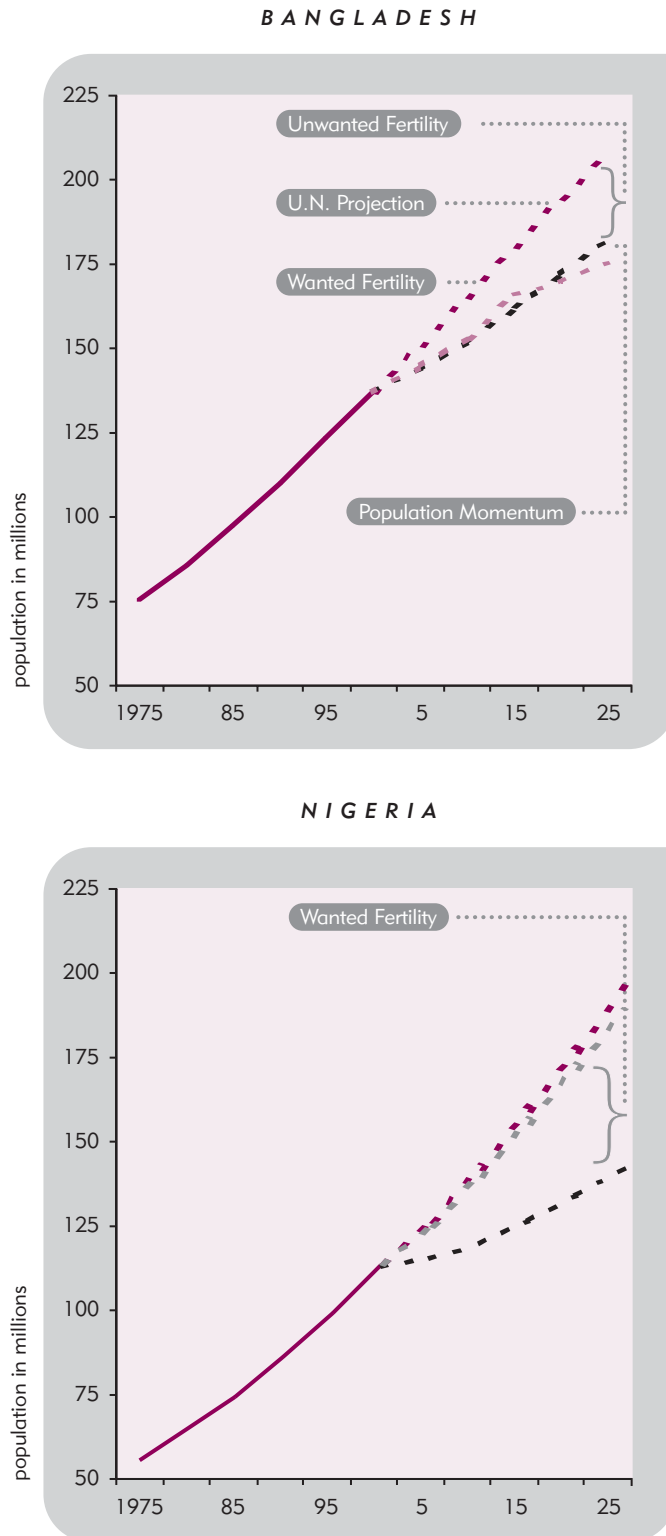
**FIGURE 1.8:** Unmet need for contraception in 55 developing countries, mid-1990s to 2000



SOURCE OF DATA: Westoff (2001).

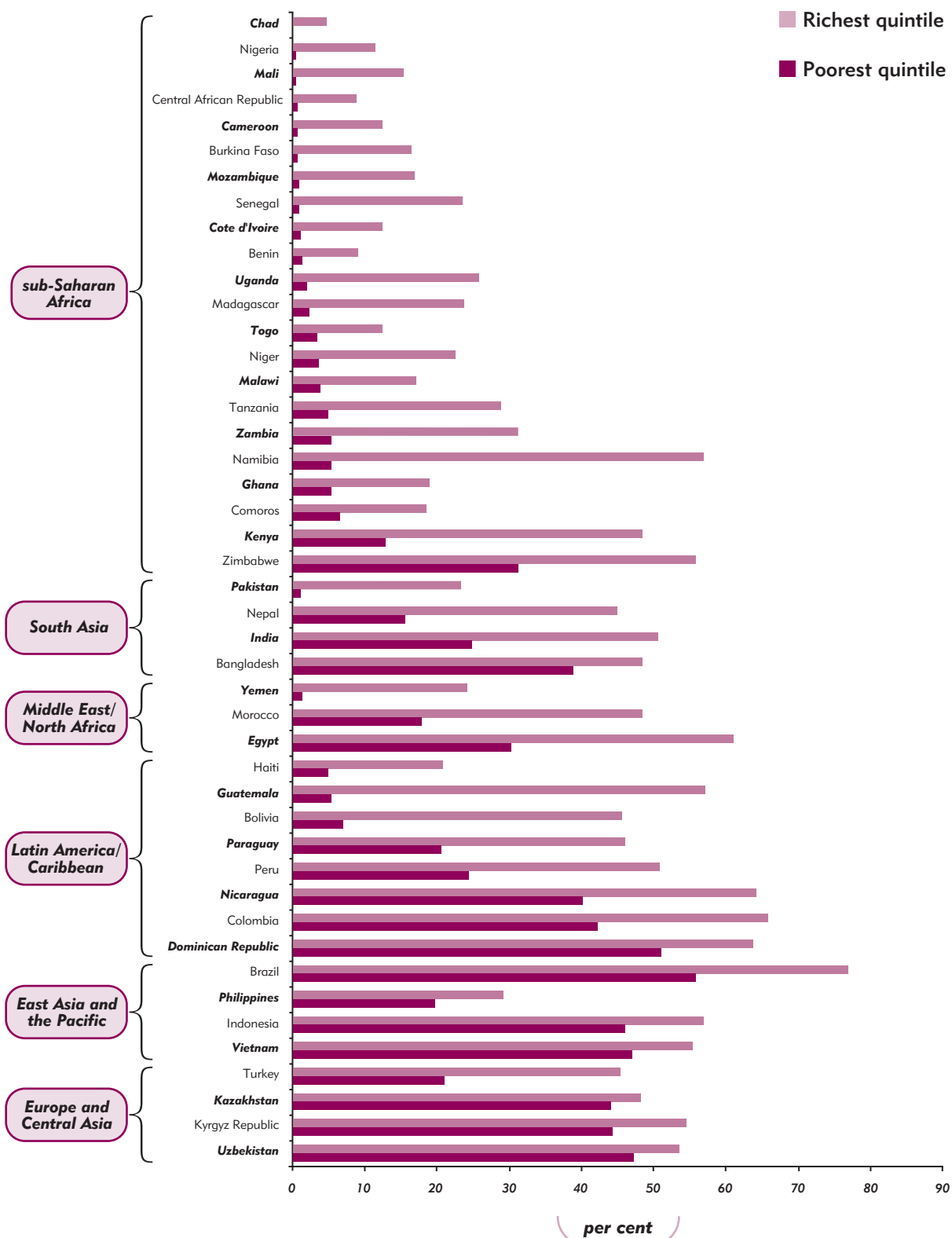
per cent

**FIGURE 1.9:** Actual and projected populations for Bangladesh and Nigeria, 1975-2025



**SOURCES OF DATA:** United Nations (2001), Westoff (2001). Alternate projections made by authors

**FIGURE 1.10:** Contraceptive prevalence rates, richest and poorest quintiles, for 45 developing countries, mid-1990s to 2000



SOURCE OF DATA : Gwatkin et al. (2000).



The ICPD goals of providing universal access to RH services, reducing child and maternal mortality, promoting gender equality and women's empowerment and ensuring access by girls and boys to basic education, provides a rights-based agenda for satisfying unmet need and reducing poverty.

It is in this respect that the Millennium Development Goal (MDG) targets, which subsume most of the ICPD goals, except universal access to reproductive health services, provide a powerful tool for addressing population and poverty linkages in country programming processes, especially through national poverty reduction strategies. Also, in settings of high fertility desires, such as in Nigeria, the role of social mobilisation and empowering the poor, especially women, is critical for poverty reduction.

#### ***Social interaction and social capital***

Social interaction is a critical and often neglected process of fertility transitions (Bongaarts and Watkins, 1996; Casterline and Montgomery, 1998). Social interaction includes the exchange of information and ideas on, for example, preferred family size and contraceptive use, the evaluation of this information in a particular context and the influence of peers on a particular decision.

Changing youth cultures and the exposure of adolescents to premarital sexual relationships is increasing – their high-risk behaviour is important in the spread of HIV/AIDS. Heterogeneous networks open discussions and help with the diffusion and adoption of innovative ideas, which leads to more rapid changes in behaviour conducive to fertility decline and lower-risk sexual activity. Fertility decline within countries is often uneven because some communities are more integrated than others.

Social interaction is closely related to utilisation of reproductive health services. For example, when social networks are linked across geographical areas, programme efforts may well have spill-over effects. In a study on family planning programmes in Taiwan, conventional analysis estimates that the programme impact, ignoring diffusion, attributes only 5 to 20 per cent of marital fertility decline to programme efforts. When social interaction effects are taken into account, the estimates of the programme's impact rose to 30 per cent (Casterline and Montgomery, 1998). Similar results are found in a study of the Republic of Korea

(Montgomery and Chung, 1999). Besides the impact of programme efforts on fertility declines, the effect that such programmes have on women's empowerment and their health is substantial. Incorporating a diffusion perspective in programme design could well be a cost-effective mechanism for reaching the poor.

Social interaction has been shown to have a strong effect on desired family size and contraceptive use among women in Bangladesh (Marten, 2002). Social interaction in Bangladesh is more powerful in explaining desired fertility levels than education levels, wealth and urban residence. Women actively discuss FP issues with peers before making decisions regarding their own fertility behaviour and credit these interactions with helping them decide and adopt methods to restrict excess fertility. In interviews women frequently refer to FP agencies in providing access to contraceptive methods and as helpful in realising desired fertility levels.

Social capital is undermined by the HIV/AIDS epidemic in a variety of ways that may lead to increasing impoverishment. The epidemic undermines the ability of communities to act collectively to manage common property resources, such as water, crop and grazing land in a sustainable manner. If access to such resources and a stake in community production is linked to physical presence then people infected by the virus will lose out as they are unable to contribute. In agricultural communities, younger generations are less able to learn farming practices or experience informal exchanges of knowledge. Incentives for group action may be diminished, as individuals will discount the future benefits of such action. Formal institutions that also contribute to social capital such as churches, professional organisations and women's groups, will be weakened as their members die. Further, social capital may be undermined when existing networks and family members ostracise people infected by the epidemic (Gillespie and Haddad, 2001). Social capital is a critical but under-researched area in population and poverty interactions. More research on this topic could lead to better policy formulation and programme design.

## Conclusion

The international development community is focused on achieving the MDGs, especially the target of halving between 1990 and 2015 the proportion of persons living in extreme poverty. Population dynamics affect economic performance and through it poverty levels. In many countries, the demographic transition has been responsible for gains in economic growth, and health improvements and birth rate reductions have led to declines in the incidence of poverty. Conversely, in some settings rapid population growth continues to constrain development opportunities and often leads to environmental degradation at local levels which in turn reinforces the cycle of poverty. These divergent population outcomes have resulted in an uneven distribution of gains and losses within and between countries, often accentuating the disparities between those who have benefited and the large proportions living in extreme poverty. Unwanted fertility remains high, especially in rural settings where the bulk of the poor live. Improving their reproductive health and satisfying their unmet need must become an integral part of poverty reduction strategies and sustainable development programmes if the MDG targets are to be met. Moreover, in countries where the HIV/AIDS pandemic is impoverishing communities and breaking down social capital, public policy must accord highest priority to prevention measures and to promoting reproductive health in line with the Cairo agenda.

## Annex 1

### Box 1.1

#### Methodology for Estimating Number of Unwanted Births

In order to estimate the total number of unwanted births in developing and transition countries in year 2000, the following methodology was used based on total and wanted fertility data from 47 countries with a recent, 1996 or later, DHS survey, and fertility and female age distribution estimates for 2000 from the United Nations (United Nations, 2001):

- For each of the 47 countries with DHS data, total and wanted age specific fertility rates, denoted  $\bar{f}_x$  and  $\bar{f}_{xw}$  respectively, were multiplied by the number of women in the corresponding age groups,  $W_x$ , to derive numbers of unwanted births ( $B_u = B - B_w$ ).
- These 47 countries were then grouped into seven categories based on their observed United Nations estimated total fertility rate for 2000, so as to take account of difference in the age-pattern of fertility by level, viz: 1-1.99, 2-2.99, 3-3.99, 4-4.99, 5-5.99, 6-6.99, 7+.
- Within each of the 7 categories, a weighted average of total and wanted age specific fertility rates,  $\bar{f}_x$  and  $\bar{f}_{xw}$  was taken on the basis of the country's population size of females aged 15-49 so as to derive an estimate for unwanted births in non-DHS countries for each category in year 2000.
- Finally, these weighted averages of total and wanted age-specific fertility rates within each category were then applied to the number of women by age-group in countries,  $\bar{f}_x * W_x$  and  $\bar{f}_{xw} * W_x$  without a recent DHS survey so as to estimate the number of unwanted births for all developing and transition countries, so that total unwanted births is,  $TB_u = \sum B - \sum B_w$ .

## CAPITALIZING ON THE DEMOGRAPHIC DIVIDEND\*

*Andrew Mason*

Many developing countries are experiencing rapid fertility decline. As a result population growth rates are slowing and, perhaps more importantly, population age structures are changing. Several recent studies provide convincing evidence of important economic benefits, referring to the consequences of the change in age structure as the 'demographic bonus', the 'demographic gift', or the 'demographic dividend' (Birdsall *et al.*, 2001; Bloom and Williamson, 1998; Mason *et al.*, 1999; Mason, 2001; Sachs, 2002). A recent *Business Week* article (March 25, 2002) summarizes current thinking. "For the next few decades, the combination of falling fertility and death rates gives most developing nations a one-time window of opportunity to boost living standards dramatically".

The term 'demographic bonus' or 'dividend' is misleading if taken too literally, because it suggests that the economic benefits are certain. What the developing countries are actually experiencing is a demographic opportunity. Some are seizing the opportunity, but others are squandering the chance to accelerate their pace of economic development.

The purpose of this chapter is to present some of the important evidence about the demographic dividend and to discuss the implications for accelerating economic growth. Much of the discussion will draw on East Asia's successful development experience and a recently completed study of the contribution of population change (Mason, 2001).

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\* Thanks to Richard Leete, Mickie Schoch, and other participants at the Princeton Meeting for their suggestions and comments.

### What is the 'Demographic Dividend'?

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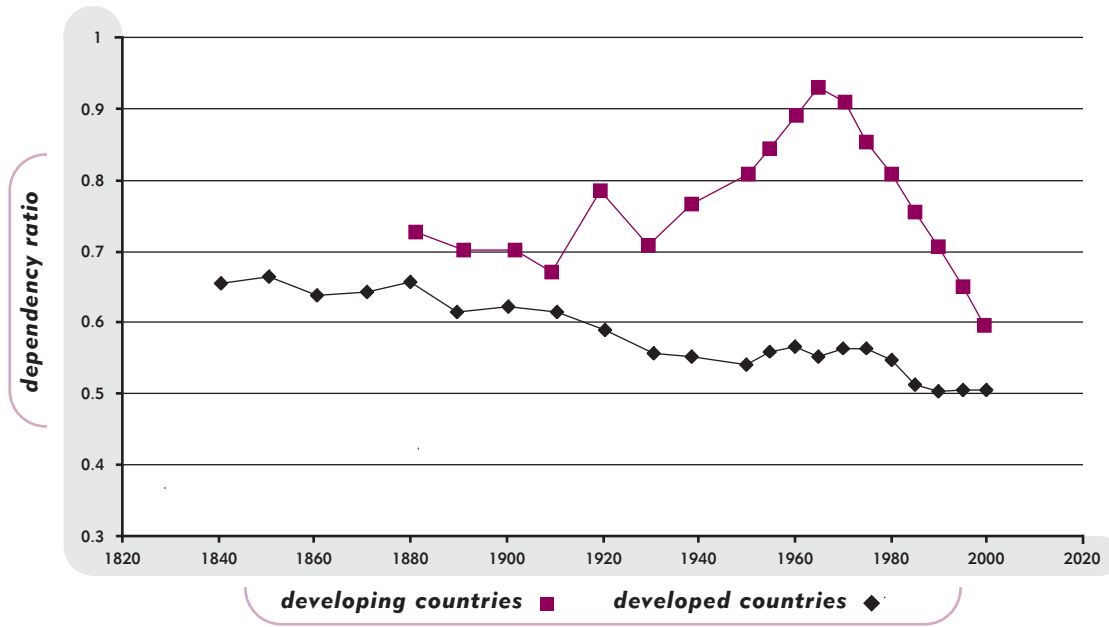
The demographic dividend refers to a one-time feature of the demographic transition. Fertility decline produces a period during which the working-age population grows much more rapidly than the child population. Thus, a larger share of the population becomes concentrated in the highly productive working ages. Equally important is the decline in the childbearing responsibilities of women. They can devote fewer of their productive years to childrearing and more to economic production. Thus, the productive potential of the population gains from fertility decline in two important ways.

Although the demographic transition appears to be a universal phenomenon, the demographic dividend is much more dramatic in the developing world. The origins of the dividend can be traced to the 1960s, the 1950s, and even earlier when infant and child mortality rates dropped rapidly in many developing countries while fertility rates continued at their high levels. The result was an unprecedented baby boom with the number of children reaching historically high levels. In the seven developing economies for which relatively complete historical data are available, the dependency ratio reached nine dependents for every 10 people of working-age in the late 1960s and early 1970s<sup>2</sup>. In contrast, the dependency ratio in developed countries declined throughout the twentieth century, except for the temporary and relatively modest departure due to the post-Second World War baby boom (Figure 2.1).

With the onset of fertility decline the numbers of children are no longer increasing in many of the countries of the developing world. In Asia, the number of children actually began to decline gradually in 2000 (United Nations, 2002). The working-age populations continue to grow, typically quite rapidly, as large cohorts of youth enter the working ages replacing the much smaller cohorts that preceded them. The child-dependency ratio and the overall dependency ratio are declining and the percentage of the population in the working ages is increasing.

Average values conceal an enormous diversity among the countries of the world. Figure 2.2 compares the annual growth rate of the working-age population to the annual growth rate for the 'dependent' population for the 1995-2000 period in the countries for which data are available. In the majority of countries, the working-age population is growing faster than the dependent population (data points plotted to the

FIGURE 2.1: Age structure, developed and developing countries, 1820-2020



SOURCE OF DATA: : La Croix et al. (2002).

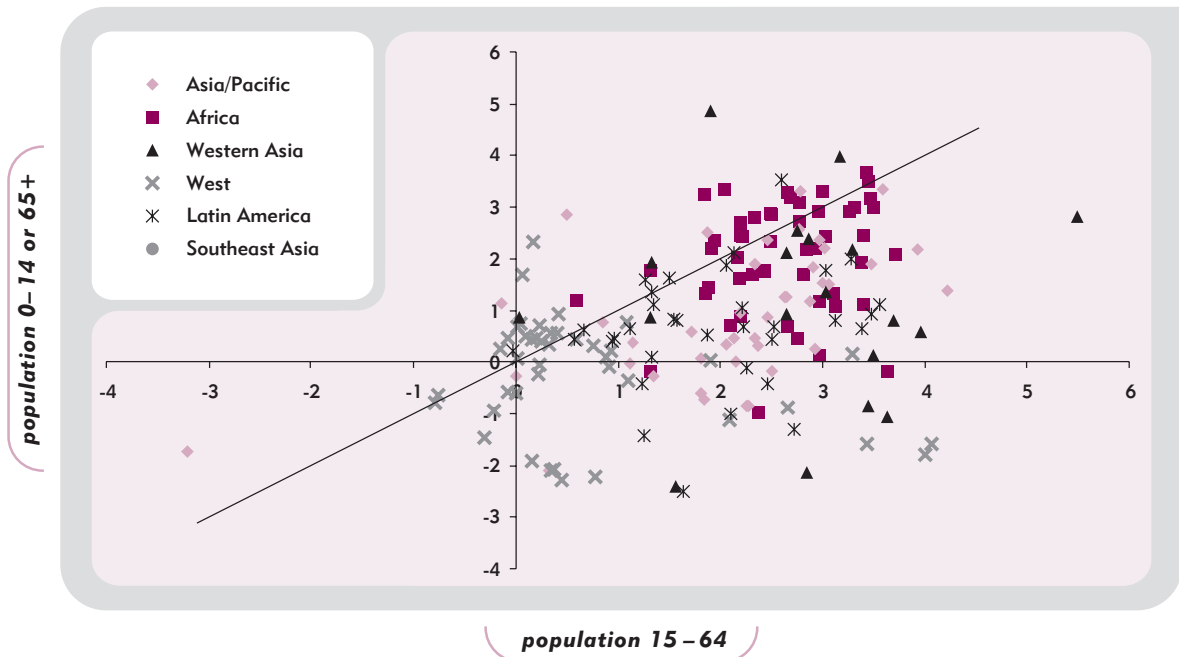
right of the 45-degree line). In many countries the differences appear to be relatively small – often the growth rate of the working-age population is less than one percentage point faster than that of the dependent population. The differences are quite persistent, however, and over a period of two or three decades the working-age population can grow very substantially relative to the dependent population (Table 2.1).

In some countries the dividend has been quite large. In general, countries with very rapid fertility decline, such as several countries in East and Southeast Asia, are experiencing the most pronounced dividends. The smallest effects are found in Africa, where the fertility transition has begun more recently, and in the West.

The growth of the working-age population dominates the changes in age structure in the developing world, but rapid fertility and mortality decline will eventually lead to rapid ageing. China is a prime example.

Currently about 6.9 per cent of its population is 65 and over, but recent United Nations projections anticipate that the percentage 65 and older will reach 13.2 per cent in 2025 and 22.7 per cent in 2050.

**FIGURE 2.2:** Dependent and working-age populations, major regions, annual growth rates, 1995-2000 (%).



**SOURCE OF DATA:** United Nations (2001).

Many developing countries are ageing more rapidly than they are developing. Some simple calculations illustrate this point. **Figure 2.3** shows a plot of the percentage 65 and older against a plot of GNP *per capita* for 1975 and 1999. The relationship has changed substantially. Low-income countries were on average much older in 1999 than they were in 1975. The trend appears to be continuing. If economic growth continues at the same rate as during the 1990s and population changes according to the medium United Nations' scenario, many developing countries will find themselves with large elderly populations and low incomes.

The imminence of aging is an important point, because as ageing occurs the demographic dividend will disappear. The demographic dividend is a transitory phenomenon – a ‘window of opportunity’. Moreover, seizing the opportunities implicit in the dividend is not just about creating opportunities for the young. Increasingly, successful policies for stimulating economic growth and reducing poverty will be about policies for the elderly.

**TABLE 2.1:** Average annual population and labour force growth rates, 1960-1990

Region	Growth Rate (per cent)	
	Population	Labour Force
Africa	2.6	2.5
Latin America	2.3	1.9
Asia	-	-
South Asia	2.3	2.7
High performers	2.7	0.8
Europe and North America	2.6	1.1

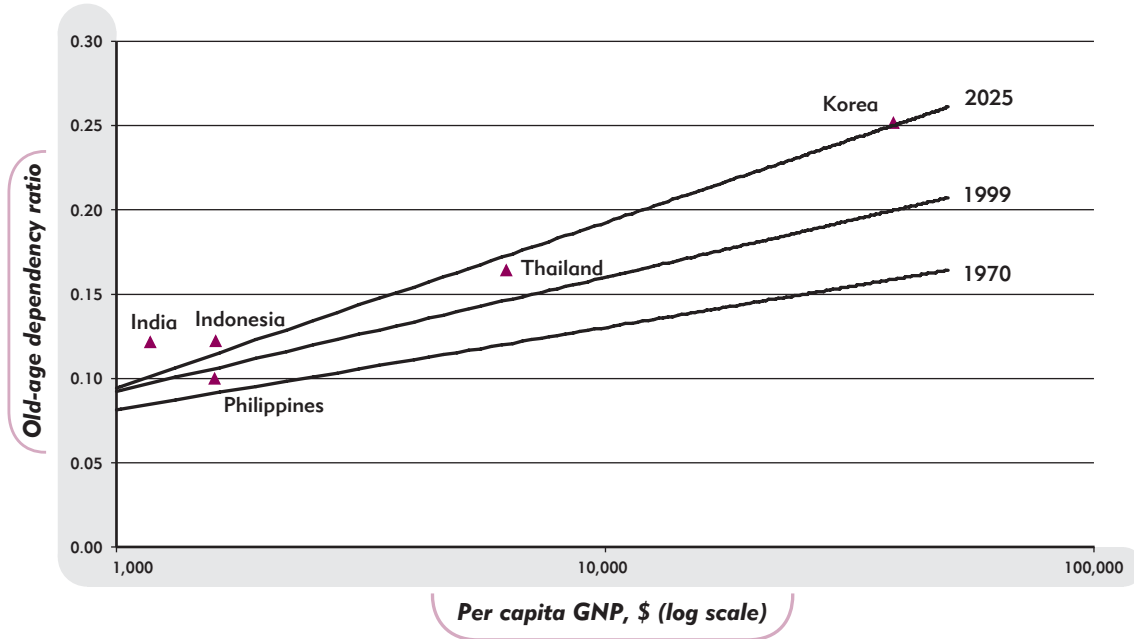
**SOURCE OF DATA:** Mason (2001).

### Capitalizing on the Demographic Dividend: East Asia's Success

The East Asian experience is particularly instructive for several reasons. The countries of East Asia were the first outside the West to complete the transition from high to low fertility. The decline in fertility was precipitous and the shift in age structure was especially pronounced. The development success of the region is without parallel. For two to three decades, depending on the country, extraordinary economic growth was the rule. The success was by no means limited to rising *per capita* income. By almost any measure – health, education, income inequality, poverty reduction – the economies of East Asia excelled.



FIGURE 2.3: Development and ageing, 1970, 1999 and 2025



SOURCE: East-West Center (2002).

What role did the demographic dividend play in East Asia's economic success? How was the region able to capitalize on that dividend? Three factors appear to be key: the human resource base, success at employment growth, and high rates of savings and investment.

At the outset the East Asian economies enjoyed one important advantage – a strong human resource base. The high levels of literacy and educational attainment in East Asia have often been noted, but the countries of East Asia also enjoyed a health advantage. Compared with countries at similar levels of development in 1960, the countries of East Asia had unusually low rates of mortality (Feeney and Mason, 2001). This brought several advantages: a healthier and more productive workforce, stronger incentives to invest in human capital, and stronger incentives to reduce fertility. The human resource advantage of the region played an important role.

Second, the countries of East Asia were able to generate rapid growth in employment and labour productivity. Between 1960 and 1990, the labour forces of the six East Asian economies studied increased by an annual rate of 2.7 per cent per year as compared with a population growth rate of 1.9 per cent per year<sup>3</sup>. The gap between the two, 0.8 per cent per year, was twice the gap between population and labour force growth in Latin America during the same period. In Africa, labour force growth was slower than population growth by 0.3 per cent per year. More importantly, East Asia was able to achieve strong growth in its labour productivity and in wages at the same time.

Many factors contributed to the success in the labour market (Bauer, 2001), but three features of the East Asian experience bear emphasising. The first was successful research programmes that led to enormous gains in agricultural productivity (Hayami, 2001). The economies of East Asia were feeding *larger* populations with *fewer* farmers. The agricultural labour forces of Japan, South Korea, and Taiwan actually declined throughout this era. There was no need to absorb additional workers into an agricultural sector that had little capacity to provide more jobs at higher wages. Second, the countries of East Asia were very successful at creating new industries and new jobs in the service and manufacturing sectors of the economy. The region benefited from a favorable trading environment, but also pursued very successful export promotion policies. Prudent macroeconomic policy created a favourable investment environment, ensuring that the capital needed to expand manufacturing capacity was available initially from foreign sources and then from domestic sources (Bauer, 2001).

Successful human resource investment was a third important factor behind growing employment and labour productivity growth. In part, this can be traced directly to the demographic dividend, operating both at the public and the private levels. At the public level, the school-age population stopped growing while the working-age population and the tax-base continued to grow quite rapidly. This had a very favourable fiscal effect because spending per student could be increased without increasing taxes per worker.

Families experienced a similar phenomenon. Because they had fewer children, they could spend more on education or on health care per child without increasing the share of the family budget devoted to childrear-

ing. But some East Asian governments and families actually increased the share of human resource investments in their budgets. Thus, human resource investment per child increased very rapidly. Equally important was the emphasis that countries of East Asia placed on primary and then secondary education. Not only were higher returns achieved but also favourable distributional effects (Ahlburg and Jensen, 2001).

At the beginning of East Asia's demographic transition, women were not well represented in the formal labour force, the wage gap between men and women was quite large, and women had much lower levels of educational achievement than their male counterparts<sup>4</sup>. Although women have not yet achieved full equality in East Asia they have made enormous advances since 1960. They now constitute a much larger share of the labour force. Educational differences have been reduced and the wage-gap has declined significantly. By removing many gender-based barriers, by providing women with the tools needed to contribute to the economy, and by drawing women into the labour force in increasing numbers, the countries of East Asia have effectively capitalized on one of the most important features of the demographic dividend.

One of the most important lessons learned from the East Asian experience was the critical role of savings and investment. In the late 1950s and early-1960s saving rates were near zero in Singapore, Taiwan, South Korea and other East Asian countries. Severe capital shortages were eased temporarily by foreign aid or investment, but during the 1960s and 1970s domestic savings rates increased to very high levels. The countries of East Asia were not only able to finance their own economic development, but more recently they have helped to fill the capital needs of other developing countries in Asia.

The connection between savings rates and demographics has been the subject of a considerable amount of empirical research in recent years. Opinions differ about the effect of the demographic dividend on national saving rates. Some scholars (Williamson and Higgins, 2001; Toh, 2001; Kelley and Schmidt, 1996) report very large effects of age structure on saving. Others (Deaton and Paxson, 2000) report more modest effects. Lee *et al.* (2001) take an intermediate position and argue that changes in age structure and increases in life expectancy both contributed to higher rates of savings.

The international experience is clear on three points. First, under the right conditions the demographic dividend can produce substantial increases in savings rates. Second, in some countries large changes in age structure have not had a noticeable effect on savings rates. Other factors such as, for example, high rates of inflation or large-scale unfunded public pension programmes, undermined the savings incentives produced by demographic change. Third, high rates of savings have not always guaranteed high rates of economic growth. Political instability, corruption, imprudent fiscal policy and other factors can destroy investor confidence and create an economic environment that cannot effectively compete for global financial resources. The economies of East Asia were successful because they created an economic and political environment that allowed them to seize the opportunities presented by the demographic dividend.

### What lessons are there for other regions?

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A strong human resource base, high rates of savings and investment, and the demographic dividend are critical elements for accelerated economic growth, but none can stand alone. Rather, they are mutually reinforcing. A strong human resource base is critical to attracting foreign investment and avoiding capital flight. High rates of savings and investment are critical for creating jobs that are more productive. The demographic dividend provides plentiful human resources and incentives for higher rates of savings and investment, but does not guarantee their productive use.

The relatively rapid growth of the labour force is an advantage for countries that can increase employment opportunities with sufficient speed and maintain growth in labour productivity. It is a burden, however, for countries with high rates of unemployment and stagnant labour productivity. A population with a larger share of its members concentrated in the working ages may be able to devote more of its public resources to raising health and educational standards. But neither parents nor governments will necessarily choose to spend the additional resources in a way that enhances the growth of human capital. Although women may enter the labour force in increased numbers as their childbearing responsibilities decline, their contribution to economic growth may be minimized by discriminatory practices in education and employment. Changing demographics may favour higher rates of savings and investment, high rates of inflation, political instability, but the lack of well-functioning financial markets and institutions may overwhelm favourable demographics.

The next few years could well prove to be critical for South Asia and Africa. Fertility decline is producing opportunities, but many countries face daunting obstacles: corruption, dysfunctional economies, and overwhelming health crises especially the HIV/AIDS pandemic. Rapid fertility decline does not offer an easy way out, but it can be part of the answer to the world's development woes.

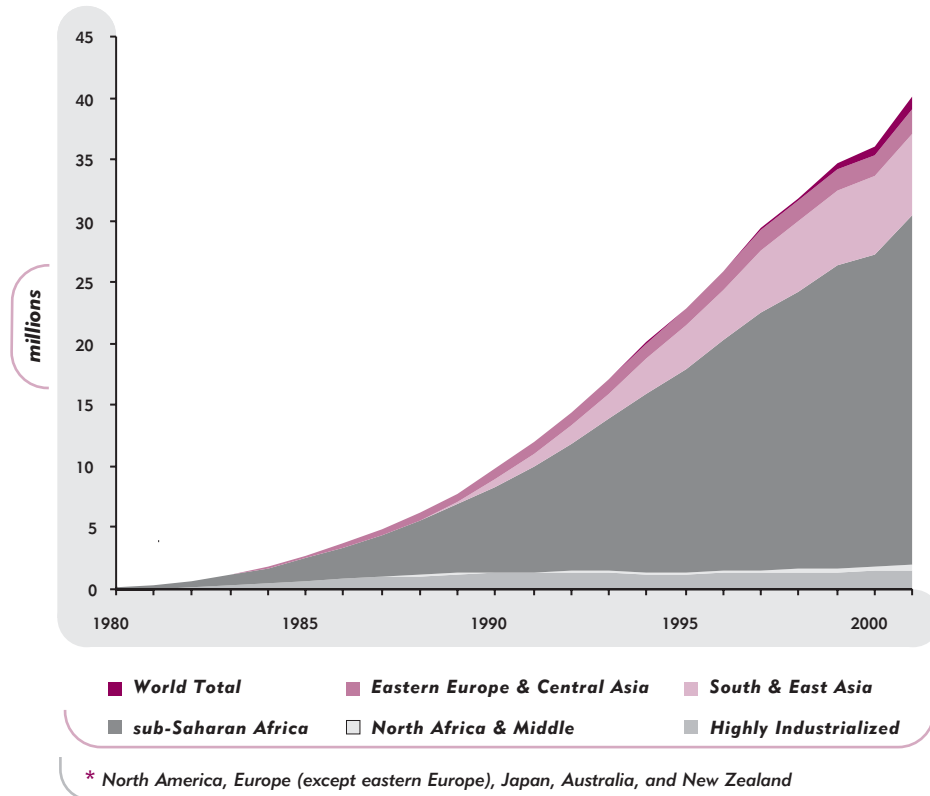
## THE IMPACT OF HIV/AIDS ON EQUALITY AND POVERTY IN AFRICA

*Bill Rau*

AIDS was first recognized as a disease in the early 1980s and has since spread rapidly throughout the world. Its impact is most severely felt in parts of sub-Saharan Africa. Globally, it is now the fourth most common cause of death, with considerable variation in the pattern in which it spreads through HIV infection from one region to another, and within regions and countries (UNAIDS, 2000c). There is also variation in the impact of the HIV infection in terms of related illnesses, deaths and longevity. In the richer countries of the world – where there is better nutrition and a lower incidence of infectious diseases, rates of HIV infection are low and the availability of effective treatments allows many infected people to live longer, as compared with the developing world where comparable treatment is usually not available at affordable cost. The heaviest burden of the pandemic falls, however, on the poorest communities, whether in developing or developed countries, exacerbating poverty and inequalities. **Figure 3.1** provides an overview of the pandemic in the world, by region.

Some 70 per cent of adults and 80 per cent of children, suffering from the pandemic are living in sub-Saharan Africa. At the end of 2001, more than 28 million Africans were estimated to have been living with AIDS and more than 17 million have already died, three times greater than the total for the rest of the world combined. There are now more than 11 million orphans in Africa alone (UNAIDS, 2002) as a result of HIV/AIDS.

FIGURE 3.1: People with HIV/AIDS by region, 1980-2001.



SOURCE OF DATA: UNAIDS (2002) Twenty Years of HIV/AIDS: Fact Sheet 2002, and unpublished data

The HIV/AIDS pandemic has far-reaching social and economic impacts, some of which grow out of the prevailing fractures in society and development strategies and programmes of recent decades<sup>5</sup>. The deep impact of HIV/AIDS affects the ability to implement effective prevention programmes and mitigation efforts. Economists and social scientists have made an effort to understand and quantify some of the impacts for select sectors and population groups. It is that information that is used in this chapter to trace some of the impacts of HIV/AIDS on poverty and inequalities, especially in southern Africa. However, it must be admitted that there remain major gaps in our understanding of the social and economic impacts of the pandemic.

One major outcome of the pandemic is its impact on population growth rates: these vary with prevalence rates. In countries with low prevalence rates (whether in sub-Saharan Africa, Asia or Latin America), population growth rates could decrease marginally. However, where prevalence rates are high, the impact could lead to negative population growth. According to the Monitoring the AIDS Pandemic (MAP) Network, as early as 2003, Botswana, South Africa and Zimbabwe are likely to experience negative population growth rates in the range of -0.1 to -0.3 per cent per annum. The United Nations Population Division projects the 2015 population of the 35 African countries most affected by the pandemic to be 84 million (or 10 per cent less than it would have been without HIV/AIDS). The demographic impact of HIV/AIDS is projected to be even greater in the countries where the prevalence rate is over 12 per cent.

The relationship between poverty and HIV/AIDS is bi-directional, whereby the pandemic aggravates poverty, which in turn contributes to the spread of HIV infection (Collins and Rau, 2000). Though AIDS affects people at all income levels, the poor are pushed deeper into poverty as households lose earning members and sources of income, and increasing amounts of diminishing resources have to be diverted to health care and other expenses.

The pandemic, therefore, tends to generate the vicious circle of HIV/AIDS and poverty, whereby HIV/AIDS produces impoverished people who, for their survival, are increasingly exposed through high-risk behaviour such as commercial sex work. For example, according to a recent World Bank study, Africa's already low income *per capita* growth is being further reduced by about 0.7 per cent a year, because of the pandemic. The HIV/AIDS pandemic undermines efforts aimed at attaining the first Millennium Development Goal (MDG) target of halving the proportion of people living in extreme poverty by 2015.

**Table 3.1** provides recent data on adult HIV/AIDS prevalence in several eastern and southern African countries. The key points are the size of population infected and the speed at which the pandemic has spread within countries.



**TABLE 3.1:** Prevalence of HIV/AIDS in selected African countries, 1990-2001  
(per cent)

Country	1990	1994	1997	1999	2001
Botswana	5.0	18.0	25.1	35.8	38.8
Kenya	5.2	8.3	11.6	14.0	15.0
Malawi	8.0	13.6	14.9	16.0	15.0
South Africa	0.3	3.2	12.9	19.9	20.1
Uganda	16.0	14.5	9.5	8.3	5.0
Zimbabwe	16.5	17.4	25.8	25.1	33.7

**SOURCE OF DATA:** 1990: National AIDS Control Programs and UNAIDS; 1994: US Census Bureau; 1997, 1999, 2001: UNAIDS

The pandemic has tended to follow paths of socio-economic and gender inequalities and poverty; it exploits the fractures in society. Whereas, men were most affected at the beginning of the pandemic, women's rates of new infection now surpass those of men. This is especially true in poverty situations (Population Reference Bureau, 2002b). In sub-Saharan Africa, there were 12 to 13 infected women for every 10 infected men in 2001 (Gupta, 2002). For example, Zambian women between the ages of 15 and 19, are five times more likely to be HIV-infected than men in the same age range (Nanda, 2000). Biological, cultural and socio-economic conditions seem to contribute to women's greater vulnerability to HIV/AIDS.

In addition to caring for sick relatives, girls suffer in a special way from the pandemic. Forced marriages, older men's preference for young women and the belief, in some settings, that young girls are virgins and healthy, and are able to free a man from HIV infection, has led to child rape and to men seeking sex with very young girls (Population Reference Bureau, 2002b). Further research is needed to improve knowledge on the impact of the HIV/AIDS pandemic on women at all ages.

For the selected African countries the differential impact by gender is also evident from the contrasts in HIV/AIDS prevalence for all adults (noted in **Table 3.1**) and prevalence among pregnant women seen at

**TABLE 3.2:** HIV infection rates: pregnant women v all adults, 2001

Country	Pregnant Women	All Adults
Botswana	44.9	38.8
Malawi	20.1	15.0
South Africa	24.3	20.1
Uganda	11.3	5.0
Zimbabwe	31.1	33.7

**SOURCE: OF DATA:** UNAIDS

urban antenatal clinics. **Table 3.2** compares the two rates. In most cases it shows the significant difference in average prevalence among total adults compared to gender-specific HIV/AIDS as evidenced by the prevalence in pregnant women.

As **Table 3.2** demonstrates, gender inequality is one of the fractures that the pandemic has followed. For example, wealthy and well-educated men have the most ready access to information and services which can reduce their risk. However, they also have the money to buy sex or induce or manipulate women to provide sex, thus increasing the exposure of both partners to HIV infection. Likewise, low-income women who have fewer options than men for getting an education and earning a living are placed in situations where the sale of sex becomes an option. In extreme conditions, such as the famine in southern Africa, sex in exchange for food, small amounts of money, or some material reward is increasingly common. But even before the famine, women were selling sex in order to feed their children, to pay school fees, to gain a place in a market to sell their produce, or to gain an element of security.

The remainder of this chapter deals primarily with the impact of HIV/AIDS on poverty and inequalities. But it is important to recognize that gender inequalities and poverty have themselves contributed to people's vulnerability to HIV/AIDS.

### Impact on the young and the old

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Adolescent girls are the most vulnerable to HIV/AIDS, for both biological and social reasons. Thus, throughout southern and eastern Africa HIV/AIDS prevalence among young women is three to six times higher than for young men of the same age. For example, Zambian women between the ages of 15 and 19 are five times more likely to be HIV-infected than men in the same age range (Nanda, 2000). This is having, and will continue over the next two decades to have a significant demographic impact, with accompanying social and cultural implications.

The changes raise such questions as:

- will the young women who are not infected have greater choices for partners and career options? Initial evidence from Zimbabwe suggests that women are moving into new occupation areas, partly out of necessity, but perhaps because of new opportunities;
- will violence among young men increase as they compete for fewer partners?
- will violence against young women increase?<sup>6</sup>
- how will childbearing and childrearing be affected? Already we see both children and the elderly assuming greater responsibility for childrearing.

Children are affected months or years before a parent dies of HIV/AIDS. If a parent loses a job or is no longer able to work, children may have increased responsibilities for contributing, directly or indirectly, to the household's survival. They may be withdrawn from school if the family cannot afford fees or if the children's labour is needed in the fields or at a market. They may be withdrawn from school to care for a sick parent or young siblings as the other parent seeks additional work. Studies have shown that households shift spending from food to medicines and health care for months before an adult dies of AIDS or some other opportunistic infection. In these households hunger and malnutrition may become realities for children or may increase further. Over half of orphaned children in Zambia are physically stunted.

Already there have been tremendous increases in the number of orphaned children as one or both of their parents have died of HIV/AIDS.

**TABLE 3.3:** Children orphaned by HIV/AIDS in selected African countries, 1995 and 2001.

Country	1995	Per cent of all orphans	2001	Per cent of all orphans
Kenya	257,000	22	900,000	54
Malawi	163,000	25	470,000	50
Mozambique	47,000	5	418,000	33
Namibia	6,000	10	47,000	49
South Africa	61,000	6	665,000	43
Zambia	241,000	41	575,000	66
Zimbabwe	330,000	53	785,000	77

**SOURCE OF DATA:** USAID, UNICEF and UNAIDS (2002); some numbers have been rounded

Many of the orphaned children are cared for by members of the extended family. However, some of the changes that are occurring include:

- increased pressure on older adults to care for young children;
- an increase in the number of child-headed households;<sup>7</sup>
- children being withdrawn from school;
- situations of neglect or abuse of fostered children.

With the increasing number of AIDS orphans, parents of the victims find themselves resuming work as primary caretakers of their grandchildren, instead of being cared for by their children as occurred traditionally and as might reasonably be expected even today. In this way, the pandemic contributes to creating a category of the poorest, exacerbating the problems of the older poor and sabotaging their attempts at self sufficiency. Evidence of this situation can be observed throughout sub-Saharan Africa where the heaviest toll of the pandemic is being felt (UNFPA, 2002a).

### **Impact on School Education**

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The quality and efficiency of the education system is adversely affected by the increasing rate of mortality and morbidity among teachers as a result of HIV/AIDS. This, as well as student dropouts following the death of parents to AIDS, threatens the MDG target of achieving universal primary education by 2015. Children who lose both parents to AIDS are likely to drop out of school because of discrimination and emotional distress, or because they cannot afford to pay school fees, or because they need to care for younger siblings.

Children may be withdrawn from school while a parent is ill or after a parent dies. There are anecdotal reports that fostered children may receive less support than biological children, but this is not confirmed. Also, there are reports that in those instances where an older sibling heads a household, they divert money they would have used for school to favoured younger siblings. Even when children are in school, the quality of education is suffering as a result of HIV/AIDS. Affected children may arrive at school hungry or malnourished, distracted by worries about home, or depressed. In the classroom, the teacher may be absent. Classroom sizes can double as schools attempt to cope and deal with the loss of teachers. Administrative and supervisory supportive is similarly compromised.

Little research has been done comparing changes arising from HIV/AIDS in rural and urban schools or schools catering to middle or lower class pupils. It would seem logical, however, that rural schools are more likely to be compromised further. Getting new or substitute teachers is more difficult in rural than urban areas. More rural students are likely to experience hardship paying school fees. When urban dwellers become too sick to work, they often return to their rural homes for care, with the implications for children previously noted. Rural and poorer parents may also be less able to provide additional support to a school than urban or wealthier parents. The result is greater inequality than already exists between social classes and geographical locales.

### **Participation in the Labour Force**

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AIDS markedly affects people in the most economically productive age groups (25-45 years of age). These are mainly people who have been infected in their adolescent and young adult years (Population Reference Bureau, 2002b), thus impacting adversely on both the size

and productivity of the workforce. The majority of the millions of people dying from AIDS are in the prime of their working life and usually become unproductive for a long period of time, due to multiple illnesses, before actually dying.

In high prevalence countries, such as Botswana and South Africa, labour-force size in the near future will be much smaller than it would have been without AIDS (as noted in **Chapter 1** and **Figure 1.5**). In Botswana, it is anticipated that half of all households will have an HIV-infected member and a quarter of all households will lose a major income earner before 2010. A recent analysis of available data “predicted a rapid increase in the number of very poor and destitute households in the coming decade” (Greener, 2000).

In Botswana and elsewhere, the financial burden of HIV/AIDS through lost income and increased expenses is causing more women and children to seek work. Much of the search for alternative opportunities is occurring in the informal economy, a sector that is not well understood and poorly documented. However, it is well known that many women have had to assume a greater burden of work, such as selling the family’s food, exchanging sex for cash or kind, or working in the fields of other farmers.

HIV/AIDS was initially believed to be primarily an urban phenomenon, but it now clearly threatens the lives and livelihoods of rural communities. In the agricultural sector, which provides a living for a large segment of society and contributes significantly to the national economy in most developing African countries, the loss of workers to AIDS and the increasing costs of care reduces investments and thereby production, as there are fewer hands to do the work. This presents a direct challenge to efforts aimed at achieving the MDG target of halving the proportion of people suffering from hunger by 2015.

More children, too, are working. In Tanzania it is estimated that nearly half of all domestic workers are children (ILO, 2001), although the proportion affected by HIV/AIDS is unknown. These children are very vulnerable to sexual abuse and exploitation and of becoming HIV-infected. Some work simply does not get done. In the Kagera region of Tanzania, the loss of household labour among HIV/AIDS affected and poorer households has resulted in farming tasks being neglected or the land being left fallow. Clearly, these changes have implications for the vitality of the agricultural sector and for food security.

One of the main coping mechanisms used by rural households is for men, and sometimes subsequently women, to migrate in search of work. It is widely recognized that the deeply embedded patterns of labour migration existing in southern and West Africa are closely linked with increased HIV/AIDS vulnerability. Thus, the impact of HIV/AIDS on rural households can stimulate further vulnerability and eventually further unfavourable impacts.

There is strong evidence that migration and any type of mobility are closely linked to the spread of HIV/AIDS. The pandemic is often seen as both a cause and a consequence of migration, whereby infected people migrate to avoid stigma and discrimination and more people are infected through migration. Furthermore, there is increasing recognition that migrants and mobile people may be more vulnerable to HIV/AIDS than are populations that do not move. They may acquire HIV while on the move, and take the infection back with them when they return home, often without even knowing it. They also face greater obstacles in accessing care and support if living with HIV or AIDS. The most vulnerable mobile people are refugees, internally displaced persons, women and girl migrants whose employment opportunities are often limited, thus pushing them to high-risk behaviour, such as commercial sex work. The uncertain or illegal status of migrants is reported to have a powerful influence on vulnerability to and treatment of HIV/AIDS.

### Descent into Poverty

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As households seek to cope with illnesses arising from HIV/AIDS, there are increasing financial pressures. Among the many ways that household poverty impacts on families and societies are:

- loss of jobs through voluntary or forced retirement or termination;
- inability to farm, to care for livestock or to market products;
- sale or mortgaging of household assets, from land, livestock and equipment, to furniture and utensils;
- fewer household members contributing to production and/or earning an income;
- increased medical and drug expenses;

- funeral costs;
- loss of assets to relatives.

There are opportunity costs of providing care and support rather than engaging in productive activities. Thus, family members face difficult decisions about using available resources. One result seen in some households is cutbacks in spending on food and other non-medical essentials. A study from Tanzania shows that a woman with a sick husband spent 60 per cent less time on agricultural activities than she would normally do (UNAIDS, 2000a). Food consumption has been found to drop by 41 per cent in families hit by AIDS (UNAIDS and UNICEF, 1999). Among poor people in the Kagera Region of Tanzania, AIDS deaths led to a general consumption drop of 32 per cent and food consumption drop of 15 per cent (UNAIDS, 2000b).

#### **Slippage in the Level of Formal Support**

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Families are the primary caregivers, with a vast amount of informal community support. During the 1990s, the ability of households and communities to cope with the loss of one or more adults was investigated. There was an expectation (based, in part, on underestimates of the size of the pandemic) that the coping mechanisms would minimize the longer-term impact of HIV/AIDS. This assumption has not held true in many societies. Some households have dissolved or become destitute after the death of one or more adult members. Even where households have been able to cope, analysts have argued that the longer-term costs to the viability of households and the communities in which they live are poorly understood (Rugalema, 2000).

One result of the popular belief that extended families and rural communities can cope with the impact of adult deaths and growing number of orphaned children and widows has been a shifting of the burden of care and support from the formal sector and governments. Little sustained support has been given to putting resources into care: improving health facilities; expanding training and support for home-based care; offering local income activities; providing financial subsidies for children needing to pay school fees; or assuring that adequate food is available. Some of these support mechanisms do exist, but they are so limited in size and scope that only a small proportion of affected households actually benefit.



A recent study in South Africa found businesses retiring sick employees early or cutting back on health and retirement benefits. Consequently, employees increasingly have to rely on their own savings and/or on the limited public services available. In turn, public services have not kept up with the increasing demand so that increasingly individuals and households have to cover their own expenses.

Not surprisingly, women and girls are the primary caregivers, although men are increasingly becoming involved. This has opportunity costs for each caregiver. One positive outcome that seems to be occurring is that as adolescent girls directly see the nature of AIDS and opportunistic infections, they have modified their sexual behaviour to some degree. In Zambia and Uganda, for example, there is some initial evidence that young women are postponing their initial participation in sexual activity by a year or more. This is one factor contributing to a levelling off or decline in HIV/AIDS prevalence.

Among researchers it is generally considered that the poorer the household, the greater the intensity of the impact of HIV/AIDS. Households may well dissolve (for example, if both parents die and children are distributed among several families) or become destitute. A recent study suggests that households in the upper tier of low-income groups may experience some of the greatest difficulty. These households had gained a small measure of economic security, but are likely to lose a substantial proportion of it as they spend their savings and assets on medical care and to compensate for lost income. A study of affected households in Zambia concluded: "One of the striking features of the economic impact of AIDS in affected families in Zambia is the rapid transition from relative wealth to relative poverty" (Namposya-Serpell, 2000).

### **The Impact of HIV/AIDS on National Economies**

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Recent studies in countries in southern Africa where HIV prevalence is high, suggest that the pandemic will have a cumulative impact on GNP and GDP. AIDS may reduce *per capita* annual economic growth by one to two per cent in hardest hit African countries (Loewenson and Whiteside, 1997). In some parts of the world, a modelling projection with a medium impact scenario indicated the probability of declines of the order of four to seven per cent in GDP above a non-AIDS scenario over the short term. In some less developed, high prevalence countries, HIV/AIDS alone will cause a decline in output that falls little short of what they now spend on their health needs in both the public and private health sectors.

Even with modest levels of care, the pandemic will be costly for sub-Saharan African countries. While economies may decrease in size, the pressures on national spending will increase as a result of HIV/AIDS while national revenues are likely to fall. In severely affected countries, according to one analyst, reduced economic performance will probably decrease tax income more than 20 per cent in the next 10 years (Kürschner, 2002; Haacker, 2002).

The pressures on national economies are already evident. In 1995, HIV/AIDS accounted for 27 per cent of public health care spending in Zimbabwe and 66 per cent in Rwanda (Barnett and Whiteside, 2002a). Annual direct medical cost of AIDS (excluding antiretroviral therapy) was estimated at US\$30 *per capita* at a time when public health spending is less than US\$10 *per capita* in most African countries (Loewenson and Whiteside, 1997). Now, with the potential for providing antiretroviral drugs together with improvements in health services infrastructure, annual direct medical costs can be expected to be considerably higher.

Training and replacing workers lost from the public sector will be expensive. Few countries have begun planning for the process of replacement or managing the costs. In middle-income countries there will be expectations that governments cushion the impact of HIV/AIDS on households with grants or school subsidies for orphaned children. Businesses may expect tax breaks to offset losses they face due to HIV/AIDS. Thus, the competition for limited public resources can be expected to intensify.

Above all, pressures on national economies will affect countries' ability to address poverty and development issues and meet debt repayment schedules. Studies elsewhere in countries where HIV prevalence rates are relatively low, suggest that economic growth is likely to fall well short of the economic growth rates required to meet current levels of debt reduction. The short to medium-term prospect is therefore one of diminished ability by governments and publicly funded agencies to provide significant levels of financial supplementation or service support so that the burden of survival devolves increasingly on the victims of HIV/AIDS, their families and their neighbourhoods.

## The Prognosis

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In such circumstances it is difficult to be optimistic when the impacts of HIV/AIDS on people's lives are so damaging. However, positive responses are possible for a number of reasons. First, the practical measures required to implement the technical aspects of prevention are well known: fidelity to one's partner; delay of the onset of sex; use of condoms; management of sexually transmitted infections; dissemination of clear information; support services; and access to treatment and basic care. There is also extensive experience in poverty reduction programmes: engaging communities; providing basic services; and promoting equitable social and economic relations. Finally, it is also well established that local communities are prepared to initiate and lead both prevention and poverty responses,<sup>8</sup> providing they can be adequately resourced.

Positive responses can make a difference. A study from South Africa on sexual and social attitudes among children 12-17 years of age argues: "Young people who are poor, yet have a sense of optimism, engage in less risky sexual behaviour. Young people who are poor and feel trapped in a poverty spiral feel pessimistic. Their response to HIV is that it is something that is almost inevitable. This attitude correlates strongly with risky sexual behaviour" (Valentine, 2002).

For people to avoid being caught in the downward spiral of pessimism, they must feel that they are able not only to avoid HIV/AIDS infection, but to have access to new opportunities for their futures. In turn, policy makers and programme planners must move from the pessimism that easily arises from understanding the impact of the pandemic, to developing both impact mitigation and longer-term responses that contribute to job creation, gender equality, access to quality services, mobilization of resources and other development-oriented initiatives.

The linkage between population, reproductive health, and poverty reduction is an essential issue requiring to be addressed in any national development strategy. China is no exception. This chapter describes the current demographic profile of China, provides a sketch of its reproductive health, gender, and poverty, and concludes with a discussion of the Chinese experience in these areas and the lessons that can be drawn.

#### **The Demographic Profile of China**

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Although it seems likely to lose its number-one world ranking in the next few decades, China is still the most populous country in the world. The 2000 population census reported the total population of mainland China to be 1.27 billion. A comparison of demographic profiles for China and the world provides significant contrasts (Table 4.1). China's crude birth rate (15 per thousand) is already far below the average for the world, developing countries, and Asia, and close to the level of developed countries which average about 11 per thousand. Similarly for the rate of natural increase at 0.9 per cent, although this is still much higher than the average level for developed countries (about 0.1 per cent). Should this pace of growth be maintained, China's population would double itself in about 70 years while, at their present rate, the developed countries would not do so for something like another 700 years.

China's infant mortality rate (31 per thousand live births) is also far below the world average, developing countries, and Asia, but still far behind the level for developed countries (8 per thousand). It suggests

shortcomings in China's healthcare for newborns, which certainly tends to be the case especially in rural and more remote areas. In terms of the total fertility rate (TFR), the level for China is 1.8 children per woman. This indicates that in China, not only are women having fewer than two children each on average, far below the TFR for the world as a whole, for developing countries and Asia, but their TFR is distinctly below replacement level and close to the 1.6 children per woman achieved by developed countries. Similarly in the case of life expectancy: China, averaging 71 years of age, is above the level for the world, developing countries and Asia, and not far behind the 75 year average for developed countries. As for urbanization, a key indicator of socioeconomic development, China recorded a level of 36 per cent urban, not only less than half that

**TABLE 4.1: Demographic indicators, 2000**

Region or Country	Crude Birth Rate	Natural Increase Rate	Infant Mortality Rate	Total Fertility Rate	Life Expectancy	Urban Population
	(per thousand)	(per cent)	(per thousand)	(per woman)	Years	(per cent)
World	22	1.3	56	2.8	67	46
MDCs	11	0.1	8	1.6	75	75
LDCs	25	1.6	61	3.2	64	40
Asia	22	1.4	55	2.7	67	37
China	15	0.9	31	1.8	71	36

**SOURCE OF DATA:** : Population Reference Bureau: World Population Data Sheets, 2000.

of the developed countries, but even behind the level for the world, developing countries and Asia. Under-urbanization has increasingly been recognized as a bottleneck for further socioeconomic development in China, which exerting efforts to address the whole range of issues relating to population, reproductive health, gender, and poverty.

Awareness of population trends and changes over the second half of the 20th century, from 1950-2000, helps further understanding of the demographic situation in China (Table 4.2). Over that period, both the crude birth rate (CBR) and the natural increase rate (NIR) have declined by more than half from 37 per thousand to 16 per thousand, and from

two per cent to 0.9 per cent respectively. The TFR dropped from an earlier average of five or six children to less than two children per woman (Figure 4.1). Indeed, China experienced a fertility transition from a typical high fertility to a typical low fertility country in about half a century. This is only one side of the coin however. While both the CBR and NIR dropped by more than half in the last half century as part of the dramatic decline in fertility, the actual number of newborns and the net numerical increase have remained almost unchanged.

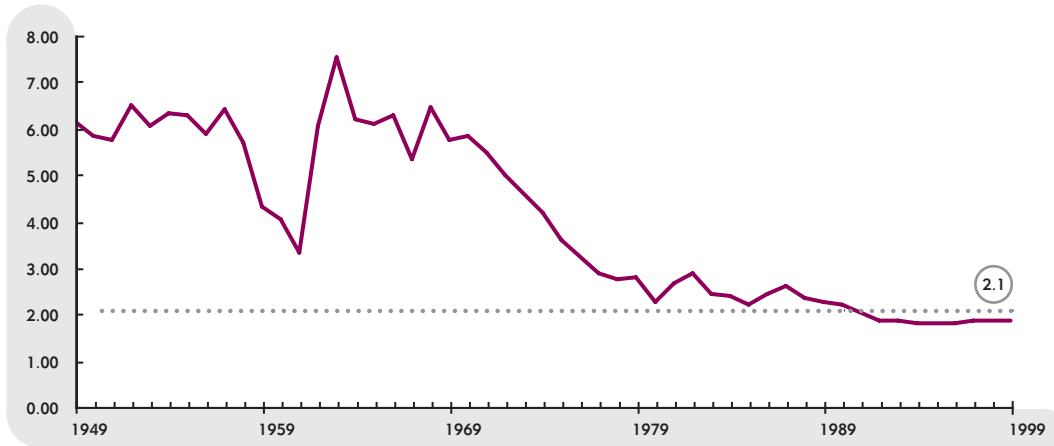
**TABLE 4.2:** Population changes in China, 1950-2000

Year	Crude Birth Rate (per thousand)	Births (millions)	Natural Increase Rate (per cent)	Growth (millions)	Total Fertility Rate (per woman)
1950	37.0	20.20	2.00	10.30	5.81
1971	30.7	25.80	2.33	22.40	5.44
1982	22.3	22.50	1.57	15.80	2.87
1990	21.1	24.00	1.44	16.30	2.31
2000	15.5	19.60	0.87	11.00	1.80

**SOURCE:** : Population Statistics of China for various years.

Consequently, although China's TFR has declined to a below-replacement level of 1.8, annual births remain at about 20 million and the annual population increment at about 10 million. Maintenance of this pace of growth implies that 100 million babies will be born every five years and 100 million people will be added to the population every ten years. The age pyramid describing the age-sex structure of China's population based on the results of the 2000 National Population Census strongly suggests that China's population will continue its growth well into the 21st century (Figure 4.2).

**FIGURE 4.1:** Trends in the total fertility rate of China, 1949-1999



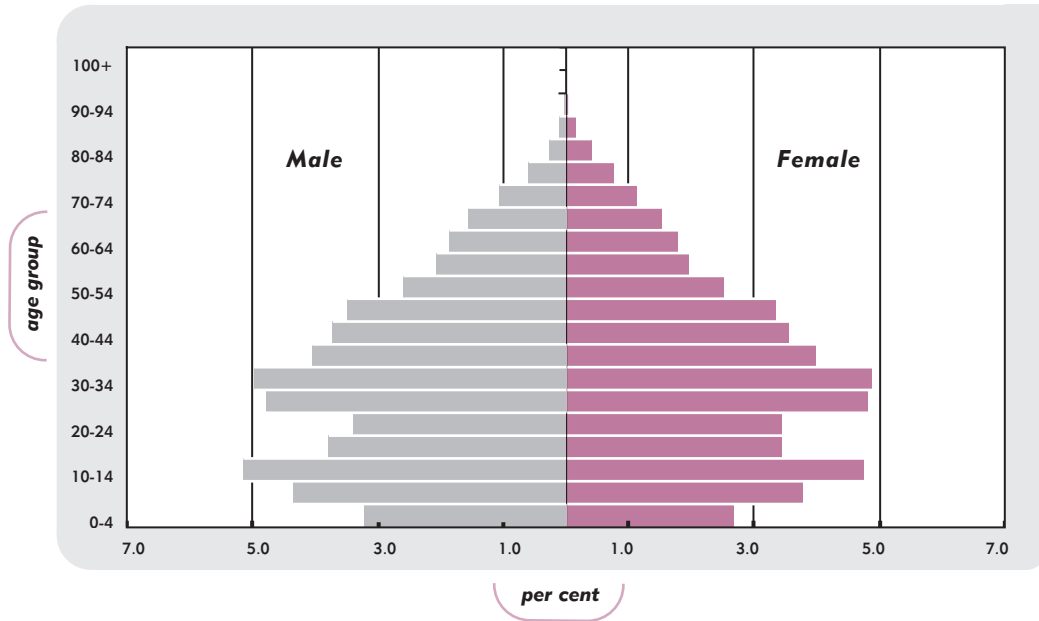
**SOURCE OF DATA:** Population and Family Planning Data Manual (SFPC, 2000)

The general consensus, based on various projections generated for the purpose, suggests that China’s population is likely to continue to grow for about another half century, with about 300 million more additional people being added to the already huge population before reaching its peak and then gradually declining (Figure 4.3). Overall, then, the demographic profile of China is characterized by low fertility but still very substantial population growth because of the large base numbers to which that fertility rate applies. Faced with such a demographic challenge, it is hardly surprising that population growth remains an overriding concern on the government’s agenda.

### Reproductive Health, Gender, and Poverty in China

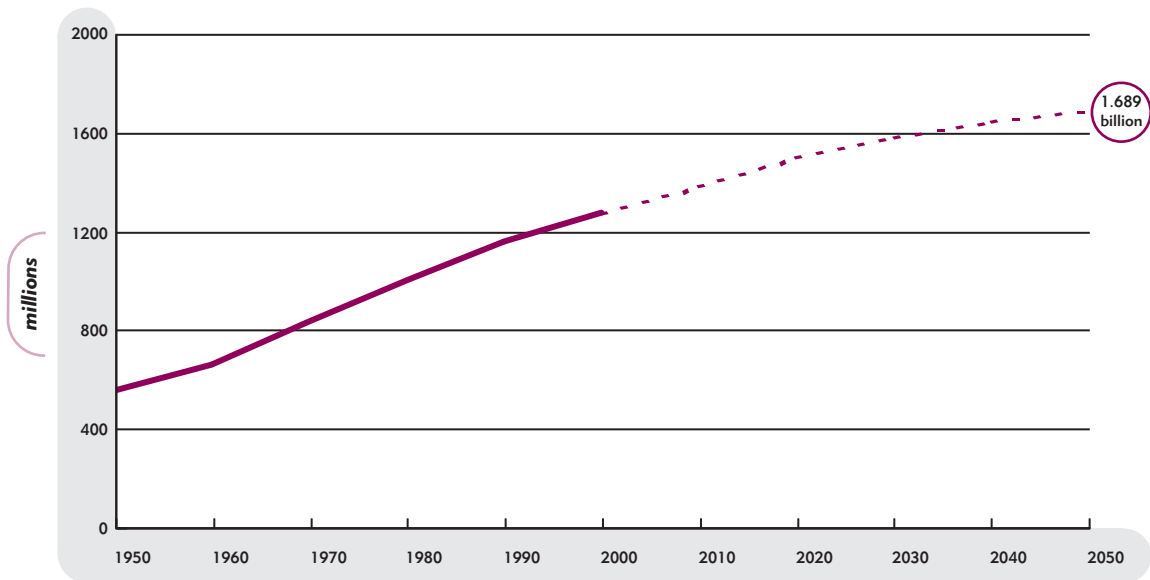
Thanks to rapid economic development in recent decades and the government’s poverty reduction initiatives, the impoverished population in rural China has been reduced from 250 million in 1978 to 80 million in 1994, and then further to 30 million in 2000. While the people below the poverty line account for just a fragment of the total population, this still constitutes a population as large as that of Canada. Moreover, considerable variation within the country continues to persist. Rural-urban disparities in particular are clearly observable. For example, while the TFR for the country as a whole has declined to just 1.8, and is as low as 1.2 for the urban population, it is still about 2.0 for the rural population, a margin of almost one child.

FIGURE 4.2: Population pyramid of China, 1999



SOURCE OF DATA: National population census, 2000.

FIGURE 4.3: Actual and projected population growth in China, 1950-2050



SOURCE OF DATA: United Nations (2001).



The majority of the population defined as being in poverty in China over the period of 1995-2000 (Table 4.3) is concentrated in the vast rural areas that have lower incomes, less education, and fewer health care facilities, as well as this higher fertility. Furthermore, in 2000, there were 85 million Chinese aged 15 and over who were illiterate or semi-illiterate. In the western region, it is estimated that 60-70 per cent of the illiterate are women living in the poor areas of the region. In Qinghai, women account for about 55 per cent of the illiterate, while in Tibet they accounted for as much as 69 per cent in 1998.

**TABLE 4.3:** Population in poverty in China, 1995-2000

Locality	1995	1998	1999	2000
Urban population under minimum life security (millions)	0.86	1.84	2.66	4.03
Urban population under minimum life security (per cent)	0.2	0.5	0.7	0.95
Rural population under poverty (millions)	65	42	34	30
Rural population under poverty (per cent)	7.6	5.0	3.9	3.6

**SOURCE OF DATA:** Evaluation Report on China's Women in Development Programme, 1995-2000.

During the three decades 1959-1989, while the national population grew from 648.25 million to 1,069.10 million, an increment of 64.9 per cent, the population of the western region, which is the relatively less developed, had grown from 180.16 million to 307.51 million, an increase of 70.7 per cent. This was higher than the national average by about six percentage points, and much higher than the population growth of the eastern region, which is the relatively more developed, by about 40 percentage points. In Hubei Province for example, the population growth of the poor mountainous areas during 1949-1988 exceeded the provincial average by 33 per cent. The average population growth rate of Guizhou Province, regarded as the least developed region in China in terms of many development indicators, was higher than the national average by 33 per cent during the four decades 1949-1989.

All these changes serve to indicate that the high rate of population growth is closely interrelated with the poverty-stricken areas. The

regional disparity provides evidence of the complex interrelationship between population, reproductive health, gender, and poverty reduction. The less developed western region has a population of 358 million, accounting for 28.5 per cent of the total population in 1999. In 1998, the GDP *per capita* for China was 6,392 yuan<sup>9</sup>, but it was only 2,342 yuan for Guizhou, about one-third of the national average; and 3,456 yuan for Gansu, about one half of the national average.

**TABLE 4.4:** Percentage distribution of married childbearing women, by number of children and region, 2001

Region	NUMBER OF CHILDREN		
	One	Two	Three or more
Whole country	45.0	36.8	18.2
Eastern region	51.6	34.1	14.2
Middle region	40.1	40.6	19.3
Western region	41.4	36.2	22.4

**SOURCE OF DATA:** National Family Planning/Reproductive Health Survey, 2001.

With less development, the western region has a high concentration of poverty-stricken people, and many more counties below the poverty line. For example, in Yunnan, Guizhou, Shaanxi and Gansu provinces, as high a proportion as 50 per cent of the counties are below the government designated poverty line. For the western region as a whole, the birth rate and natural increase rate are both higher than those in the eastern region by 5.4 per thousand and 4.7 per thousand respectively. According to the national family planning/reproductive health survey carried out by the State Family Planning Commission (SFPC) of China in 2001, women in the western region exhibit higher fertility, more than one-third having two children, and more than one-fifth having three or more children (Table 4.4).

The reproductive health situation of childbearing women in the western region also tends to be poor. In the eastern region about half of the women have enjoyed informed choice for the adoption of contraceptive methods, but less than 40 per cent of women in the western region

were in the same position (Table 4.5). Women in the western region are also less knowledgeable about STDs and AIDS, and only a little more than one-third of them have ever received a check-up for reproductive tract infections (RTIs). Many women in rural areas suffer from various RTIs or sexually transmitted infections (STIs). For example, in Yunnan province, in the western region, more than 50 per cent of rural women were found to be suffering from RTIs or STIs.

The inadequate provision for reproductive health needs in the western region is highlighted by a comparison with the situation in the eastern region. Table 4.6 shows a comparison between five provinces in the eastern region and five provinces in the western region in terms of four reproductive health indicators. For the most part the provinces in the western region have a lower rate of contraceptive prevalence (CPR). While the hospital delivery in the eastern region is almost universal, in the western region access to such a service is much more difficult as reflected in the level of usage. In the most favourable provinces, the proportions of births delivered in hospital seldom comprise more than fifty per cent, and commonly constitute as little as one-third or even one-fifth of women giving birth.

**TABLE 4.5:** The reproductive health status of child bearing women, 2001

Status	China	East	Middle	West
Adopted informed choice	42.4	49.5	39.6	37.3
Ever heard about STDs	63.6	69.8	65.2	53.4
Ever heard about AIDS	72.7	78.4	75.1	62.1
Ever received RTI check-up	42.8	50.1	40.3	35.6

**SOURCE OF DATA:** National Family Planning/Reproductive Health Survey, 2001.

This pattern is repeated in the contrasts between the two regions for infant mortality (IMR). While in Beijing and Shanghai, the infant mortality rate is as low as around five per thousand live births, comparable to levels in developed countries, it is a great deal higher in the poor and remote western provinces such as Xinjiang and Qinghai. Maternal mortality ratio (MMR) have been reduced to quite a low level in the eastern

region - less than 10 cases for every 100,000 women in Beijing and Shanghai - but are still alarmingly high in the provinces of the western region. For example, in Guizhou, Qinghai, and Xinjiang, the MMR is around 140, and was recorded as 466 in Tibet.

**TABLE 4.6:** Comparison of reproductive health indicators between the Eastern and Western regions of China, 2000

Province	I N D I C A T O R			
	Contraceptive Prevalence Rate	Hospital Delivery	Infant Mortality Rate	Maternal Mortality Ratio
<i>Eastern Region</i>	<i>(per cent)</i>	<i>(per cent)</i>	<i>(per thousand)</i>	<i>(per hundred thousand)</i>
Beijing	87.8	99.6	5.4	9.7
Tianjin	91.1	99.0	9.4	18.6
Shanghai	91.0	100.0	5.1	9.6
Jiangsu	91.1	98.9	11.2	28.5
Zhejiang	91.1	98.7	15.6	19.6
<i>Western Region</i>	<i>(per cent)</i>	<i>(per cent)</i>	<i>(per thousand)</i>	<i>(per hundred thousand)</i>
Guizhou	90.1	25.8	38.8	141.7
Tibet	71.1	20.1	35.3	466.3
Gansu	87.5	55.3	28.9	108.8
Qinghai	86.9	38.0	41.0	142.0
Xinjiang	82.7	56.6	55.5	161.4

**SOURCE OF DATA:** CPR: State Family Planning Commission; Hospital Delivery, IMR, MMR: Final Evaluation Report on China's Women Development Programme 1995-2000, Committee on Women and Children, the State Council.

Moreover, research has shown that gender inequality may also have contributed to the poor status of women's reproductive health, particularly in rural areas. One study supported by WHO on women's disease and husband's violence was carried out in Guizhou province in 1999. It suggests that unwarranted behaviour by husbands, such as violence against wives, enforced sex within the family and sex during menses, are more likely to occur in rural areas and to be perpetrated by less educated husbands.

The logistic regression analysis conducted with the data from the survey showed a significant but negative “association between a wife suffering from women’s diseases and a husband working in the context of an agricultural population, violent behaviour, and menses intercourse” (Liu *et al.*, WHO Project No. 95085). The study identifies gender-based violence occurring within the family as an explicit indicator of gender inequality, and that these factors correlate with the high incidence of RTIs among poor women in rural areas.

### Experiences and Lessons from China

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Poverty reduction has been one of the major concerns in contemporary China, and represents a huge challenge considering China’s huge population and the considerable variability in conditions throughout the country. The government’s commitment is always the crucial determinant if efforts are to prove successful in poverty reduction.

#### **| Alleviating poverty through economic development**

Since the 1980s, China’s strategy in poverty reduction has been reformed from a pattern of simply granting a relief fund for the needy to one of alleviating poverty through economic development. In 1994, as a guiding principle for achieving this objective, the government formulated the “National Programme for Poverty Alleviation of China (1994-2000)” and incorporated it as an important component in the National Programme for Economic and Social Development. More recently, the launching of Western Development Drive in 2000 has provided a renewed impetus in poverty reduction in rural and remote areas, particularly in the western region, through enhanced capital investment and technological transformation.

As indicated above, regions characterized by severe poverty tend to be associated with high population growth, and families suffering from acute poverty tend to have larger numbers of children with less opportunity for education and medical care. It has become evident that all these factors not only have a negative effect on economic development and poverty alleviation in the regions with high levels of poverty but also exacerbate the imbalance of population with natural resources and the environment. A consensus emerging from the anti-poverty campaigns in recent years suggests that a slow-down in population growth, particularly in the most acutely affected regions, is conducive to the progressive eradication of poverty. On the other hand, for a family planning

programme to be implemented effectively it should not be carried out in isolation but integrated with other efforts aimed at poverty alleviation.

Jinzhai County, in Anhui province, is a good example in this respect. The County has taken this integrated approach in the implementation of poverty alleviation and family planning, and initiated a project called “Fewer births, faster affluence”. This approach was then adopted in other counties of Anhui that were suffering from acute poverty. As a result, the birth rate of the 17 poverty counties of Anhui dropped from 26 per thousand in 1990 to 18 per thousand in 1995, and concurrently the population in poverty declined from 4.18 million to 1.60 million.

The effectiveness of this approach is well demonstrated by an investigation by the SFPC in 1992 among the 443 counties classified as having serious levels of poverty. Among them there were 29 counties displaying a relatively sound integration of poverty alleviation and family planning measures, and for these counties the farmers’ average net income *per capita* had increased by 104 yuan between 1989 and 1991, an increase of 31 per cent. By contrast, in the 10 counties with the poorest integration in this respect, farmers’ average net income *per capita* had increased by only 52 yuan or a mere 17 per cent.

#### **| Family planning with poverty alleviation**

The positive experiences of Jinzhai County and many other counties like it with major poverty problems have been recognized and praised around the country. The challenge is to integrate family planning with the development of the rural economy, improved prosperity of households, and increased well-being of farmers. In the regions of poverty, family planning in particular should be implemented and promoted in conjunction with poverty alleviation. Special attention needs to be paid to improving the educational opportunities for women and children in these regions. Income generation programmes, carried out in various formats among the women of childbearing age are regarded as one of the key measures in empowering poor women to improve their status both at home and in society as an alternative to consolidating their status on the basis of continued childbearing.

From the early 1990s, increased efforts have been made to provide assistance to the millions of couples and families who are practicing family planning in conjunction with poverty alleviation and the promotion of

family prosperity, particularly those located in the vast rural areas of the country. For example, with funding from the International Planned Parenthood Federation (IPPF) and matching funding from the government, China Family Planning Association (CFPA) has assisted the local family planning associations (FPAs) to set up numerous projects nationwide on income generation activities.

In Shandong province alone, the CFPA has set up more than 100,000 projects to provide skills training and the necessary funds for income generation activities. These activities not only benefited the couples and families, particularly those in conditions of poverty, but also achieved a marked improvement in the status of women both at home and in society at large. Moreover, the success of these measures persuaded the State Family Planning Commission (SFPC) to revisit its strategy of focusing almost exclusively on demographic targets in the implementation of the family planning programme.

***Shift in emphasis to reproductive health and quality care***

One fundamental change required is to redirect the overall orientation of the national population programme from being demographically driven to a broader concept of reproductive health. Consistent with the conclusions reached at the ICPD in Cairo in 1994 and by the Women's Conference in Beijing in 1995, it becomes increasingly evident that China's family planning programme is no longer sustainable simply on the basis of its traditional, narrow focus on demographic indicators alone.

These considerations taken together played an important catalytic role in the SFPC's decision in 1995 to make an official call for "Two Reorientations" in both the guiding ideology and approach being adopted for the implementation of the national family planning programme. As one concrete step towards this programme reorientation, an experiment on quality of care was initiated in 1995 in six counties/districts along the East Coast of China.

In these pilot areas, the concepts of quality care and reproductive health have become gradually but widely accepted by the programme managers and service providers. Birth quotas and targets have been totally abandoned, the birth permit that used to be required prior to pregnancy has been removed, and couples are able to decide for themselves the most appropriate time for childbearing.

The parity-specific contraceptive method selection has been discontinued, and replaced by a policy of informed choice of contraceptive method in which the service providers make available complete and comprehensive information on a range of contraceptive methods, and the clients have the right to choose the most suitable method according to their own particular situation. Along with this practice of informed choice, family planning clinics are responsible for providing counselling and follow-up services to ensure the efficacy of the contraceptive method adopted and the avoidance of unwanted pregnancies and abortions. In the pilot areas, because of the sensitivities of reproductive health issues, private counselling rooms and hotlines have been set up in association with the clinics providing the services.

The IEC programme has been redefined, shifting its emphasis from the purely demographic situation and the government's fertility policy to focusing on information and knowledge on reproductive health, childbearing, and childrearing. A variety of new IEC materials has been developed, and made more user-friendly by the use of more graphics and easy-to-understand text. Needs assessment has become an integral part of the procedure for decision making regarding the SFPCs' programme implementation, and the demographic indicators such as the birth rate are no longer accorded top priority in the evaluation of programme performance.

**| *Informed choices: providing capacity, counselling, contraception***

The experiment introduced this new, innovative approach into the programme in order to promote informed choice of contraceptive methods based on accurate information, education and counselling; to provide comprehensive reproductive health services to meet the individual needs of clients; to build capacity to provide quality of RH/FP care; and to facilitate clients' understanding and exercise of their reproductive health and rights.

The experiment has been warmly welcomed by couples of childbearing age and by the programme managers and service providers. It has also had a tremendous impact on the nationwide programme. In just a few years, the practices adopted in the experiment have spread from six counties/districts to more than 800 counties/districts all over the country. The success of the experiment in the pilot areas has also greatly facilitated the effective implementation of the UNFPA-funded RH/FP project in 32 counties since 1998.



While the experiment has been successful in the context of China in demonstrating the feasibility of reorienting the programme from being demographically driven to a focus on quality of care, it has also raised challenges for its further development. The initiation of the experiment took place in pilot areas in the eastern region where economic conditions are relatively favourable. New, innovative efforts will be required if the experiment is to continue successfully in introducing a quality of care approach to the western region where economic and other conditions are generally much less favourable.

A project promoting quality of care is already underway in the western region. In the experiment, the fieldwork and survey results both suggest that while, in the more favourable areas, people demand more knowledge and services on reproductive health, most people suffering from poverty in the western region have indicated that they consider poverty alleviation should be the first priority for assistance. In the process of reorienting the programme towards reproductive health in these poverty-stricken areas, more emphasis may have to be placed on the integration of reproductive health services with the efforts in assisting poor families in the process of poverty reduction. In order to do this, the government has planned to allocate more funding to the poverty-stricken western region. Meanwhile the eastern region is being encouraged to provide assistance and support to the western region on grounds of mutual interest.

#### **| Perspective on gender**

The gender perspective is another issue still waiting to be more comprehensively addressed. While the informed choice on contraception has been adopted in more and more localities in China, it is often regarded as a measure aimed at reducing the failure rate of the methods being adopted. It is commonly perceived as a favour to women, encouraging their cooperation as the clients benefiting from fertility regulation, rather than as the right of women as part of their entitlement to information and choice. Implementation often tends to be implemented from the top down, and women have little opportunity for articulating their views in the course of the process.

Many of the pilot areas involved in the quality of care experiment have expanded their services from fertility regulation alone to reproductive health, including diagnosis and treatment of RTIs and STIs at grassroots

level. These measures received enthusiastic support from thousands of women in rural areas despite their living in extremely unfavourable conditions. The research evidence suggests, however, that the incidence in RTIs and STIs has a great deal to do with gender-based violence within families. The efforts so far in this regard tend to focus only on improvement in medical services, and the issues relating to gender and the involvement of males are rarely discussed. The protection and improvement of women's reproductive health requires going beyond biomedical perspective, and looking into the gender relationships within families and their association with women's reproductive health status, including the incidence of RTIs and STIs.

**| A role for civil society**

Finally, there is an important role for civil society to play in addressing the issues of population, reproductive health, gender, and poverty reduction. For example, the China Family Planning Association (CFPA) as a member of the IPPF has been working on the dissemination of information and knowledge on reproductive health, family planning, and poverty reduction, particularly at the grassroots level. Not only has the Association organized a variety of income generating projects through its extensive network all over the country, but in recent years it has also launched projects on adolescent reproductive health and AIDS prevention in various parts of the country. A "Happiness Project" has also been carried out by the CFPA and the China Population Welfare Foundation, aimed particularly at mothers in poverty in rural areas of the western region.

Over the last ten years more than 200,000 rural impoverished households have received technical and financial assistance from the Project and benefited from the initiation of income generating activities to eradicate poverty. In the transformation towards a market-driven economy and the streamlining of the government structure, there is a high probability that civil society will play an increasingly pivotal role in addressing the issues on population, reproductive health, gender, and poverty reduction in China.

**Introduction**

The argument of this chapter is that UNFPA and other agencies that are seriously interested in ground level impact, with special reference to reduction of poverty and inequality, in designing their research and action, need to address, reflect on, and rethink the theoretical underpinnings of their programmes, their frameworks, in the context of the macro economic and political forces that are currently operating at the global level. They would find themselves impeded if not frustrated or disabled if they work at the micro or meso level, without not only understanding what can be called 'the big picture', but actually recasting that bigger picture through reflection, reconstruction of theories, of indicators of progress, and collectively designed strategies and points for advocacy. This re-orienting is the enabling environment that is required for effective implementation of their programmes.

This argument is not only derived from what can be called the recent changes in the landscape of power, as a result of the mobilisation against terrorism, but also a finding of the three-member high powered review team (Adedeji, McCowan and Jain, 2001) that was appointed by the Secretary General, to evaluate and advise on the UNDAF, a part of the Secretary General's reform process.

The chapter goes on to describe the positive and negative aspects of South Asia as the landscape against which the conceptual framework for the UNFPA could be designed. Features of existing approaches to

poverty reduction, at the macro level, such as the “growth removes poverty”, arguments, the data on which such presumptions are based are evaluated; the neglect of the value of employment, livelihood protecting and promoting strategies are highlighted. The current approaches to poverty reduction in India, its disjunctions; and finally some of the dimensions, ideas and proposals that are emerging especially from those who are engaged in the population and development field in India, as ways of incorporating the rights framework to the removal of poverty and the landing of social justice, are presented. The critical importance of the reconsideration of the basic paradigms of development, turning the theories upside down, from trickle down to bubbling up are emphasized.

### The impact of the “new” global forces

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The United Nations and its agencies are facing a threat that is not only financial but political – with the power landscape changing drastically in many parts of the world and countries often struggling to safeguard their borders and their sovereignty. Consequently, implementation of development programmes, even though their content may have been designed carefully and sensitively within a human rights framework, is likely to face many difficulties.

As a result of the exertion of these external pressures on the South Asian sub-continent, many country-level policies have been modified in ways that have direct repercussions for social sector policies, including attempts at the removal of poverty and inequality. Some of the more significant changes are:

#### ***Reduced budgetary allocations for social sector***

In the uncertain and changeable political climate of the early twenty-first century, more and more resources are being allocated to defence, and this provision automatically determines that there is less for the social sector, irrespective of the commitments made at summits and other meetings.

#### ***Weakening of democratic structures and processes***

Legal measures, like India’s Prevention Of Terrorism Act (POTA), modelled on anti-terrorism laws in the United States and Britain, arm the state with authoritarian powers and move the centre of power from the legislatures to the executive, the police and the military (The Hindu, 2001).

Strengthening national security, and expanding and fortifying the military are also centralizing processes that serve to slow and even reverse the process of devolution of economic and political power and hence reduce the participatory component of governance. Such a shift is also likely to reduce transparency and accountability in governance, as security issues, including pursuit of terrorists, are by nature secretive and underground, constraining the opportunities for claiming rights, by limiting the power and place in society of the judiciary and civil society. Consequently there is a strong probability that endeavours aimed at affirming and enhancing human rights will be compromised.

***The regressive segmentation of societies***

Earlier classifications of society, according to class, or even gender and location, are being replaced by over-generalized civilizational classifications, further named as “Islamic” or “Western” (Huntington, 1996). Such sectioning tends to emphasise or re-invoke forms of conservatism and fundamentalism. The reinvoking of these divides generate violent confrontations, as was for example witnessed in the State of Gujarat in India in 2002. They also propel the regression of the hard won international agreements for women’s empowerment, for the affirmation of their rights, such as reproductive rights, as was seen at the Fifth Asian and Pacific Population Conference held in Bangkok in December 2002.

Views that had become widely espoused, such as that insecurity is a result of inequality, uneven development and the persistence of poverty - arguments that were an integral part of the drive towards development, have increasingly been overridden by the language of hate, evil and terrorism, diverting attention from grassroots development as a dominant theme to issues of national security.

National security in turn being interpreted as the traditional concepts of security, particularly military security, moving away from the more progressive notions of human security.

**Characterising the South Asian Sub-Continent : Some positives**

***Resilience in the face of Poverty and Inequality***

South Asia is a paradoxical constituency that has talent, creativity and leadership located in the midst of acute poverty and inequality. Not only are South Asians among the foremost achievers amongst immigrants seeking careers in the North, but the whole of Asia as a region has had

a higher and steadier economic growth rate than other continents. Within South Asia, India and Sri Lanka have performed solidly with an estimated 6-7 percent growth in GDP for 2001 (Asian Development Bank, 2000), while they hold the 115th and 81st rank respectively in the Human Development Indices 2001 (UNDP, 2001).

The discussion of poverty in South Asia has become difficult because almost anything that can be said about poverty and the poor in the region, and even the ideas for dealing with it, have already been gone over *ad nauseum*. South Asian human development reports demonstrate the resourcefulness of programmes in the region, including some of the most innovative ideas for facilitating change that is likely to produce positive results. Indeed, some of the most successful model projects, where the poor have pulled themselves out of poverty, have been led by women in South Asia, including the Grameen Bank in Bangladesh and the Self-Employed Women's Association in India. But there are other significant features of South Asia that should also be noted.

**| A culture of embedded democracy**

The majority of South Asian countries have been practising a form of the traditional Westminster model of democracy, (that is, a multi-party, universal franchise, with an independent executive and judiciary) for all of 50 years. Thus there is a familiarity with the culture of democracy. In some countries, such as India, reservation of seats for women and a quota for castes that had suffered historical subordination have been introduced at several levels of elected councils, through a constitutional amendment enacted in 1993. This constitutional amendment has launched one million women into representative electoral politics in 250,000 legal administrative councils of governance. This quota model of elected councils is now being included in the electoral laws in most of the countries of South Asia. For example, in Pakistan's most recent local council elections one-third of the seats have been occupied by women, through the same system of quota and so too in Bangladesh (Bari, 2002).

**| A degree of self-reliant political economy**

The sub-continent has also shown a capacity to survive major international economic crises, whether in the form of the Asian economic crisis, which did not penetrate deeply into South Asia, or the recent fluctuations in the capital markets in New York or Tokyo. The sub continent has features of a self-reliant political economy, built over several previous

decades of economic development planning. South Asians have shown special capabilities in entering and even leading the knowledge-based industries. Thus India, and very soon Pakistan and other countries too, will have their own Silicon Valleys with Africans and even Chinese coming to consult and collaborate on how to make information technology such an integral and significant part of their economies.

But, despite this, the region is also identified with a disheartening measure of poverty and a dismissive attitude to women.

### Characterising the South Asian subcontinent: Some negatives

#### *The prevalence and severity of poverty*

In 1995, out of 1.3 billion poor people in the world, 515 million lived in South Asia. The percentage of population whose income or consumption level fell below the poverty line continued to remain at a high level. While, on the basis of income, poverty was as low as four percent in Sri Lanka and 11 percent in Pakistan, it ranged between 29 percent and 53 percent in Bangladesh, India and Nepal. An analysis of the incidence of poverty across two periods, namely 1989-1994 and 1994-1998, concluded that it had increased in three out of five South Asian countries in the second half of the 1990s (UNDP, 2000).

The available information on the prevalence of poverty across South Asia as measured by the poverty gap index (PGI) and its severity in terms of the Foster-Greer-Thorbecke index suggests an overall decline in poverty during the period 1985-1986 to 1990-1991. However, the disparities in the rates of reduction of poverty between rural and urban areas persisted. For instance:

- in Sri Lanka, although the prevalence and severity of poverty declined at the national level, they increased in urban areas while declining in rural areas;
- in India, the poverty indicators declined in both rural and urban areas, but at differential rates: the decline in the prevalence and severity of poverty were faster in the urban areas compared to the rural areas. The coefficient of variation in the incidence of income poverty in 16 major states of India increased from 0.40 in 1973-1974 to 0.67 in 1993-1994, pointing to rising inter-state disparities. Additionally, poverty levels varied across social groups as well and remained high.

- in Bangladesh, the depth and severity of poverty increased not only at the national level but at the regional level as well. The magnitude of increase was considerably higher in the rural areas than in the urban areas.
- in Pakistan between 1986-1987 and 1993-94 the depth and severity of poverty increased.

Similarly, the income distribution across income groups had worsened. Between 1987 and 1998, the richest 20 percent of the population earned between 41 and 46 percent of total income while the poorest 20 percent received less than one-tenth of the total income.

■ ***The dilemmas in the trend in women's employment***

There is growing concern that quantitative increases in women's economic participation are not being matched by qualitative improvements or better working conditions (Carr and Chen, 2002).

The rise in female labour force participation has been attributed to a number of factors:

**First, improved measurement of women's work.** In developing countries, conceptual and methodological constraints, conventional labour force definitions and statistical systems still do not appropriately or adequately reflect women's productive work in the non-market economy. But, with improved labour force questionnaires, including a wider definition of "economic activity" to cover informal sector and non-market activities, the recorded female share of employment is rising.

**Second, the organisational and technological changes in production and trade.**

The data also reflect the kind of changes that are taking place in the goods and services sector, especially in the field of tradable commodities and services. These sectors and the nature of work in them require women workers rather than men. In the export processing zones worldwide and the special economic zones in Asia.

**Third, the decreasing certainty of male employment,** partly as a consequence of recession and structural adjustment. More women are forced to seek employment as men's ability to contribute to the household budget is diminished. The increasing deregulation or dissolution of old-style



factory production, and its replacement by self-employed or other forms of contract labour has meant that more women are finding work opportunities.

However relative to men, women still face discrimination in hiring standards, in opportunities for training and retraining, in access to productive resources. They face segregation and concentration in a narrow range of “female” occupations; unequal pay for equal work; unequal participation in economic decision-making; unequal sharing of family responsibilities; and unequal career prospects.

***The gulf between the state’s and the choices and needs of the poor***

Perspectives change on almost everything when the world is viewed through the eyes of those living in poverty. One of the most pervasive concerns of the poor is the constant threat of death. Death of a child, of an elderly family member, of oneself is a real possibility every day. Official mortality and life expectancy data do not convey this persistent reality. The countries of the Indian sub-continent do not have disaggregated data providing information for those living in poverty by class or gender, but insights available show dramatic variations in daily expectations of life and death. Such intimacy with death is problematic, evidencing itself in bouts of fearfulness or fearlessness, constrained choices, sometimes even who should be allowed to live and who left to die. There are hard decisions such as who receives the larger amount of food and who gets priority for access to health services – a triage within the family.

Often girls are sold for the rest of the family to survive, or a child sent to work instead of to school. Coherent family organization often does not exist amongst the poor, but households in poverty comprise fragmented, non- families in which women battle for life. Widespread dispersal of family members may look like indifference but it is often a distance imposed by necessity. Women adjust to the pain of loss of a child or a husband simply by focusing on the drive for survival. Even the lauding of family values is likely to be inapplicable in this area of life when it is being lived at its most basic.

The immeasurable distance between the real-life situation of the poor, especially women, and the other world that attempts to regulate their lives often leads to policies that seriously disadvantage poor families.

For example, in a very poor, landless, agricultural labourer's household, where a pot of rice, or porridge, or some chapathis represent the basic diet, expenditure on a bottle of country liquor is an extravagance that can destroy the household budget. But for the State, any reduction in sale of liquor through a ban of some kind means a loss of excise revenue. Yet, in three states in India, Andhra Pradesh, Haryana and Kerala, women's attempts at removing country liquor booths were crushed by this economic argument, and to make matter worse, the State raised the bus fares and the price of kerosene (a basic cooking fuel for the poor), on the grounds that they had to compensate for the loss of excise revenue.

For a short period while liquor sales stopped because of prohibition, the women in a group of villages in Nellore, Andhra Pradesh, not only saved substantial sums of money over the period of a year but were able to send their children to school, paid for health services, attended literacy classes, and fought against child marriage and use of children as domestic help. By this means their self-generated efforts reduced the costs to the State budget for social development and prevention of child abuse. But such hidden savings are not apparent in the fiscal record. This could be a useful area of advocacy and research by UNFPA, as it addresses both gender and fiscal policy issues.

Banning liquor may appear rather extreme to people not living on the verge of hunger, possibly even an intrusion on human rights, and a rather reactionary attitude. But in a hungry, one-meal-a-day family, the purchase of liquor often subverts the best efforts of many of the women to provide for their families. Women went on a hunger strike, but the ban was eventually removed and the problem of spending priorities resumed.

In another study, on the purchasing habits of the poor, it was found that on any given day the very poor could not afford to buy more than their requirements for that day's evening meal – whether it was staples like wheat or rice, or spices like chilli or salt. But the food shops meant for the poor, and called “fair price shops” in India, sell only in bulk and usually for cash. The alternative is the regular retailer who virtually becomes a moneylender as well, making a loan and then deducting usurious rates of interest, for each daily transaction. Thus, the poor finish up unable to use even the retail outlets designed for them (Jain, 2001).

## Macro strategies for reducing Poverty

### *The data debate*

There has always been a debate and strong disagreement in India on the measurement of poverty. However the officially held and statistically substantiated view in India is that the last decade has seen a significant reduction in poverty irrespective of how it is measured. At a workshop in New Delhi on Poverty Monitoring and Evaluation in 2002, hosted by the Government of India's Planning Commission and the World Bank, some of the technical differences were smoothed out (Deaton, 2002) and this finding was affirmed with finality by those in official agencies and mainstream academia (Bhalla, 2002; Vaidyanathan, 2000)

It is estimated that the poverty rate at the All-India level has declined between 1993-94 (when the liberalization programme was initiated) and 1999-2000, from 37.3 to 25.6. Over this period, economic growth rates rose from 4.1 percent to 6.7 percent (Sundaram and Tendulkar, 2001). Overall, this outcome suggests that substantial growth (and 6.7 percent between 1993 and 1998 was the highest ever) has a positive impact on poverty. This observation in turn would legitimize the prevailing theories, namely that high rates of economic growth are a necessary condition for pulling the poor out of poverty. It is also argued by this paradigm of development that such high rates of economic growth as experienced by India in the 1990s were due to the accompanying economic reforms centred on liberalization, privatization and globalization—thus an advocacy for globalisation as the panacea for poverty removal.

### *Gender disaggregation challenges this perception of poverty reduction strategies*

The problem with this conclusion, that economic liberalization alleviates poverty, is that it does not match the findings of those with first-hand knowledge of the poor, of women, and other deprived groups. Economic measures and the assumptions embedded in them do not capture the nuanced information that is coming from the grassroots level, namely that this growth is impoverishing certain subsets of the poor, and these subsets are not stray pockets of poverty but large populations.

These alternative views suggest that it is this pattern of economic growth, characterized by rising rates of job less growth of GDP, that is the culprit for deepening abject poverty. Workers are being driven out of the formal economy where they had security and legal protection, into the informal economy where incomes are lower, less reliable and

where there is no recourse to legal protection of any kind. In the Indian state of Uttar Pradesh for example, a survey conducted by a Senior Economist of the World Bank, (Kozel and Parker, 2002), has revealed that women are being pushed into the least desirable sectors of agricultural activity and in larger numbers than men, leading to a bizarre feminisation of agriculture and this trend is perceived to be a reflection of the continuing reduction in investment in agriculture throughout South Asia.

There is evidence, not only in India but worldwide, that the numbers of rural dwellers living in poverty are increasing (UNIFEM, 2000). Data indicate both growing numbers and proportions of women among the rural poor since the mid-1960s (Table 5.1).

**TABLE 5.1:** Total number of rural people living below the poverty line, by sex (millions)

Population	1965-70	1988	Percentage change
Women	383,673	564,000	47.0
Men	288,832	375,481	30.0
<b>Total</b>	<b>672,505</b>	<b>939,481</b>	<b>39.7</b>

This shift suggests that if the statistically derived poverty trend was gender differentiated then the finding of the earlier observation could be questioned. It would suggest that as rates of GDP growth go up, so does the deepening of poverty. Data collection efforts have not been able to capture this gender differentiation in the statistical trends of mainstream household and other surveys, for important reasons, which deserve some attention. It is difficult to separate the incomes or consumption of males from females within poor households, especially since female earnings are often non-monetized (Jain and Banerjee, 1985). Although the data on outcomes, like those for mortality, morbidity, employment and wage rates do indicate a strong gender-derived difference in the impact of poverty within the household, it is difficult to statistically isolate the poverty level of women from that of the family as a whole (Government of Karnataka, 1999). Confirmation of this increase

in the incidence of poverty among women, which runs counter to the general proposition that poverty has declined, requires data on poverty that differentiates by gender that is not normally captured by head count or national sample surveys.

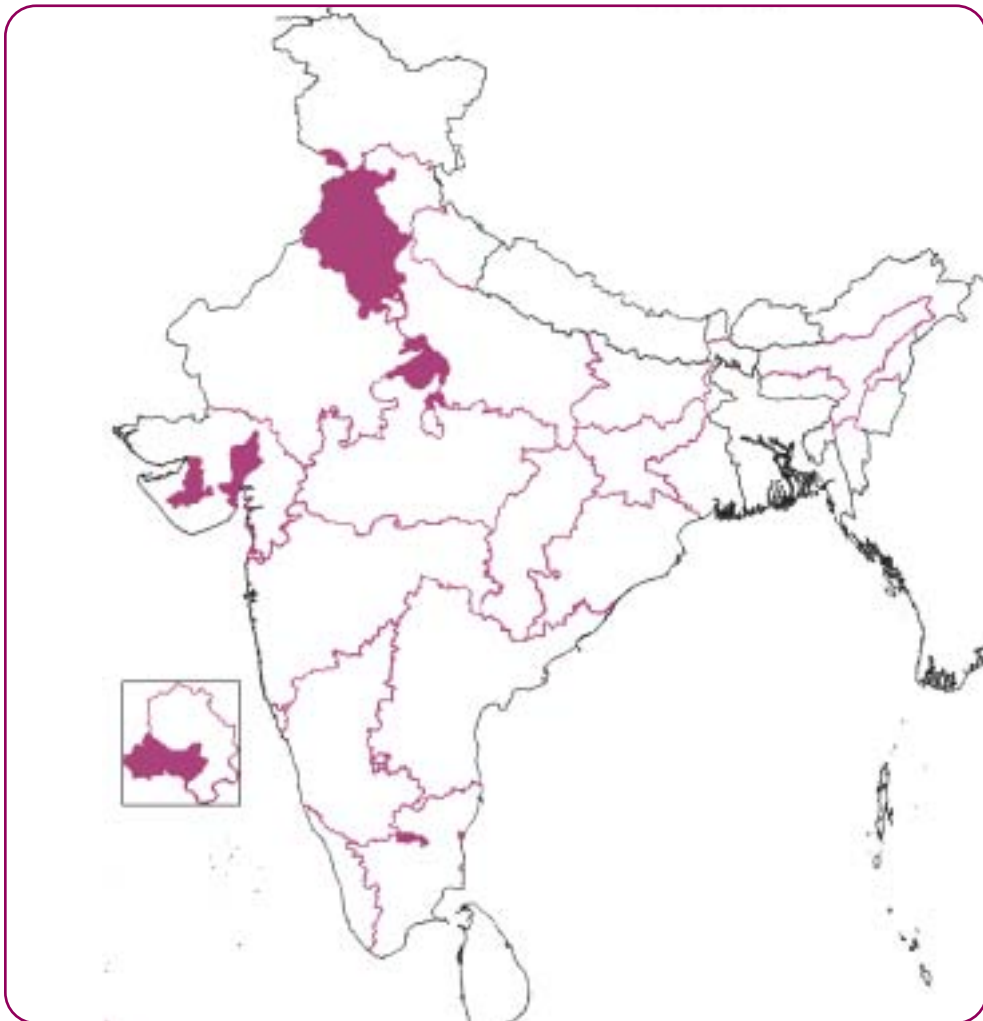
There are, however, other types of non-trend, qualitative data that suggest that the situation of females, whether as infants, girls or women, is steadily worsening. For example the Census 2001 in India, has produced maps and tables, which illustrate the decline in what is called the juvenile sex ratio, ie the number of female children between the age of 0-6 compared to male, between 1991 and 2001. The comparison, revealed in Maps 5.1 and 5.2, showing a colour of red, where the drop in the sex ratio, ie the decrease in the female children, is over 50 percentage points. The trend is disturbing as the red patches are not only intense in the States of Punjab and Haryana, districts which have the highest per capita incomes in India, the granaries with good rates of economic growth, but the red patches, ie the patches where the female child is facing the killing fields is also appearing in earlier, more benign States such as Andhra.

In a recent review of one of the “success” stories of the new paradigm, namely that high levels of growth and Foreign Direct Investment, ie FDIs, stimulate poverty reduction, Supriya Das Gupta reveals the down side (Chowdhury, 2003).

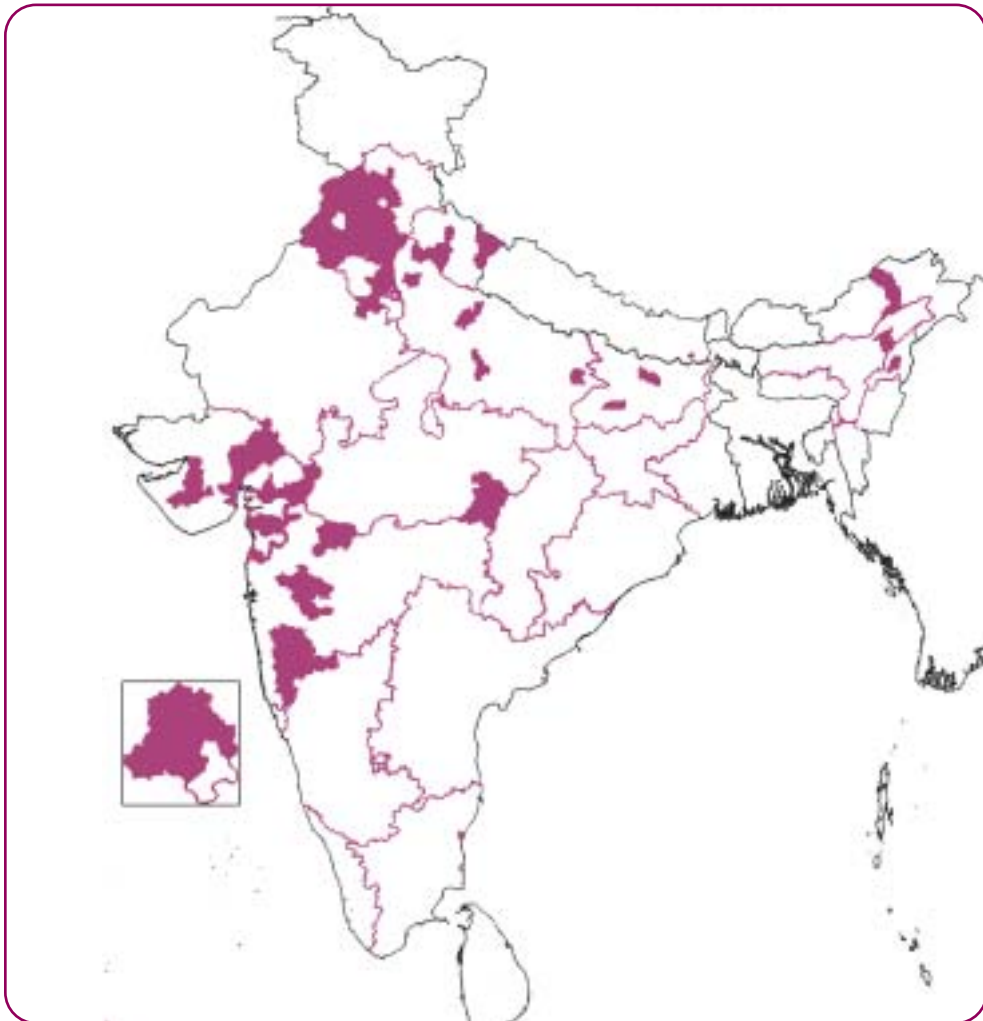
*“Several dimensions of our economic reform model reflect the impact of an abrasive marketisation policy, entirely heedless of the havoc that this process causes to the lives of those who are at the margins of the economy.*

*Karnataka, one of India's fastest growing States, experienced a growth rate of more than 8 per cent in the second half of the 1990s. In Karnataka, the annual average growth of industrial production was 6.66 per cent between 1990 and 1991 and 1993 and 1994, and 7.03 per cent between 1994 and 1995 and 2000 and 2001. The third largest recipient of FDI achievement on cutting edge areas of industrial development, such as information technology and biotechnology, are underlined the growing faith that the economic future of the State lies in areas of the most modern technologies driven by private capital, and propelled by a Government committed to the spirit of economic reforms.... However there has been a lack of growth in employment,*

**MAP 5.1:** Census 2001: districts showing decrease of fifty and above points in child sex ratio in age group 0-6, 1991-2001, India



**MAP 5.2:** Census 2001: districts with below 89 per cent child sex ratio in age group 0-6, India



*deepening urban poverty, and an erosion of the organised sector, and the addition of large numbers to the unorganised sector of the workforce. In Karnataka, this is highlighted in the extraordinary rate of erosion of the Small Scale Industry sector. Over 33 per cent of these were closed over the same period, when a survey was conducted in 2001....*

*...These factors have underlined the deepening urban poverty in the State. Between 1973 and 1974 and 1993 and 1994, while the proportion of population below the poverty line declined from 12.8 million to 9.6 million in rural areas, it actually increased from 4.2 million to 6 million in urban areas. Bangalore experienced an exponential growth of slums from 444 to 733 over the same period. Thus, marketisation, as a development model, has exacerbated these contrasts, rather than reduced them, carrying a few forward in the rushing tide of cutting edge technologies, global connectivity and hitherto unheard of salaries and wealth, and leaving the rest behind in muddied pools of deprivation and hopelessness.”*

The value of such other types of information poses questions on the methodologies adopted for the measurement of economic progress.

Indicators of human development as a concept have focused attention on the non-economic features of poverty and deprivation, thus giving a greater voice to poor people, especially the concerns of poor women. However, while human development measures do explicitly include critical aspects of the lives of the poor, they also tend to imply a ghettoization of the poor and of women by marginalizing them in the social development sector as groups requiring food, health and educational inputs, recipients of social services. There is a trap here as it perpetuates the view of the poor and women as non-productive consumers of welfare services and avoids addressing the question of power and opportunities to exercise such power to direct the overall economy and its choices of growth paths.

This is the kind of area in which further research studies should be supported by agencies like the UNFPA, as they are crucial for understanding the link between paradigms of development and poverty, which in turn would enable appropriate interventions to reduce poverty.



***Employment as an instrument for poverty eradication***

In addressing issues related to population and poverty in the social sector, certain aspects of welfare, notably various aspects of health, tend to dominate in the context of economic development. Unfortunately employment, which was towards the top of the agenda as a concern for both national and international discussion during the 1970s and 1980s, now commands less attention both collectively (as in trade associations or unions) and with regard to households.

The consensus, nationally and internationally in relation to poverty eradication, seems to be that rapid economic growth as such is the essential ingredient for its removal. Employment, or even simply job creation, is not one of the Millennium Development Goals, nor perceived as one of the solutions to poverty as advocated by the World Bank or other international agencies. Rather, poverty, it is claimed, will be reduced by growth of GDP, and by improving human development through investment in education, health and such social inputs.

The current approaches to production and trade emphasize foreign direct investment and venture capital following a growth path of development that largely ignores the creation of employment. The nature of production and trade systems, partly as a result of technological and scientific advances in generating goods and services, together with the liberalization programme, promote the dynamic flow and deployment of capital but impose constraints and obstructions on the mobility and flow of labour and accompanying skills. Retrenchment of workers, dismantling of worker organizations and the pushing of labour from the spaces of power have become routine in the drive for economic development, as has been shown in the paper mentioned above (Das gupta).

There has been a shift in the struggles, from the demand for more secure employment and better wages to an emphasis on social security provisions, pensions for older people, especially for women, and there welfare benefits. Such a trend impacts most unfavourably on the world of the poor. When, as has happened in India, the State offers free gruel to the weaver displaced from his livelihood, he refuses it. His preference, and the real need of such households, is for a market to sell his product, not a sop just to sustain life. There is no dignity in survival without self-respect and a viable means of livelihood. Liberalization, privatization

and globalization have combined to change many aspects of the space within which the core issues of employment and gender equality are being considered.

### **Indian Experiences in the field of population and development**

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In India many studies argue that the factors influencing fertility are not simple or even direct but often diverse and complex in their impact. A wide range of issues is being addressed in the context of fertility reduction, including the education of girls and women; ownership of assets; land rights; work status; and housing. These are additional to the broader macro-level considerations such as the overall level of satisfaction of basic needs; the prevalence of gross disparities; the embedded nature of patriarchy and tradition; and the existence and support of women's collectives.

There is a concern that the reproductive and child health (RCH) programme, which is widely regarded as an improvement on the family planning (FP) programme, has distracted the policy from the real need, namely strong primary health care linked to a full-employment programme so that individuals can both earn their living and access social services. There is concern that the emphasis of RCH tends to be quite narrow, focusing on female reproductive issues from adolescence through womanhood, rather than on securing her daily sustenance and autonomy. The Expert Group set up by the Government Of India in 1993, prior to the ICPD in Cairo (Jain, 1993), actually went so far as to recommend the dismantling of the family welfare department, so that the focus could be only on health, which in turn would have a positive impact on fertility and the quality of the population. The population policy that this group recommended went as far as to suggest that what was required was not so much a population policy but a social development package which provided social amenities to the poor, including safe drinking water and health care. This was a departure from the kind of fertility focused approaches, such as the two child norm, like the Chinese one child norm, which imposed conditionalities, which punished women and families of the poor and marginalized who may not have access to the amenities, including family planning services which influenced their fertility.

Indian civil society groups in association with the UNFPA and the Ministry of Health and Family Planning of the Government have suc-

cessfully generated debate and public opinion, including advocacy with the National Human Rights Commission, to prevent the putting down of repressive population policies such as imposing of norms, and setting of targets (Rao and Jain, 2003). The groups also argued that greater political power for women is essential if there is to be any change to the pervasive existing characteristics of social and economic subordination and discrimination, a significant conclusion reached in more general terms at the women's conference in Beijing in 1995. They have pointed to the million women that are elected representatives in local government in India, who constitute a significant social force challenging traditional gender relations in politics and governance (Jain, 1995) and suggested that devolution of the health and population programmes to these local self governing institutions, and within them to women's committees would be one route to implementing a rights framework for population and development policies. These local political structures, provide to women and others not only rights to participate in power structures, but to use the accountability mechanisms to ensure that rights are not violated by coercive practices often suggested for fertility reduction (Jain, 2003).

### Strategies for removal of Poverty

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#### *The value of democracy*

It is suggested that removal of poverty requires an amalgam, a confluence of many initiatives and actions. Confrontations and dialogues, as well as the institutional arrangements that facilitate them, are crucial instruments for the removal of poverty and inequality as they offer opportunities for conflict resolution and for vocalizing the concerns of sidelined groups. The structures of democracy provide conduits for conveying knowledge and information from the grassroots level to legislative bodies. Amartya Sen makes a case for democracy as providing both a signaling system through the freedom of the press, as well as an open debating space offered by the legislature, by comparing India and China's experience of famines (Sen, 1990).

#### *The value of social movements*

Social movements make significant legal and sectoral impact on policies. Minority groups like the coalition of Dalit organizations orchestrated effective political debate around caste-based discrimination and untouchability before and at the World Conference on Racism in Durban, 2001. The Narmada Bachao Andolan ("Save the Narmada")

group, through their widespread action both locally and globally, has contributed to furthering the cause of knowledge-based, principled guidelines for construction of large dams and other mega-infrastructure development projects impacting on minorities. As part of this process of expressing their concern they helped instigate the Report of the World Commission on Dams (World Commission on Dams, 2001). Both the Dalits and women have formed, among themselves, new national networks to address development – a step forward from the *status ante*, where caste identity defined limitations to voting blocs and affirmative action processes (Fernando, 2001).

Another important set of forces comprises the broad-based coalitions of those identifying with poor peoples' issues such as the workers in the informal economy (SEWA) (Jhabvala, et al., 2001), child labour, hunger, livelihood, violence against women, rights to natural resources, and rights to information. These groups are coming together and engaging in collective advocacy for changing debilitating laws and improving the quality of the judiciary as in the case of the Conference on Human Rights in 2001.

**| *The value of job – or livelihood centred development***

Concern with issues of employment still abounds and has been articulated in many United Nations documents and resolutions. For example, “promoting women’s education, employment and skills development” and the elimination of “all discriminatory practices, including those in the workplace” were among three major recommendations of the International Conference on Population and Development in 1994.

The theme of women and employment was also included in the World Survey on the Role of Women in Development, also in 1994, which pointed out that equal access to employment opportunities for women is not yet a reality, and argued further that women must be brought fully into the economic decision-making process. The point was also made that increasing globalization and the attendant competition for scarce economic resources has had a negative impact on women and other disadvantaged groups, especially in developing countries and economies in transition.

Recently the International Labour Organization (ILO) invoked the spirit of the 1980s when work was viewed as the most dignified solution on

offer to remove poverty. As far as achieving a satisfying work routine is concerned... “In the most dramatic of situations it's about moving from subsistence to existence. And everywhere, and for everybody, decent work is about securing human dignity... It is critical to one's identity and future; it is the principal means by which people connect to their communities and to the wider economic system. Work is also the primary route out of poverty” (Somavia, 2000). Essential among these rights is the right to have a voice, to organize, to be heard, to be able to defend personal interests and to bargain collectively.

There is a connection between employment and fertility, though it cannot be generalized into a theory or a proposition. In the developed industrialized countries, increasing female labour force participation has been linked to the completion of the fertility transition. Similarly, the developed countries that experienced the largest increases in female labour force participation rates in the 1980s also tended to have the largest declines in total fertility rates.

However this relationship does not necessarily hold true across all locales and all employment categories. Furthermore, labour force participation has not been matched by improvements in job quality. The kinds of job women are engaged in and their working conditions have not led to real socio-economic empowerment. While it is true that data on women's employment in the developing world reveals a substantial leap forward in the absorption of women into the labour force, most of this addition is in the service sector and especially in the informal economy. In the 1980s and early 1990s, labour force growth was substantially higher for women than for men for every region of the world except Africa. Some of this increase may well account for the considerable down swing in the rate of population growth in South Asia.

Just as women are pushing for a larger role in economic life around the world, they are also becoming more assertive within their families. Increasingly the declining birth rates provide evidence of women's choices to have fewer children, a relatively recent phenomenon that is emerging worldwide. Poor women do not need inducements to reduce their childbearing, they simply need the power and authority to say no. This is most readily achieved by a change in self perception, the recognition of self worth and a reversal in their disadvantaged position vis-a-vis men, in traditional family power structures and the community's

social perceptions. In order to be effective in the long run, family planning programmes should not only focus on attempting to reduce fertility within existing gender roles, but rather on changing gender roles in order to reduce fertility.

Field work in India, for example, reveals that women prefer to have few children but their lack of the power for self determination, not only the lack of contraceptive services is the major factor preventing this outcome. Where women have claimed power and been able to recast gender relations the number of births has declined, even when other variables like education and infant mortality remain unchanged. Such a change in the status and role of women is a crucial factor too, in the fight against the spread of HIV/AIDS in India, as it is in South Africa. Greater gender equality at an earlier stage may well have limited the dimensions being assumed currently by the HIV/AIDS epidemic.

**| *Incorporating the rights dimension***

Similarly in fighting for or claiming rights, new coalitions are being formed across issues, such as fish workers, home based workers, child rights, natural resource, dalits, adivasis (indigenous peoples) (National Human Rights Commission, 2002), etc. Such coalitions argue for the indivisibility of human rights and show that the effective affirmation of reproductive rights is dependent on a broader acceptance of the language of rights, including, among others, the right to natural resources, the right to protest, the right to leadership and to information. It is difficult to claim a specific right on its own. For instance, the most deprived, for whom food on any given day is not a certainty, not only require the basic economic right to food but also the political right to claim it. This situation applies particularly to women who may, in practice, have very constrained political rights preventing them from accessing provision for other basic needs to which they are entitled: in that sense, social rights are embedded in the political framework and one cannot be accessed without the other.

Furthermore, these individual rights provide a crucial lever for women in general and poor women in particular where they are oppressed by traditional and cultural discrimination and violence. For all women, empowerment is related to economic rights, such as the right to ownership of assets, the right to access credit on her own, and the right to choose a partner; and without realization of these rights women will remain severely

disadvantaged. Expanding the concept of reproductive health to include the concept of social and economic security for women introduces the notions of development rights and the rights of livelihood. Again, ground swell movements are adopting this language as it links them to constitutional and judicial mechanisms which seem to have more potential to provide justice than the government or even civil society.

### **Suggestions for a Conceptual Framework**

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There are many elements of the existing approaches to understanding poverty, inequality and the process of development that are in need of re-thinking, re-conceptualizing and re-statement, particularly if they are to provide due recognition of the roles and expectations of women.

The first needs to be the paradigm of development itself, the identification of the engines of growth. Instead of seeing the poor as a target group, who need special ladders, within a framework of economic development, - enabling the poor to become economic and political agents could itself become the engine of growth. Thus from a “trickle down”, or social net approach, it would be useful to look at what can be called the “bubbling up” theory of growth. This alternative theory would argue that putting incomes and political power in the hands of the poor could generate the demand and the voice that would direct development. The purchasing power and the choices of the poor could direct the economy to a pro poor or poverty reducing economy. The review of the past seems to suggest some dramatic reversal of the current theories of where the engine of growth lies, if the interest is in poverty eradication.

Mahatma Gandhi, known as the father of the Indian nation, in fact had designed such a theory, and a proposal for its practice (Jain, 1996). To some extent it could even be said that such a theory is close, though not the same, as Keynes theory of stimulating an economy by generating effective demand.

Another important area for work and for transmission of that work into practice is building of new indicators of progress – what is progress? The Human Development Reports have given a lead in shifting indicators from the per capita income to what are called the softer indicators like education and health. However there needs to be more inclusion of economic and political indicators like employment, distribution of assets, political participation and so on.

Gendered impact especially within poverty is crucial for understanding policies. Institutional arrangements, especially political institutions which reverse or reorder or even out gender hierarchies, and gender relations could be the fulcrum for change with justice, for women's true empowerment.

It is evident then that, to be supportive of women in a meaningful way, public policy has to go beyond family planning and even health to the broader issues of development including the social infrastructure; access to food; opportunity for employment; interdependence between the macro and micro elements of the economy; and participation in the organization of production, trade, and government, a democratic framework which enables a rights framework. The best way of ensuring this, is to provide explicitly for women to actively participate in decision making not only within the family but also in other areas of public policy.

Thus in drawing up a road map for enabling the reduction of poverty and inequality, agencies like UNFPA need to go beyond the narrow confines of projects and services. They need to engage and work with institutions that promote poverty eradication through the development of new approaches and adoption of appropriate indicators.



## POPULATION, POVERTY AND INEQUALITY A LATIN AMERICAN PERSPECTIVE\*

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### Introduction

The measure of the performance of United Nations agencies in coming years will be their real and demonstrable contribution to poverty reduction. Historically, UNFPA's role as a development agency has been limited. In the post-Cairo period, it has increasingly come to be perceived as an agency whose mandate is circumscribed primarily by a segment of the health sector. In principle, a new interagency approach called "Poverty Reduction Strategy Papers" (PRSPs) creates opportunities for UNFPA to become more actively and explicitly involved in poverty reduction. However, such a step is not automatic: incorporating specific population components into PRSPs at the country level requires a policy dialogue involving more credible evidence-based arguments.

Economic growth is essential but insufficient to reduce poverty<sup>12</sup>. Moreover, there is growing recognition that a decrease in inequality is essential to poverty reduction. UNFPA has had limited experience with the promotion of either economic growth or the reduction of poverty and inequality, except that its actions contribute indirectly to both. This means that the agency will have to redefine its contribution in order to upgrade its capacity for policy dialogue in those areas, and to provide a solid package of strategy recommendations.

\* The authors wish to express their thanks to Rogelio Fernandez for helpful comments and inputs.

More concretely, this redefinition should revolve around three themes:

- presenting more and better evidence to demonstrate the linkages between its existing programmatic priorities and the reduction of poverty, preferably in a way that will allow the assessment of costs and benefits;
- the institutional agenda should be broadened to incorporate non-traditional issues within the population domain that are of particular relevance to poverty reduction, but whose programmatic potential has not been fully realized;
- in those areas where the linkages between existing programmatic priorities and poverty reduction are weak or doubtful, the rationale and focus of action should be reconsidered and possibly reformulated.

The following sections address these issues. The discussion commences by defining “poverty” and “inequality” and then moves on to address the relation between these concepts and empowerment. The following sections then take a broad look at what UNFPA can contribute to empowerment and to the reduction of poverty and inequality. The final section critically examines PRSPs carried out in the Latin America Caribbean (LAC) region, and suggests directions in which UNFPA’s contribution to such exercises could be ameliorated, thereby improving the PRSPs themselves.

### The Concepts of Poverty and Inequality

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Basic to any effort to reduce *poverty* is a clear notion of what exactly it is that needs to be reduced. Poverty definitions range from the empirical to the philosophical. Typically, poverty is defined as the percentage of individuals living in households having *per capita* incomes or consumption levels below a given poverty or extreme poverty line, or in households with one or more Unmet Basic Needs. There is a large literature on the relative adequacy of these criteria. Both money-metric approaches and Basic Needs measures face problems. There is general agreement that both types of measures, or even their combination, only provide a very partial image of the multiple dimensions of the poverty concept that need to be addressed.

According to a more encompassing definition given by Boltvinik, poverty consists in the inability to satisfy the basic needs of a person in six areas, ranging from income to access to time for recreation and education. The

social deprivation approach, based on Amartya Sen's capability approach and further developed by UNDP in its Human Development Reports provides an even more comprehensive definition. It brings in dimensions of rights, freedom, and participatory approaches by which people are empowered to define their own situation and needs. Poverty in this context can be interpreted as a human condition characterized by the sustained deprivation of the capabilities, choices, and power necessary for the enjoyment of fundamental civil, cultural, economic, political, and social rights.

For present purposes, the definition of poverty that makes most sense is one which focuses on the fact that individuals lack the necessary capabilities and entitlements to satisfy their basic needs and aspirations. This helps focus the discussion on how the poor will have access to the social, material and spiritual means to develop their capabilities. Such an approach automatically links the concept of poverty to that of inequality and, thus, to empowerment.

*Inequality* can be defined as "the dispersion of a distribution, whether that be income, consumption or some other welfare indicator or attribute of a population" (World Bank, 2002). For present purposes, inequality within nations will be the main concern, since it is the only form that is amenable to influence by UNFPA programmes and activities. Definition and measurement of inequality is at a much more incipient stage than in the case of poverty.

Inequality has only recently become a *bona fide* development issue. Dramatized by globalization, inequality has forced development economists to take another hard look at prevalent notions. For the most part, they have previously dismissed the distribution of wealth as a peripheral topic, based principally on Kuznets' Inverted U-Curve. Now there is evidence that high inequality may hamper economic growth itself. Cornia and Court hypothesize that the best economic performance may be reached at inequality levels characterized by a Gini index of around 0.40. Very low and very high Gini indexes, for different reasons, create obstacles to economic growth.

**| The political process and redistribution**

Inequality and redistribution are, first and foremost, political issues. Hence, it is necessary to identify the political processes that promote

inequality as well as those that could engender redistribution. First off, it is essential to recognize that somebody gains and somebody loses in the process of redistribution. This is the reason why it is neither voluntary nor technocratically decreed. Historically, the reduction of inequality in industrialized societies has been achieved through the exercise of pressure by politically-significant groups. That is, certain social groups become sufficiently empowered to challenge the existing distribution of wealth and to set off a chain reaction that imposes new social mechanisms for a different allotment of that wealth.

How is such political pressure generated? Rarely does it result from the sheer size of the disparity. Rather, change stems from enhanced awareness of existing disparities, improved information as to the structure of inequality, a greater motivation to do something about it, all coupled with increased opportunities for social and political participation. In short, it is essentially linked to empowerment.

Poverty can be equated with powerlessness. Poverty and inequality are obviously linked very closely since, as demonstrated by the recent literature, wide-scale poverty reduction is extremely slow without a reduction in inequality. This can be illustrated with some hypothetical scenarios.

**Table 6.1** shows the number of years that would be needed to halve general poverty and extreme poverty in selected countries, under an assumption of two per cent economic growth, with a stationary income distribution, as assumed in the poverty reduction scenarios of the PRSPs. The alternative scenario shows how much time it would take to eliminate general poverty and extreme poverty if the same two per cent growth could be distributed in such a way that it would be directed entirely towards the extremely poor and, later, the poor. Although this is admittedly unrealistic in operational terms<sup>13</sup>, the exercise helps dramatize how attacking inequality is a far more efficient mechanism for poverty reduction. In practice, feasible strategies may be devised that are a combination of both hypothetical scenarios, one that comes closer to the second alternative than the first.

Reducing inequality essentially requires empowerment of the have-nots, the poor and the oppressed. Empowerment of the poor and under-privileged is important in two ways:

- it helps them to participate more effectively in economic processes which generate wealth and reduce poverty;
- it helps them claim a fairer share of the total wealth and, in that way, further contribute to overall prosperity.

**TABLE 6.1:** Years needed to halve general and extreme poverty or to eliminate them completely, under alternative scenarios of income distribution, based on two per cent per annum growth of overall per capita consumption

Country	Halve poverty without change in the income distribution		Eliminate poverty by concentrating all economic growth among the (extremely) poor	
	GENERAL POVERTY *	EXTREME POVERTY *	GENERAL POVERTY*	EXTREME POVERTY *
Bolivia	37.9	29.1	11.5	3.4
Costa Rica	20.3	24.2	1.1	0.4
Guatemala	26.9	12.6	7.4	0.6
Nicaragua	22.5	15.4	5.4	0.7
Paraguay	25.0	24.2	2.5	0.6
Peru	17.9	13.0	3.3	0.4

\* The poverty criteria are based on household consumption per capita, except in Paraguay and urban Bolivia, where household income was used.

**SOURCE:** Computations based on LSMS surveys.

UNFPA has increasingly committed itself to empowerment, particularly that of women. The ICPD Programme of Action (PoA) represents a benchmark in UNFPA's history since it marked a distinct swing from a dominant emphasis on family planning and fertility reduction to an ideology centring on individual needs and empowering people. However, the enactment of Cairo's agenda by UNFPA has been focused on a somewhat limited segment of the PoA - the provision of reproduc-

tive health (RH) services and the empowerment of women. A more effective contribution to the reduction of poverty and inequality requires a penetrating look into the manner in which the institution can help empower the poor and disenfranchised.

### Empowering People: Enhancing UNFPA's Effectiveness

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For UNFPA's purposes, it is useful to link the concept of empowerment to a rights-based approach to development. Thus, the empowerment of individuals and communities manifests itself, *inter alia*, in their capacity to demand the fulfillment of individual and collective rights. Empowerment through knowledge helps people to identify and speak out about their specific needs, to formulate demands, influence political and socio-economic decision-making, and to monitor government performance. In this way, a rights-based approach constitutes a decisive strategy for advancing critical aspects of the development agenda, such as the reduction of poverty, better governance, as well as social and gender equity.

#### **Empowerment and rights in poverty reduction**

Up until the present, the ICPD's recommendations have generally been translated by UNFPA in terms of an effort to ensure that women are provided with basic RH services. The agency's mandate, centred on population, theoretically covers a broad array of potential contributions that could bolster efforts aimed at the reduction of poverty and inequality, as well as at empowerment. UNFPA thus needs to broaden the scope of its proposals and actions on empowerment, linking them more generally to the rights-based approach to development, in order to be more effective in poverty reduction.

At the same time, UNFPA could do more to use its legitimacy and credibility as a United Nations agency to leverage other institutions and public opinion in support of empowering people on a more ambitious scale. The political nature of empowerment cannot be sidestepped in the name of political neutrality. UNFPA's voice needs to be heard more effectively, not just in defense of the poor, but in international meetings, forums and declarations protesting against the injustice and immorality of current inequalities. Recognition that inequality is fundamentally a redistribution issue and that it will not improve unless people are empowered are messages that need to be conveyed, not only by fringe social movements and political parties, but also by credible international agencies with effective clout.

While empowerment and its counterpart, the promotion of rights, are crucial in creating the political conditions for the correction of existing inequalities, it also has to be recognised that empowerment is a rather broad and diffuse concept, with implications that transcend the context of poverty reduction. Thus it cannot automatically be assumed that any form of empowerment will automatically contribute to poverty reduction. Again, this is partly a matter of which poverty concept is being used; under the comprehensive poverty concept of the capability approach, the correspondence is more immediate than under more constrained poverty definitions.

The ultimate goal is to help the poor and underprivileged and to reduce their vulnerability to such things as sickness, economic change, natural disasters and violence. The focus of the Fund's actions thus has to move from project implementation to institutional development and the promotion of structures that enable the poor to gain access to resources. Obviously, empowering people to eventually find their own solutions is a much more sensitive, difficult, tedious and time-consuming process than simply providing services, but it has much more significance and, ultimately, constitutes the only road to self-reliance. The challenge for UNFPA is to find effective ways of contributing to this objective.

***Institutional structures in the empowerment of women and the reduction of poverty***

Empowering women and reducing gender inequity has been a major focus of UNFPA activities, particularly since the ICPD. In the gender domain, UNFPA's emphasis has been focused on RH rights, particularly to help women act on their own behalf in terms of obtaining quality RH services. Without a doubt, enhancing women's self esteem as well as negotiation skills and decision-making capacities in the domain of sexual and reproductive health (SRH) behaviour and rights is a step in the right direction.

Even within this limited context, however, more could be done to contribute to poverty reduction. For example, the legislation that exists in most countries of the region to oblige ex-husbands to provide child support in the case of separation or divorce is generally not enforced. Although the implications of this situation for poverty reduction may be dampened to some extent by the fact that the fathers of these children in many cases are not much better off than the families they leave

behind, this is nevertheless an area of welfare intervention within UNFPA's mandate that has been insufficiently explored.

The challenge that UNFPA now faces is to find more effective ways to work on gender issues. Previous programmes and projects had been situated within the context of the Women and Development paradigm, and the transition to Gender and Development is still incomplete. Emphasis seems to have been centred on describing and reacting against the different manners in which women suffer discrimination. This is evidently essential since it helps point to the need for further analysis of the multiple determinants of existing power relations.

However, much more needs to be done in terms of understanding the cultural, legal, and institutional structures that underlie gender inequality in different societies and of suggesting effective approaches to act on them. Specifically, little has been done that will significantly change the educational, production and employment structures that effectively command and channel many of the critical forms of discrimination. On the other hand, little has been done to incorporate men as effective partners in the promotion of gender equity.

#### ***Focusing on Youth***

A related area in which UNFPA could be involved more systematically is that of youth. This can be looked at from three different standpoints. First of all, the overall importance of education for the construction of citizenship and for empowerment is undeniable: however it is not specifically part of UNFPA's mandate. A second level of UNFPA's involvement with youth focuses on the provision of facilities and institutional arrangements wherein youths can find room to deal with their own problems.

In Latin America, several youth centres have been set up with UNFPA support – in Brazil, Paraguay, Venezuela and Nicaragua. In principle, the creation of youth counsels and youth centres provides them with the opportunity to empower themselves and not only learn about their rights but also to act out their citizenship. While the potential for empowerment is obvious, the specific role that UNFPA has to play in this context is not, and the existing experiences have not been systematically evaluated in terms of their impacts or sustainability.



The level which most clearly falls within UNFPA's mandate relates to providing education for sexuality. Sexuality, as experienced in many countries, is charged with prejudices, myths and guilt. Sexual intimacy is fraught with notions of risk and illegitimacy. The notion that information regarding sexuality and reproduction will give adolescents and youths greater control over intimate aspects of their private lives and thus, in a sense, empower them is beyond dispute.

However, the degree to which this particular kind of empowerment translates into effective mechanisms for the reduction of social equality, particularly in the economic area, is not obvious and will require the development of more compelling rationales, preferably translatable into economic terms. Obviously, much will depend on the specific modality of the education provided. A purely instrumental education geared toward the knowledge of basic reproductive anatomy and contraceptive methods will be less empowering than a more integrated approach, such as that advocated by UNFPA, which incorporates rights, gender and other social relationships.

Another domain in which UNFPA could begin working with greater commitment would be the rights of other population groups that have particular needs: indigenous peoples and other ethnic minorities, migrants, and the elderly (discussed more fully later). Specific strategies focused on empowering these clusters could have a significant impact on social and economic welfare in developing and developed countries.

On another plane, the provision of quality information at the local level has enormous potential in terms of empowering people and improving the effectiveness of outlays in the social domain. As a result of international pressure for devolution of powers and local responsibility, most countries have made a significant effort to decentralize decision making in recent years<sup>14</sup>. Nevertheless, the theoretical advantages of decentralization have yet to materialize in most cases. A critical issue is the lack of local information for use by both local planners and civil society. On the one hand, the availability of relevant and user-friendly information at the local level is a critical element in the promotion of participation and in safeguarding accountability. On the other, local governments are critical institutions since people define their priorities at the local level and decentralized institutions are, in fact, the only ones that can meet their needs.

Another dimension concerns the strengthening of civil society organizations representing the interests of the poor. Helping the poor to pool their energies and resources promotes an increase in their economic and political capabilities. Organization by the poor is essential to local governance. In line with its mandate, UNFPA support in this domain has focused largely on women's groups and, to a lesser extent, on youth clubs. Within this type of enterprise, a broader rights-based approach to development, focused on social empowerment and economic sustainability, could profitably be adopted. Thus, favouring access to productive resources, for instance, by linking this concern with the micro-credit schemes mentioned elsewhere in this paper, and generating replicable models of support to civil society organizations that other donors can build on, would increase the institution's impact on poverty reduction. Moreover, the support of specific NGOs by UNFPA can help build partnerships between civil society and the public sector as well as private enterprise.

#### **Poverty Reduction and Empowerment in High Fertility Countries and Subregions<sup>15</sup>** —

Although fertility has declined at an unprecedented pace in most developing areas, some countries still constitute pockets of high population growth. Moreover, significant social groups within most other countries also have unmet needs in RH and family planning (FP). These will require continued investments in RH programmes, including FP that, *inter alia*, seek to reduce the rhythm of population growth. To attend to current and future needs for RH support, UNFPA's traditional focus, centered on RH, with emphasis on women's empowerment and FP, should continue to be supported strongly.

At the micro-level, the conclusions are less definite, but nevertheless point to the existence of recognizable effects. It has long been suspected that larger families tend to be negatively affected in their opportunities for escaping from poverty. **Table 6.2** displays the transition probabilities for households with 0, 1-2, 3-4, or 5+ children between poverty strata. In 1998, 12.2 per cent of the total number of households were extremely poor, 26.6 per cent lived in moderate poverty, and 61.2 per cent were non-poor. By 2001, this distribution had changed to 10.8, 26.8, and 63.4 per cent respectively. Had the mobility of all households been that of the 1-2 child households, the distribution in 2001 would have been: 8.7 per cent of extremely poor, 24.2 per cent of moderately poor, and 67.1 per cent of non-poor. But if all households had experienced the same probabilities of upward or downward mobility as the households with five or

more children, the final outcome would have been: 11.8 per cent of extremely poor, 35.8 per cent of poor, and 52.4 per cent of non-poor.

**Human capital formation**

The point of intersection between micro and macro perspectives comes from human capital formation within the context of globalized economic competition. Investments in health, including improved access to quality RH services and the prevention of diseases such as cervical cancer, sexually transmitted infections (STIs) and HIV/AIDS, are an important constituent of human capital formation. That this component of population change may be as important as the decline of fertility is suggested by the findings of Kelley and Schmidt (2001), who noted that the positive effects of demographic factors on economic growth during the 1960-95 period were more or less equally split between fertility and mortality decline. Proper planning of one's progeny is one of several ways to support the empowerment of women, permitting them to stay in school and in the labour force longer and, at the same time, to contribute to the productive process to the limit of their abilities.

**TABLE 6.2:** Nicaragua: Poverty transition probabilities for extremely poor (E), relatively poor (P), and non-poor (N) households between 1998 and 2001, by number of children under age 18 in 1998

Children under 18 in 1998	Poverty stratum in 1998	Poverty stratum in 2001			
		E	P	N	TOTAL
No children	E	0.509	0.434	0.057	1.000
	P	0.228	0.204	0.568	1.000
	N	0.029	0.133	0.837	1.000
1-2 children	E	0.307	0.470	0.223	1.000
	P	0.152	0.433	0.415	1.000
	N	0.016	0.114	0.871	1.000
3-4 children	E	0.502	0.369	0.128	1.000
	P	0.134	0.517	0.349	1.000
	N	0.014	0.150	0.836	1.000
5+ children	E	0.467	0.412	0.121	1.000
	P	0.175	0.477	0.347	1.000
	N	0.024	0.295	0.681	1.000

SOURCE: Computed from EMNV (1998 and 2001).

The amount of education invested in each child is a function of the number of children that the household has to educate (Hausmann and Székely, 1998, p. 4). Family sizes also affect intergenerational mobility, a relationship which operates largely through the influence of family size on educational achievement. Multivariate studies in the developed countries have demonstrated significant effects. In the case of Nicaragua, **Table 6.3** quantifies some of the relevant relationships, based on information of the 1998 LSMS.

The association between higher education levels and family sizes persists even if the numbers are standardized to eliminate the spurious effect resulting from the fact that the poorer households tend to have more children. However, the effect is more pronounced among non-poor than among poor households, thus reducing the prospects of escaping from poverty by adapting reproductive patterns. **Table 6.3** also suggests that girls do better than boys, although there are some exceptions (the UME strata with 1-3 children and the UFP stratum with 6+ children). No consistent relationship is found between the number of years of schooling and the sex of the head of household.

However, it cannot be assumed that virtuous circles of poverty and fertility reduction will materialize spontaneously. Indeed, one area of work would be to critically investigate the most appropriate mechanisms by which UNFPA can contribute to the conformation of these processes. Critical issues (previously addressed in Martine, Hakkert and Guzman, 2002) include, among others, working on the demand side, focusing on the intergenerational transmission of poverty, paying attention to demographic factors in poverty focalization strategies and guaranteeing the economic responsibility of men for the sustenance of their children.

### **Reproductive Health, Poverty Reduction and the Prevention/Control of HIV/AIDS** —

After ICPD, a different agenda is emerging based on reproductive rights and social concerns. Due to past high fertility rates, there are now over one billion young people between the ages of 15-24, the largest cohort ever in this age group. Addressing the urgent needs for SRH rightly emerged as a priority concern during ICPD+5. Violence against women also continues to be a major concern in most parts of the world, while male participation in reproductive responsibilities needs to be significantly enhanced.

**TABLE 6.3:** Nicaragua: Number of years of schooling completed by age 20 of adolescents currently aged 13-19, by poverty stratum, sex, and number of children in the household under the age of 20

Stratum and sample size	Households with 1-3 children under 20		Households with 4-5 children under 20		Households with 6+ children under 20	
	Boys	Girls	Boys	Girls	Boys	Girls
<i>TOTAL 13-19</i> (3,795 BOYS +GIRLS)	7.7		6.6		5.0	
UME (83 Boys; 55 Girls)	4.0	3.0	4.0	4.1	4.2	4.6
UMP (163 Boys; 141 Girls)	6.7	8.6	6.1	7.0	5.0	5.5
UMN (379 Boys; 411 Girls)	9.5	9.9	8.7	9.0	6.8	8.4
UFE (40 Boys; 35 Girls)	4.0	5.1	3.0	4.5	2.9	4.2
UFP (98 Boys; 93 Girls)	6.1	6.2	6.0	6.0	6.0	5.8
UFN (201 Boys; 266 Girls)	8.8	9.4	8.4	9.4	7.9	9.4
RME (280 Boys; 208 Girls)	3.0	3.7	3.0	3.4	2.8	3.1
RMP (311 Boys; 280 Girls)	3.7	6.1	4.5	5.5	3.9	5.0
RMN (196 Boys; 164 Girls)	5.5	6.1	5.0	6.0	4.0	5.9
RFE (103 Boys; 79 Girls)	3.1	3.9	2.9	4.4	2.8	4.8
RFP (73 Boys; 61 Girls)	3.4	4.5	4.3	4.9	4.1	5.2
RFN (33 Boys; 42 Girls)	7.3	7.5	6.7	7.1	5.9	6.6

**SOURCE:** Computed from EMNV (1998 and 2001).

HIV/AIDS is bound to occupy increasing space in poverty discussions. It is no longer only a health issue, but has major social and economic implications for people, households, and countries. The illness causes the loss of families' capabilities to generate income, due to the infection or death of young adult members, and destroys the very basis of family structure. The distortions that arise within the families make it more difficult to break out of the cycle of poverty. At the aggregate level, the main effects of HIV/AIDS stem from the erosion it causes in some of the major determinants of economic growth, such as social capital, domestic savings, and human capital. As an important portion of the population loses the ability to participate in the creation of wealth, societal poverty is aggravated, which in turn increases the potential for the rapid spread of the disease.

By placing greater emphasis on gender, the ICPD has ensured that the structural determinants of fertility are represented at the policy level. Other emerging issues, particularly those related to HIV/AIDS, adolescent SRH, participation of men and violence against women should be examined in light of their significance for poverty reduction.

**The Broad Base of Empowerment: Supporting Economic Growth and Social Policies —**

In order to exploit the full potential of population tools for the reduction of poverty and inequality, a broad set of interactions must be examined. Three major domains of action can be visualized in this connection:

- supporting efforts aimed at economic growth;
- assisting countries to adjust to demographic change;
- contributing to the improvement of social policy.

**| Support for economic growth**

***Scenario building***

Without some growth, no country can hope to improve the social conditions of its people. Given the private sector's enhanced role in development within the globalized economic framework, UNFPA will have to learn to cooperate with it, as recommended by the ICPD PoA. At that level, there is clearly a need for some dialogue on the global aspects of population change in the present development scenario. Such a dialogue is in the interests of the business community itself, as a guideline for long-term investment decisions, human resource management practices and the like.

At the more specific level of particular business firms and industrial sectors, "business demographics" has more immediate implications. The size, distribution, age structure, and socio-economic composition of the current population and its projection into the future are a fundamental element in the marketing strategy of many businesses today. The ability to project future demand represents an important starting point for this type of interaction. The inertial component of demographic trends lends them a predictability that is rare in the social and economic domain. Demographic scenarios constitute a welcome starting point for such efforts.

***International migration***

The area of international migration is another area in which UNFPA could promote much-needed research on the relative advantages and

disadvantages of migration flows and, together with other agencies, help to stimulate the formulation of appropriate policies. International migration has economic effects that in some ways resemble those of the much publicized demographic bonus. From a demographic viewpoint, migration will become the main factor in population dynamics early in this century.

At a time when the transfer of resources between rich and poor countries through formal development assistance is clearly losing force, being substituted to some degree by capital flows resulting from remittances, it is imperative that some order should be created in the present situation. Population is the only production factor that is not allowed to move freely in the current free trade model. This creates a fundamental imbalance at the global level that is, at least in part, responsible for the growing inequalities generated by the current globalization process.

An important issue is the formulation of instruments to optimize the effects of international migration on poverty alleviation strategies in the sending countries. The importance of this trend for poverty reduction cannot be ignored. In Nicaragua, between 1998 and 2001, there was an improvement of 2.2 percentage points in the households living above the general poverty line. Of these, approximately 22,000 households, 63 per cent had members living abroad, even though these make up only 12 per cent of the total number of households. This means that almost two-thirds of the poverty reduction in Nicaragua is driven by the effects of international migration. Nevertheless, the Nicaragua PRSP does not even mention the issue.

#### ***Support for decentralization***

The coming decades will see a continuation of the changing relationship between central authorities and local administrations, as the decentralization processes attain greater political force. As discussed earlier, decentralization potentially constitutes one of UNFPA's more direct links to empowerment.

#### ***Demographic changes and policy guidance***

Specific population trends, such as changing age distributions, internal migration and urbanization have significant impacts on the configuration of social problems. As the only United Nations agency with a specific operational mandate in the population domain, UNFPA could play a significant role in the analysis of their socio-economic implications

and in the design of policies aimed at dealing with them. It should promote analysis of the demographic viability of public policies. The objective would be to produce studies that analyze the way in which different public policies (such as poverty reduction, housing, education and spatial planning) are affected by demographic factors (including such factors as changes in the age composition, differential fertility and migration) and how they can be adjusted to avoid unintended and undesired results.

***Population ageing and its gender dimensions***

Ageing raises serious social security issues. In private pension systems, the lack of consideration of differential patterns of participation of women, due to their reproductive and domestic roles, the segmentation of the labour market, and the fact that work in the informal sector is not considered, all conspire to create unfavorable conditions for women, which become aggravated when the systems are differentiated by sex. Older women are more likely to be widowed than older men. They also bear an additional burden of care giving since widowhood is often being preceded by a period of care giving to the deceased spouse and other dependent family members. The likelihood of disability increases with age, especially among poorer populations.

Despite all of the former, it is not necessarily true that the elderly in Latin America are poorer than other population groups, nor does the relative disadvantage of women necessarily increase with age. Rather, poverty tends to decrease with age, as does the sex differential. Much of this is accounted for by the mediating role of family support, which tends to benefit women more than men, even though formal social security systems discriminate against women. The need to rely on family support networks leaves women more vulnerable to the social and demographic transformations currently underway in the region that undermine the traditional role of the family in this respect.

There are important challenges to be met with respect to themes, such as the rights of the elderly population, that have so far not been the object of systematic support by any United Nations agency. While some countries of the region (e.g., Costa Rica) have begun to implement legislation to protect the rights of the elderly, they have not generally paid much attention to the way in which the intention of such legislation may be undermined by the social and demographic transformations



noted earlier. UNFPA can support research and policies directed at the improvement of the living conditions of the elderly population. Thus, it can promote studies that quantify the different types and degrees of vulnerability of these populations to changes in the social security systems and modifications in the family support structures.

### ***Internal migration and urbanisation***

In a globalized economy, marked by improved transport and communications, internal migrations involve massive numbers of people throughout the world. More attention needs to be paid to the role of internal migrations and resulting changes in spatial distribution on the determination of poverty patterns. The PRSPs of the LAC region do so only marginally and then just to call attention to the negative aspects of rural to urban migration. However, the truth is that rural to urban migration may play an important role in reducing poverty. In Nicaragua, urban poverty was reduced by 0.19 per cent and rural poverty by 0.32 per cent between 1998 and 2001. However, at the national level, poverty was reduced by as much as 2.02 per cent. This means that 75 per cent of the poverty reduction was associated with the redistribution of population from high poverty (rural) areas to lower poverty (urban) areas.

UNFPA is being called upon to take a major role in helping to shape the world's urban future. These are clearly areas in which UNFPA's comparative advantages and potential contribution should be expressed emphatically through an immediate intensification of policy relevant work.

### ***Formulation and evaluation of social policy***

Demographic data and methodologies can facilitate the evaluation of ongoing trends and help pinpoint priorities in the demand for social action by the public sector in different population groups. Ensuring the availability of updated and appropriate information, while providing technical assistance to research aimed at identifying target groups, helps to establish a suitable base for more efficient social programmes. Often, the most important challenge is deciding where to act most effectively. Using census tracts and Geographic Information Systems (GIS), the size and characteristics of the demand for social services, as well as the location of primary target groups can be identified and focused on.

### ***The geography of poverty, vulnerability and public policy***

In many countries, there is a growing tendency toward the focalization of social programmes on specific populations. Vulnerable groups are

defined in terms of their demographic or socio-cultural characteristics, which must be studied in order to assess needs and consequently define more adequate policies. Those population groups with the greatest needs often have least access to social programmes that are, in principle, directed at them. Public policies are generally tailored to the situation of the average citizen. They frequently fail to consider that the relative cost of transportation is higher for the poor, making them more dependent on facilities close to home.

Public services in such places should be adapted to each demographic group in order to function properly. The age structure of some areas also has great impact in the short and medium-term demand for services, such as RH, day care, and elementary education. The population grows in specific areas, driven by factors like the availability of cheap land. Unfortunately, these are often places with a high concentration of environmental risk and lack of services. Public databases underestimate the poorest population, making them partly if not totally invisible from the viewpoint of public policy. It is important, therefore, to provide detailed information on the characteristics and size of each population segment, in order to guide policy decisions.

UNFPA can collaborate with the institutions in charge of social policy in order to better define the demographic and social characteristics of certain groups that have been designated as focal points for specific policies. There are some groups, for example adolescents, where social policies directed to this population can be complemented with additional actions in the area of SRH. In the case of the elderly, UNFPA can support the study of the living conditions of these groups and the projection of the special needs associated with the ageing process. In this context, the situation of elderly women merits special attention, particularly due to the discrimination to which they may be subjected in the privatized health and social security systems that are emerging in several countries.

Census data can be analyzed with GIS to help identify the size and characteristics of the demand for social services and to compare this demand with the kind of services provided in each location. Small area projections that can help understand the demographic trends that are reshaping the urban scene can be generated. The development of “early warning indicators” relating socio-demographic information on the poor population and its geographic relationships to soil-use maps and

environmental risk maps, can also help local governments in anticipating situations that may otherwise run out of control.

## Poverty Reduction Strategies and Programmes and the UNFPA

### *Some Critical Observations*

#### ***PRSPs in the LAC Region***

In the LAC region, four countries are included in the HIPC (Highly Indebted Poor Country) initiative: Bolivia, Guyana, Honduras, and Nicaragua. Haiti also qualifies for this programme, but as yet the PRSP has not yet been agreed on by the government and the donor community. In addition, Guatemala has its own national PRSP, which is not part of the HIPC initiative, and Paraguay, Peru and the Brazilian States of Rio Grande do Norte and Ceará are undertaking similar exercises.

#### ***Conceptual problems***

PRSPs, instead of committing themselves to a particular and inclusive concept of poverty, tend to fix their primary goals in terms of nationally defined poverty and extreme poverty lines in relation to *per capita* household consumption. However, they then complement this rather restrictive criterion with selected social dimensions of poverty, such as infant and maternal mortality, community representation and similar variables, without clarifying their relationship with the implicit poverty concept.

While it is relatively easy to identify the direct effects of poverty on infant, child, and maternal mortality, the opposite is not obvious. The PRSPs provide few explanations to clarify how, in what sense, and to what extent, these will contribute to the reduction of poverty. Most of them take the relationship to be self-evident – just as in the past UNFPA has tended to assume that RH services had direct development implications. Infant and child (but not maternal) mortality in countries like Guatemala, Honduras, and Nicaragua are now at levels which were only attained by countries like France or Spain during the 1950s and 1960s. However, the reduction in monetary poverty lags far behind the situation of these countries at the corresponding stage.

All of this begs questions such as the following:

- What is the role of maternal mortality in a poverty reduction strategy?
  - is it simply an indicator for the success of the strategy?

- is it the object of specific interventions aimed at reducing poverty;
- if so, is the argument that the reduction of maternal mortality provides an important contribution to the reduction of poverty by reducing the vulnerability of families to the loss of one of their most important productive members?
- or is maternal mortality considered a dimension in its own right of a more comprehensive poverty concept?

The PRSPs tend to be silent on this issue.

If the latter is intended:

- Why should maternal mortality be considered a component of poverty when unipolar depression and lower respiratory infections, which worldwide account for two and three times as many disability adjusted life years (DALYs) lost respectively
  - can be treated with medication;
  - but are not considered in a similar manner?
- why not include labour accidents and other unintentional injuries as a component of poverty, given that they account for four times the burden of DALYs and fall disproportionately on the poor?

As it is, the current policy agenda implied by the PRSPs is too broad to fit a narrow poverty concept and too narrow to fit a broad poverty concept. In practice, what is emerging is a fragmented policy agenda based more on the ability of different political constituencies to negotiate the inclusion of their particular policy priorities in the poverty reduction agenda than on a conceptually consistent definition of what exactly is to be reduced and how. This will obviously not be conducive to the development of effective policy interventions.

#### **| Empirical and Analytical Issues**

##### ***Incorporating the demography of the poor in PRSPs***

It is possible to make poverty prognoses by taking advantage of the fact that inertial characteristic of demographic trends gives them a large degree of foreseeability. This is essential in any long-term planning exercise such as the PRSPs. The poverty reduction scenarios of the PRSPs are

based on a very simple and direct relationship between macro-economic growth and poverty reduction and only consider demographic factors to the extent that population growth reduces economic growth on a *per capita* basis. However, these scenarios may be affected significantly by demographic trends, such as:

- differential patterns of fertility and mortality between poverty strata;
- migration patterns and their association with social and economic mobility;
- the influence of family size on opportunities for escaping from poverty.

That the effects of population processes (apart from mere aggregate population growth) are not trivial can be demonstrated with a hypothetical example. **Table 6.4** shows the official PRSP poverty reduction scenario and an Alternative Scenario, which abandons the assumption of homogeneous demographic growth by poverty stratum and makes the following assumptions:

- the urban non-poor have the lowest natural growth rate (excluding migration); the growth rate of the urban poor is 50 per cent faster; the growth rate of the rural non-poor is 50 per cent faster than that of the urban poor and that of the rural poor is 50 per cent faster still;
- the proportion of urban population increases by 0.25 percentage points each year, from 54.2 per cent in 1998 to 58.45 per cent in 2015;
- of those who migrate from the rural area to the city, half are poor and half are non-poor. Arriving in the city, 66.7 per cent (i.e., two-thirds) at first become urban poor, whereas one-third become urban non-poor;
- starting at the moment at which a household changes its status (from rural to urban or from poor to non-poor), its demographic behavior and economic mobility become indistinguishable from other households;

The differences between both scenarios are quite significant, even though they are based on the same assumptions of aggregate economic and demographic growth.

**Early fertility and poverty**

Among the PRSPs of the LAC region, the Nicaragua and Haiti papers are the only two suggesting direct actions on fertility. The focus of Nicaragua’s PRSP is the reduction of the unsatisfied demand for FP among women-with-partners aged 15-24 years. It is not clear why these age groups were singled out. If the rationale is to maximize the effect of fertility change on poverty, there is little evidence to confirm that this choice will yield the best results, particularly if the interventions are to focus on women with partners.

In Latin America, there has been almost no research on the effects of early or later fertility for the economic success of women. Buvinić’s (1998) study on Barbados, Chile, Guatemala, and Mexico concluded that women who gave birth at a young age experienced substantial disadvantages as a consequence. This conclusion is not supported by **Figure 6.1**, which is based on the 1996 DHS of Peru. It refers to women with at least one child or who are currently pregnant for the first time, and classifies these women by their age at the time of first birth and the number of years that have passed since this event. Again, women with early first births tend to be poorer to begin with: 87.4 per cent of those who are currently pregnant or recently had their first birth before the age of 17.5 belong to the bottom 60 per cent of households, as opposed to 40.2

**TABLE 6.4:** Nicaragua: Scenarios of poverty reduction based on the same assumption of 3.1 per cent demographic growth per year and 2.0 per cent growth of average consumption

Level	Type of scenario	Children under 18 in 1998	2.0 per cent annual growth of average consumption		
			2005	2010	2015
National	Poverty line	47.9	2005	2005	2005
	PRSP		2010	2010	2010
	Alternative scenario		2015	2015	2015
Urban	Poverty line	30.5	40.8	24.8	61.9
	PRSP		36.3	21.5	57.6
	Alternative scenario		32.4	18.6	53.5
Rural	Poverty line	68.5	44.9	28.6	65.7
	PRSP		41.9	28.5	59.7
	Alternative scenario		39.8	27.5	57.1

SOURCE: PRSP and EMNV (1998).

per cent of those whose first birth was or will soon be between the ages of 27.5 and 30. However, women with early first births do not become poorer over time as a consequence<sup>16</sup>.

### *Gender aspects*

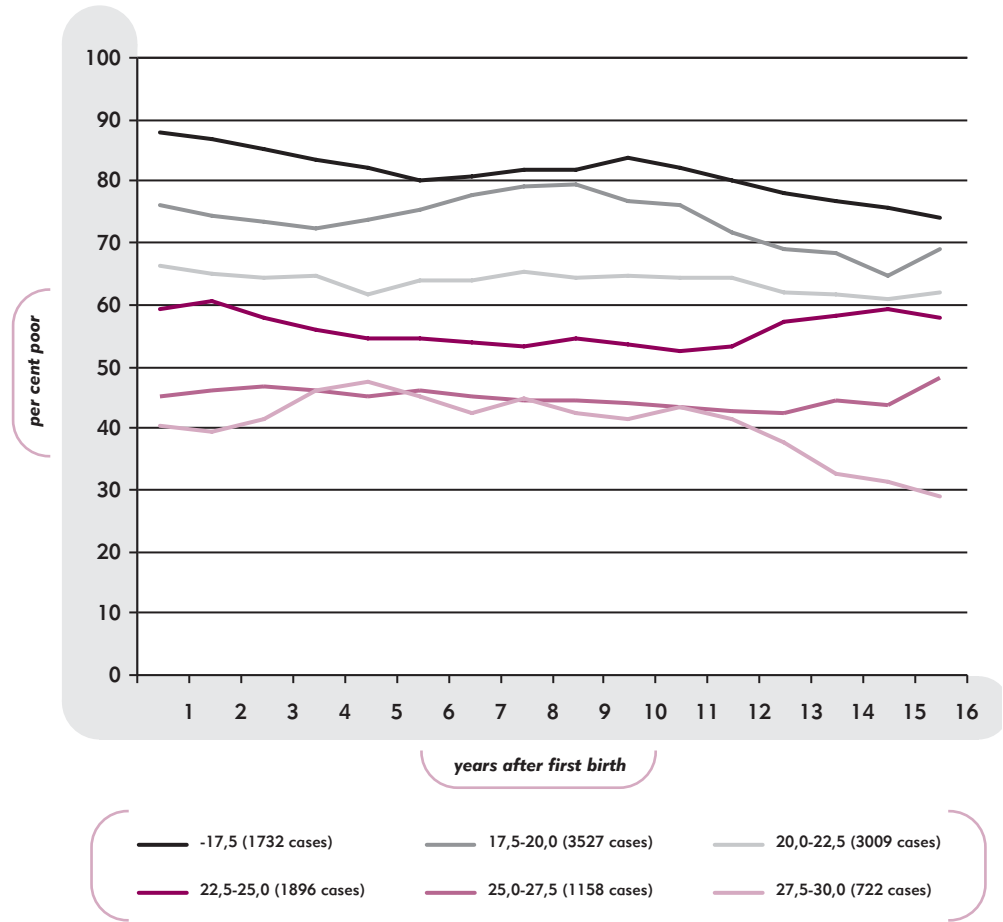
Gender issues in relation to poverty reduction are illustrative for the lack of substantive integration that still characterizes many of the PRSPs and therefore cannot be ignored. The Honduras PRSP is a case in point. The poverty focus of the policy measures is diffuse and there is no clear prioritization of issues. For example, while that document states elsewhere that the educational indicators of women compare favourably with those of men, a specific objective again lists equal access to education for women as something yet to be achieved. It would be more appropriate to acknowledge that the present challenge in most Latin American countries is to make sure that whatever educational advantages women may have translate into economic opportunities.

Similarly, the Honduras PRSP does not analyse the broader question of the extent to which the investment in women's empowerment, apart from being desirable from the viewpoint of social justice, is a fair and efficient strategy for alleviating the poverty of households. Are micro-credit schemes and other types of economic incentives more effective when directed to women rather than to men? If so, is it fair to expect women to take on this additional burden? And what complementary actions should be taken with men? None of these questions are addressed in the document.

### **PRSPs and UNFPA**

Like other agencies of the United Nations system, UNFPA is increasingly focussing on its contribution to poverty reduction. The easiest way to do this is by broadening the poverty concept, so that most of the existing institutional priorities can be imported in a wholesale manner into the PRSP structure. Yet, to the extent that this strategy, when applied by all agencies, inevitably inflates the poverty concept and its expression in the PRSPs to just another metaphor for the broad policy agenda of the UN system, it may ultimately be self-defeating. If any strategic direction is to be derived from the PRSPs they have to be conceptually and strategically concise. They also have to establish analytical guidance as to which interventions are more strategic than others. As noted earlier, the

**FIGURE 6.1:** Peru: Percentages of women belonging to the lowest three poverty quintiles, by age at first childbirth (under 17.5, 17.5-20.0, etc.) and number of years after the event



**SOURCE:** Computed from DHS III, Peru (1996).

policy agenda implied by the PRSPs tends to be a fairly arbitrary collection of policy intervention areas too broad to fit a narrow poverty concept and too narrow to fit a broad poverty concept, poorly integrated among themselves, and based more on political considerations than on a consistent analysis of the causal relationships among them.

Rather than interpreting the PRSPs as yet another opportunity for the “cut and paste” dissemination of existing institutional priorities, it



would be more productive to take them as a guiding principle for the realignment of UNFPA's own institutional profile. This requires taking a fresh look at how a population perspective may contribute to raising incomes, increasing access to basic social services, and other aspects of a more restricted and operational poverty definition. As argued earlier in this chapter, this involves not only the construction of better arguments and evidence for UNFPA's traditional activities in RH, but also broadening the agency's base of action to incorporate less traditional aspects of its mandate. Inevitably, some aspects of the institutional repertoire will prove difficult to accommodate in a poverty reduction framework. This does not mean that the agency should abandon these activities, particularly if they are part of a broader development agenda, such as the MDGs.

## CHAPTER 7 TOWARDS A CONCEPTUAL FRAMEWORK ON POPULATION, REPRODUCTIVE HEALTH, GENDER AND POVERTY REDUCTION

*John Hobcraft*

### Introduction

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There have been major shifts in the national and international policy and funding contexts since the International Conference on Population and Development (ICPD) of 1994. In particular, poverty reduction has perhaps become the first (among equals?) priority for the Millennium Development Goals.

Among many other achievements, the ICPD played a significant part in broadening development agendas by firmly placing reproductive health and population in its wider sense (that is, including reproduction, partnership, health, migration, family, size, and age structure) in a framework that encompassed human rights, gender, human development, sustained economic growth and sustainable development. The ICPD+5 Key Actions strongly endorsed these agendas and strengthened links to the priority needs of poor people.

### The Economic Evidence

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The strength of interlinkages between population and development has been the source of much controversy. A major problem has been the tendency to want to regard population as either wholly responsible for development problems or wholly irrelevant<sup>17</sup>; it is surely by now overwhelmingly clear that neither of these extreme positions is supportable. Population changes are clearly a part of the development story and are linked to poverty at the macro and micro levels. The key remaining ques-

tions are how large a part and how context specific are the various linkages? The variety of linkages is important and macro-level research by economic demographers in the last decade or so has begun to separate the mortality and fertility components of population growth and to pay more attention to age structure and the life course. Progress on gendered pathways is less evident (see, for example, several chapters in each of the volumes by Cassen *et al.* (1994), Birdsall *et al.* (2001) and Mason (2001)).

#### **Macro-level evidence**

Kelley (2001) provides a useful and up-to-date review of the shifting emphasis in the evidence and debates concerning the links between population and development. He discusses at some length the anomalous report from the United States National Academy of Sciences (1971) which he refers to as the most “population-alarmist” of the major reviews of evidence on population growth that derive predominantly from the work of economists. In particular, it seems that the influential “Overview” was written without the agreement of the Panel to its content and went further than the evidence reported in the accompanying papers warranted.

When the subsequent 1986 National Academy of Sciences Report appeared with a qualified assessment of the link between population growth and development, it was widely labelled “revisionist” and regarded as almost a betrayal by many family planners who had built their case upon the edifice of the more alarmist interpretations. However, that 1986 Report concluded, “On balance, we reach the qualitative conclusion that slower population growth would be beneficial to economic development of most developing countries” (National Research Council 1986). Such a conclusion only undermined the case for family planning because it had possibly been previously oversold.

Non-economists have often been suspicious of these results, seeing them as conflicting with the naïve short-run case that a population growing at three per cent per annum has to achieve a three per cent per annum economic growth in order to stand still, whereas slower population growth eases this problem. But three per cent population growth rates emerge over a considerable period of time and involve possible complex interplays with economic development, for example through enabling the health and education conditions that brings the mortality reductions that generate much of the early population growth. These

complex interplays and feedback mechanisms make it essential that realistic econometric models adopt a dynamic specification.

Recent years have witnessed increasing sophistication on this front and results appearing during the 1990s have generally attributed a stronger role to demographic changes in economic growth. Kelley and Schmidt provide a comprehensive review of these recent models and some considerable re-analysis and conclude –

*Empirical assessments using cross-country data of the impacts of demographic change on the pace of economic growth are presently in a state of flux. This represents a notable change in the literature on this topic which, until the last few years, found only weak or inconclusive empirical relationships. Several factors have changed this situation... Five studies using data for the 1980s appear to reveal reasonably strong negative impacts of rapid population growth and related demographic components on per capita economic growth (Kelley and Schmidt, 2001).*

They go on to include mention of improved data, frameworks, dynamic specifications, and econometric techniques. Though Kelley and Schmidt are extremely cautious about interpreting these results, several other key points emerge.

Contrary to the earlier literature, the newer models are finding consistent and fairly robust evidence for demographic change having had as much (or possibly greater) impact on economic growth during the 1960s and 1970s as during the 1980s. Interestingly, the demographic impacts seem to be more robust to changes in specification of the models than do the economic impacts. The links to demography are roughly equally split between the mortality and fertility elements (although the latter is curiously taken to include population and working age growth rates, age structure, size and density).

Kelley and Schmidt –

*arrive at the qualified judgement that, given the demographic trends (mainly declining mortality and fertility) over the period 1960-95, economic growth has been favourably impacted by demography. For example, fertility and mortality changes have each contributed around 22 per cent to changes in output growth, a figure that corresponds to*

*around 21 per cent of 1.50 per cent, the average growth of per capita output over the period. More broadly, declining population growth, fertility, and mortality as well as larger populations and higher densities have all spurred growth. The sole growth inhibiting trend is a decline in the growth of the working age population (Kelley and Schmidt, 2001).*

What they do not elaborate as fully as they might are some of the bigger implications of these statements. Firstly, the final sentence in the quote reinforces concerns about the impact of the HIV/AIDS epidemic, especially in sub-Saharan Africa, since one consequence is a relative reduction in the working-age population.

More broadly, over a 25-year period from 1960-1995, the implied total economic growth is 45 per cent, meaning that just under 10 percentage points of the growth was attributable to mortality declines and the same amount to broadly interpreted fertility declines. These findings illustrate the importance of breaking apart mortality decline, a cause of increased population growth, from fertility decline, a cause of reduced population growth. Thus, the models do not suggest that it is population growth *per se* that inhibits economic growth, but they do appear to show that demographic change matters for economic growth. Moreover, both mortality and fertility decline seem beneficial to economic growth, perhaps indicating why earlier results, based on population growth *per se*, were so mixed. These newer findings are reinforced, elaborated or differently developed in WHO (2001), by Williamson, by Lee, Mason and Miller, and by Bloom and Canning (all in Birdsall *et al.*, 2001) and by the collection of papers in Mason (2001).

Perhaps most important in the context of population and poverty is the work of Eastwood and Lipton (2001) which explicitly considers links between the demographic transition and poverty at the macro-level, in particular emphasising links between the widely used indicators of poverty incidence at the \$1 a day purchasing power parity (termed “\$30 poverty”) and the “net birth rate”, which is the crude birth rate net of infant deaths (and thus rises with improvements in infant mortality and falls with reductions in fertility). Although Eastwood and Lipton urge suitable caution about their results, their overall estimates of the total effect on poverty incidence of a five per 1000 reduction in the net birth rate are shown in **Table 7.1**.

Thus, a reduction in the net birth rate of five per thousand over a ten-year period is estimated to be associated with a reduction in the incidence of poverty, although the size of the effect varies according to the initial level of fertility and of GDP *per capita*. Not surprisingly, the variation is greatest by level of initial GDP *per capita*, where a net fertility reduction is associated with a reduction in the incidence of poverty by about eight percentage points for countries with low GDP and only around three percentage points at higher initial levels of GDP. Regrettably, Eastwood and Lipton do not show the average levels of the poverty indicator for these GDP levels but they note that “the 9.07 per cent fall in absolute incidence of poverty in the bottom-left corner is likely to represent a smaller proportion of those in ‘\$30 poverty’ than does the 2.93 per cent figure in the top-right corner”.

**TABLE 7.1:** Total effect on the POVS30 of a 5 per 1000 fall in the net birth rate: 10-year horizon

Percentage Points	25th percentile of GDP <i>per capita</i>	Median of GDP <i>per capita</i>	75th percentile of GDP <i>per capita</i>
25th percentile of fertility	7.69	5.81	2.93
Median fertility	8.28	6.28	3.20
75th percentile of fertility	9.07	6.91	3.57

SOURCE: Eastwood and Lipton (2001).

### Micro-Level Evidence

It seems almost a truism among many economic demographers that high fertility of the poor is rational. This stems partly from the axiomatic assumption that all behaviour is rational. Yet the empirical evidence on this topic is nowhere near as convincing as might be assumed. One of the most careful recent studies is by Stecklov (1999) for the Ivory Coast and suggests a six to ten per cent annual negative rate of return over the life cycle. Most cost-benefit studies of returns from children during childhood suggest that net returns are delayed to or well beyond the age at which many offspring, especially daughters, leave the parental home and this is usually true without any discounting to present values (e.g., Cain, 1982; Dasgupta, 1993; Lee and Bulatao, 1983; Kaplan, 1994). Thus children are not net producers, but more often a net drain on resources.

A more pervasive view concerns the role of children as a source of old-age security in societies lacking social security systems. The argument that failure to have surviving children to care for their parents in old age is tantamount to disaster, especially for widows in patriarchal societies, is widely accepted as providing an absolute motivation for having many children and possible over-insurance. Yet the empirical evidence to support these beliefs is extraordinarily thin (Cain, 1981; De Vos, 1985) and disputed (e.g., Vlassoff and Vlassoff, 1980).

Thus, even if having many children is “rational” for poor couples, it is highly likely that tradition, societal pressures, lineage concerns, evolved needs for sex and to nurture, and lack of information and means to control fertility all play a significant part in determining the high fertility. Rationality is clearly bounded and the narrow economic calculus of questionable relevance. Changes in attitudes and perceptions related to these non-economic factors are highly relevant to fertility decline.

Empirical evidence concerning links between poverty and family size at the household level is predominantly cross-sectional and usually shows higher levels of poverty among larger households<sup>18</sup> (Ahlburg in Cassen *et al.*, 1994; Anand and Morduch, Lipton, Lloyd, David, all in Livi Bacci and De Santis, 1999; Merrick, Hausman and Székely, both in Birdsall *et al.*, 2001). Inferring causal direction from cross-sectional information is dangerous. Moreover, large families often arise in part as a result of reductions in child mortality and, insofar as health and poverty reduction are linked (as noted earlier), some of the negative effects of high fertility on poverty may already be in process of being ameliorated.

Evidence concerning gender differences in poverty is mixed. It is likely that differential allocation within households where adults of both sexes are present may well exist, although empirically be hard to estimate. The evidence concerning differential poverty for households headed by a woman without an adult male present is also mixed (Lloyd in Livi Bacci and De Santis, 1999).

Longitudinal data sources that would permit assessment of the population-poverty interplays over a reasonably long period are typically not available. One strategy, illustrated by de Barros *et al.* (in Birdsall *et al.*, 2001) for Brazil, is to use estimates derived from a long series of cross-sectional surveys in a dynamic life-course simulation model. They conclude

that the direct impact of the demographic transition on reducing poverty in Brazil between 1976 and 1996 was close to 15 per cent of the overall impact of economic growth.

### The Broader Context

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Although the economic demography literature is important in addressing the links to poverty of reproductive health, gender and population, there are considerable limitations that require a broader perspective. This arises in part from issues of data availability and in part from the rigid nature of the assumptions and models used. For example, measures of empowerment of women are only just being developed (see the chapters by Jejeebhoy and Kishor in Presser and Sen, 2000) and longitudinal micro-level information is rarely available on any topic for the developing world.

“Rational” choice in sexual or reproductive behaviour can be deemed to include response to coercion from the state or from gender-based violence, but this is not the sexual or reproductive choice agenda enshrined in the ICPD Programme of Action (for a robust statement of rational choice positions in the context of population see Behrman’s chapter in Birdsall *et al.*, 2001). There are also many subtle interplays between endowments, circumstances, behaviour and outcomes through the life course that are not captured by the available data or the structures of formal models.

The realization of human potential, perhaps the true goal of development, certainly includes tackling poverty as a major constraint, but the wider aspects of human development including health, education and freedom are also increasingly recognised, and Sen’s “capabilities approach” has much to offer (Sen, 1999; UNDP, 2000). In the context of ICPD, the rights-based approach to sexual and reproductive health, the role of reproductive health in broader health status for mothers and children, and the emphasis on empowerment of women and gender issues are important components of this broader development agenda.

A key policy concern today is with the world’s largest-ever cohorts of young people. Realising their potential is crucial both to current development and to ensuring that these cohorts, the source of ageing in the developing world over the next 50 years or so, do not become an “ageing” problem. UNICEF (2001) draws attention to the important issues surrounding early childhood development. Nurture, nutrition, health and



education are critical in enabling young people to become functioning adults. Reproductive health has some key roles to play before age 15, both through the health benefits to children (and their mothers) from enabling parents reproductive choices on the timing and spacing and number of births and ensuring safe motherhood.

Moreover, reproductive health of the parents is inimically linked to the issues of maternal mortality and HIV/AIDS, both of which are responsible for generating high levels of orphanhood (see other chapters in this volume, especially Chapters One and Three. Refer also to USAID, UNICEF and UNAIDS (2002) for overall and HIV/AIDS orphanhood levels and a discussion of the consequences. In addition to the 13 or 14 million HIV/AIDS orphans aged under 16 in the developing world, there are perhaps 22 million “maternal mortality” orphans<sup>19</sup>. Equally, gender equity and equality are of major importance in the development of the girl child.

Reproductive and sexual rights and health also play a crucial role during the transition to adulthood (Gage in Presser and Sen, 2000). Much emphasis has been placed upon the role of the demographic “bonus” or “gift” that arose from the rapid fertility declines in Southeast Asia as a component of the successful development in the region, along with savings related to health improvements, investment in education, and the correct economic policy environment (Mason, 2001). My preference is to refer to the window of low dependency ratios as a demographic opportunity, since realization into a bonus or gift requires much else.

But young people, especially young women, are at high risk of infection with HIV both before and within stable partnership or marriage. Sexual rights, gender equity and empowerment of women are a crucial component of reducing high-risk behaviour along with knowledge and access to condoms. For young women, but also for young men, the opportunity to choose whether and when to form sexual partnerships and to have the information and means to make reproductive choices are often intimately linked to the ability to take advantage of educational and employment opportunities (Gage in Livi Bacci and de Santis, 1999). Moreover, the consequences of early marriage and childbearing for reducing human capital and thus having profound and life-long consequences for the likelihood of entering into or remaining in poverty are well documented.

Although some economists dispute the concept underlying the widely used and much criticized measures of the unmet need for contraception (see discussion and references in Casterline and Sinding, 2000), the consequences of unwanted pregnancies both through the health risks to women from unsafe abortion (perhaps 20 million per year in the developing world) and the developmental implications for the approximately 26 million annual unwanted births in the developing world<sup>20</sup> make provision of good quality reproductive health information and services an essential component of development programmes (for an example of a very rigorous econometric study on this issue, see Rosenzweig, 1990).

## Conclusion

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The two cornerstones of the demographic transition are improved health and reduced fertility. Contrary to perspectives among economic demographers a decade ago, the evidence currently suggests that both reduced mortality and reduced fertility play a significant and non-trivial part in generating economic growth. Regrettably, this research is not well informed by a gender perspective. However, other research strongly suggests that gender equity and equality play a crucial role in ensuring that women can play a fuller part in the benefits of economic growth or poverty reduction.

In the context of sustained economic growth and sustainable development, broader human development goals concerning education, health, empowerment of women, and freedom are all of considerable importance. Reproductive and sexual rights and health are an integral part of this development package, ensuring safe motherhood, avoidance of infection with HIV/AIDS, and enabling choices concerning whether, when, and how often both to form sexual partnerships and to bear children. These are especially relevant to achieving gender equity and empowerment of women, but have been shown to play a much wider part in poverty reduction and alleviation, as well as in the broader development agenda.

## NOTES

1. Social capital is the subset of social interactions that generate externalities and the subset of social interactions that are persistent or effects are persistent in terms of composition or structure (Collier, 1998). Social capital differs from other types of capital in that while physical capital is embodied within tangible goods, and human capital in the skills and knowledge of individuals, social capital exists in relations among people.
2. The seven developing countries included in Figure 2.1, Algeria, Myanmar, Egypt, Indonesia (Java), the Philippines, Taiwan, and Thailand, are by no means representative of the entire developing world.
3. The six economies studied in Mason (2001) are Japan, South Korea, Taiwan, Singapore, Thailand, and Indonesia.
4. Thailand is an exception to this generalization. The gender gap was much smaller there at the outset.
5. For a general overview see Collins and Rau (2000).
6. The level of sexual violence already is high. "At least a quarter of urban girls and young women (16-20 years) had been forced to have sex against their will." Rau, (2002).

7. The number of child-headed households tends to be relatively small, but significant, nonetheless, in terms of the well-being and future prospects for all such children. In Zambia, for example, less than one per cent of households with orphaned children are headed by a child. By contrast, however, in one village in Mpumalanga Province, South Africa, 9 of 41 households with orphaned children were headed by a sibling.
8. One of the leading proponents of community-led responses to the pandemic is Geoff Foster; for example, a recent paper, Foster, [www.unrisd.org](http://www.unrisd.org).
9. US\$1 = 8.3 Yuan (RMB) approximately.
10. National Conference on Human Rights, Social Movements, Globalization and the Law, organized by the India Centre for Human Rights at Panchgani, India, 2001.
11. Freedom from discrimination, from fear of thought and speech, from want, to develop and realise one's potential, from injustice and violations of the rule of law, and freedom to undertake decent work.
12. The poverty reduction scenarios that accompany most of the PRSPs are modelled exclusively in terms of economic growth. More recently, the World Bank has invested in the IMMPA model, which allows other, more sophisticated, approaches thereby providing better policy guidance on the appropriate mix of policy interventions.
13. Simulations in the IMMPA model developed by the World Bank suggest that, under a pure redistribution policy, poverty would, after an initial sharp decline, soon recover its former levels.
14. The distributional implications of the decentralization process itself are much less clear. There is a real possibility that decentralization may primarily benefit the larger, economically stronger localities. Smaller communities, with less competitive advantages, may need more institutional support, in order to prevent their relative impoverishment.
15. This section and the following two on reproductive health and the base of empowerment are based on Martine, Hakkert and Guzmán

(2002). That document provides an extensive bibliography and further explanations and details in support of the arguments summarized here.

16. Strictly speaking, this conclusion is based on women belonging to different cohorts and not on longitudinal data of women belonging to one maternity cohort, so the results must be interpreted with some caution, as they may be affected by time trends in intractable ways.
17. For example, Karan Singh's famous Bucharest statement that development is the best form of contraception and his subsequent turnaround to contraception being the best form of development. At a different level, this is characterized by the almost ritualistic posturing and debates between Ehrlich and Simon.
18. Since these findings are often derived using equivalence scales (that attribute economies of scale among adults and treat children as requiring equivalently less consumption), these findings are perhaps stronger than the aggregate-level studies discussed above, where consumption or income is measured on a strictly *per capita* basis, with every individual counting as a whole person.
19. A rough calculation, based on 585,000 maternal deaths per year for 15 years and assuming an average of 2.5 living children per maternal death. More refined estimates are needed, given the magnitude and importance of this issue.
20. There are an estimated 35.5 million induced abortions per year in the developing world, 19 million of which are illegal and thus likely to be unsafe. The complications of unsafe abortion are responsible for about 13 per cent of maternal mortality or 78,000 deaths per year (Alan Guttmacher Institute, 1999). Roughly one-fifth to one-quarter of the 116 million annual births in the developing world are estimated to be unwanted, on the basis of direct survey responses (Bongaarts, 1997), leading to 23 to 29 million as an estimate of the unwanted births. Thus, of the approximately 150 million pregnancies in the developing world that do not result in a miscarriage or still-birth (perhaps a further 20 million pregnancies), roughly 60 million, or 40 per cent, are unwanted.

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However, as any user of this resource will quickly discover, the specific entries relate only to those geographical regions addressed by the authors as they examine variables critical to the issues in the different parts of the world with which they are immediately concerned. Those wishing to research the same themes in other regions of the world will find that the same or similar sources such as United Nations and other international agency reports, academic journals, comprehensive volumes on all of the major issues, and many websites provide a wealth of information on statistical, analytical, interpretative and policy matters. It is therefore hoped that the particular set of references cited here will prove to be a help and guide not only to these but to other related and complementary materials.

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