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January 25, 1994

To: Members of the Committee of the Whole
for the Development Committee

From: The Acting Secretary

Subject: Development Committee - Draft Outline for Joint Issues Paper
on Population and Migration

Attached for consideration by the Committee of the Whole is the draft outline of the joint issues paper on "Population and Migration" for the meeting of the Development Committee to be held in Washington, D.C. on April 26, 1994. This outline will be taken up at a meeting of the Committee of the Whole scheduled for Friday, January 28, 1994.

Prior to the Committee meeting, any comments or questions may be addressed to Ms. Puckahtikom (ext. 38780).

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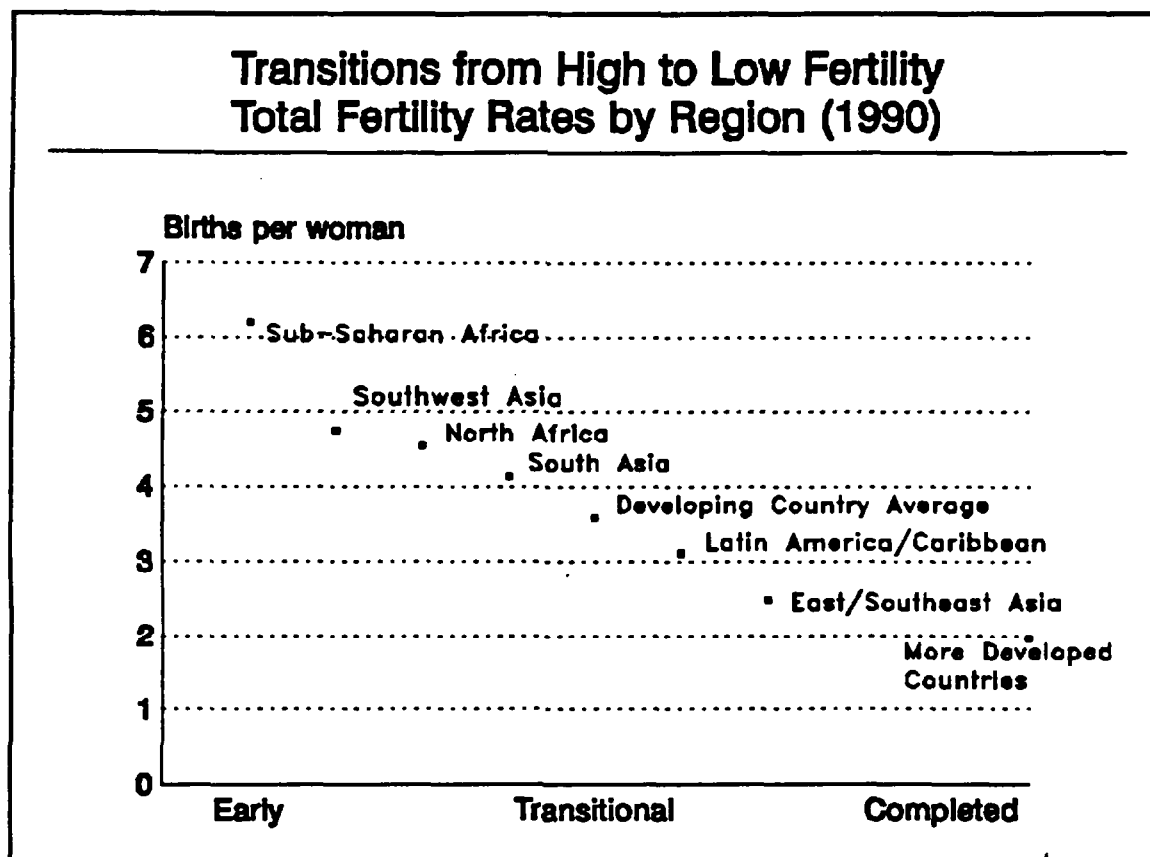
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Population and Migration in Developing Countries

This paper addresses population issues in developing countries, focusing mainly on the reduction of population growth rates. It will also summarize other demographic issues, including international migration, which will be addressed in a separate background paper.

I. Population: Current Issues

Slowing of population growth in developing countries hinges mainly on fertility declines. Fertility transitions are progressing, but are still far from complete. High birth rates in the past have built up substantial **population momentum**, which brings very large increases in absolute numbers of people despite lower rates of increase. This puts enormous strains on the capacity of countries to deliver basic services, including family planning, to create jobs, and to preserve the environment. It is also a push factor in increased international migration from developing countries.



- Regions differ in where they are in the fertility transition: East Asia and Latin America are well along in the fertility transition; Sub-Saharan Africa is just starting (see chart).

The chart is a stylized depiction of how countries move from high fertility rates (at upper left) to lower rates (lower right) over time intervals that have ranged from a century or more in European countries to a few decades in some recent cases in Asia; it also illustrates the importance of economic growth for fertility decline.

- Completion of the transition to slower growth remains an important development objective: Rapid population growth has created a treadmill effect in poor countries with high fertility and very young populations, making it more difficult for them to reduce poverty, to improve health conditions, and to invest in human resources. The severity of these effects varies by country. Countries also need to address other population-related issues: international migration, HIV/AIDS, employment, urbanization, and the effects of population on the environment.
- The policy environment has changed: Reproductive rights advocates have challenged those who advocate population control about violations of reproductive rights and neglect of the reproductive health needs of both women and men, and particularly of such vulnerable groups as adolescents, illiterates, and the poor. Societal and individual needs can be reconciled by giving affected groups a voice in these matters.

II. The Need for Country-Specific Approaches

There are "supply" (providing contraceptives) and "demand" (motivating smaller family norms and fertility regulation) dimensions to fertility transitions. Integrated approaches are required that address both dimensions on a country-specific level. The paper will explore this for countries at different stages in the transition and under varying institutional and financial conditions.

- Overall, fertility regulation in developing countries is on the increase: The share of couples practicing fertility regulation has increased from one-in-ten thirty years ago to one-in-two today. Yet many countries fall short of meeting the need for safe, effective methods and information for those couples who say they want smaller families; in others countries, motivation is still insufficient to complete the transition to low fertility.
- Improved service capacity is needed: Shortfalls in supply signal failures in both private markets and government services — insufficient information, an inadequate mix of methods, price distortions, poor quality and unequal access in existing services — that explain why people fail to regulate fertility even when they want fewer children. Resources need to be mobilized and institutions strengthened in both the public and private sectors, including NGOs, to address these needs.
- Motivation can be strengthened: Where demand is fragile, motivation to have smaller families and to regulate fertility can be increased by building on synergies between fertility regulation, by broader social development efforts, and by economic growth and improved living standards. The Bank's analytical work has shown us that three sets of interventions are particularly effective in motivating smaller families: those that improve

health and reduce infant mortality; those that improve access to education, particularly for girls, and improve the economic status and empowerment of women; and those that are targeted to reduce poverty and raise income levels. These interventions can also have immediate effects on population growth through increases in the average age of marriage and by delaying the timing of births.

- Other demographic challenges must be addressed: International migration has become increasingly important in the developing countries over the last two decades. This is but one reflection of the very large increase in the number of young people who are demanding jobs, housing, and public services. As fertility declines continue, developing country populations will also get older. Their capacity to provide for larger numbers of aged in the future depends on human resource investments being made in the current generation of workers and on strengthened national savings.

III. Role of the Bank and Other Donors in Population

Donors, including the Bank, have an important role to play in helping developing countries respond to these needs. Donor support accounts for about \$1 billion of the estimated \$5 billion being spent annually on fertility regulation in developing countries. The Bank accounts for about \$200 million of this total. The paper will outline the composition of donor support, directly and through NGOs, and discuss how the Bank can further its own contributions through:

- Mobilizing resources and coordinating support with other donors for investments in infrastructure, institutional capacity and effective management of activities in the sector.
- Using its analytical capacity and by supporting research to assess population issues on a country-by-country basis and develop integrated strategies to address both the supply and demand side of fertility issues as well as international migration, HIV/AIDS, and other population questions.
- Focusing policy dialogue on human development and on how completing the fertility transition can contribute to that development at both the societal and individual levels.
- In close collaboration with the IMF, promoting reforms needed to stimulate economic growth and raise living standards.

IV. Agenda for International Action

The 1994 International Conference on Population and Development in Cairo offers a unique opportunity to address population issues, and by so doing, to make substantial gains in reducing poverty and advancing the human condition. To be effective, donors and clients need to establish clear and realistic objectives and coordinate their efforts to achieve them. The paper will argue for:

- Putting high priority on family planning and reproductive health. On a global level, a doubling of the currently very modest level of investments in the sector is needed. In some countries, the needs for expanded services could be met if even a small fraction of public expenditures currently spent on activities in other sectors that could be addressed better by the private sector would be shifted to focus on population issues. This would permit a greater flow of donor resources to the poorest countries.
- Supporting research and promoting policies in developed and developing countries to understand and act upon the synergies between fertility decline and other human development investments, including those aimed at reducing the continued high levels of maternal and child mortality in developing countries, bridging the gender gap in education, and raising women's economic and social status. These investments are important for completion of the demographic transition, are beneficial in their own right, and should also be accorded high priority.
- Pursuing sustainable economic growth as an important prerequisite for human development and for fertility decline and recognizing that higher living standards for the large numbers being added to the populations of poor countries will be impossible without growth, and that openness in trade and technology transfer as well as environmental preservation are necessary for this to happen.

Prepared by the Bank in consultation with the Fund, January 14, 1994