

Economic reforms: Part-XXIX

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The results of the 2017 census were an eye-opener. The population explosion triggered during the previous three censuses has continued, albeit at a slower pace. Relative to the last census, the inter-census growth rate has declined from 2.6 percent to 2.4 percent.

To ascertain what a big surprise the census result was, consider the fact that until recently, government agencies were using a growth rate of 1.9 percent, which was markedly different from the actual growth rate. At this rate, the growth in population would pose insurmountable challenges, if it has not done so already.

What are the key challenges that the nation faces in dealing with the subject of population growth? There are three formidable challenges that we are facing. First: we have to control the growth rate. Without major and rapid reduction in the growth rate, the projected population would rise to about 400 million by 2050. This will surpass the projected population of Brazil and Indonesia by a long margin, and will come close to that of the US. Pakistan will become the fourth most populous country in the world. Food and water availability will be grossly inadequate to sustain such a huge population.

The Pakistan Demographic and Health Survey (PDHS) 2013 indicates that the fertility rate (number of births per woman) has remained high, at 3.8 percent. In the Annual Plan 2017-18, the Planning Commission used 3.6 percent as the total fertility rate (TFR), showing a small decline from the PDHS result. Future population projections depend on assumptions about the TFR over the projection period.

A study by the Population Council constructed three scenarios: high, medium and low rates of the TFR. The population will rise to 344 million, 299 million and 235 million respectively, in three scenarios. The lowest projection is within Pakistan's reach, provided we expend the necessary efforts required for this purpose. There is considerable support and demand for birth-spacing among the people. Religious scholars have widely supported the practice of maintaining families that can be supported within the available means. The question is how to reach them and meet this demand.

The current rate of contraceptive prevalence (CPR) of 35 percent can easily jump to 55 percent as there is a 20 percent unmet demand, waiting for someone to reach them. The cost of achieving a decline in fertility is also modest. The country is missing champions of this cause, especially in responsible positions. When a conference was held last year in London, no notable federal official was available to attend and show Pakistan's commitment for the cause. One wonders whether the government that will

now take office be sufficiently sensitised about the gravity of the situation, and prepared to take the requisite measures.

Second: curiously, the explosive growth of the last four decades has produced some favourable demographics for Pakistan. The growth rate in the age group of 15-64 – the productive group – is higher than in other groups. Nearly 50 percent of our population is less than 15 years of age. This may be promising for the future of the country. Moving forward, the dependency ratio will be declining with smaller-sized families. Household consumption will also decline and more savings and investment possibilities will emerge. Women may also find more time to join the labour force. These trends are called the demographic dividend.

This change in the demographic transition started in 2000; it was pointed out by demographers in 2007 and was supposed to continue until 2040. However, nearly two decades have passed since the transition and we have not been able to convert this dividend into better economic outcomes. During this crucial phase, the country has seen episodes of growth regularly followed by major slow-downs, essentially because of poor economic management. Therefore, there is a need for complete reorientation of the economic policy with an emphasis on human development occupying the centre stage. Without this fundamental reorientation, experts believe that the demographic dividend, from being an opportunity, may turn into a disaster as the rising tide of frustration in our youth may make them agents of social upheaval and chaos.

This takes us to our third important challenge, namely the need for placing investment in human capital among the top priorities of our development plans. We have already underlined the need for investment in reducing the fertility rate. The next priority has to be the achievement of universal primary education. We still have net enrolment rates of more than 50 percent, which are woefully unacceptable. More than 20 million children are out of school. During the period 2006-16, the number of schools increased by 6,000, but the number of teachers declined by 24,000 – with a teacher-to-school ratio of less than three.

However, the good news is the rise in female-to-male enrolment ratio at the primary level to more than one. Unfortunately, this dramatically drops at the secondary level. There has to be a suitable mix of education and skills at all levels to improve the employability of new entrants to the labour market. The inadequacy of the labour force (40 percent in the age group of 15-64) is alarming, as mostly are illiterate and have never attended school. The new entrants in the age group of 15-24 are also illiterate and uneducated. All these indicators tell us one thing loudly: the state doesn't care for all its citizens.

The status of women, who make up half of our population, needs to be seriously upgraded. The economic and social conditions facing our women are deplorable. Indicators relating to education, health and population welfare are considerably below par for women. Despite this, whenever women get a chance they prove highly competitive as compared to their male counterparts in education and various

professional fields. New evidence suggests that educated women are more likely to get employment and have small families – a basic requirement for slowing down the population growth.

Finally, health indicators such as immunisation, access to medical facilities etc – which we discussed in earlier articles – are quite poor. The consolidated spending of the federal and provincial governments on health and population welfare is about one percent of GDP, which is extremely low and can be increased significantly for high economic and social returns for the country.

Unless we refocus our energies towards the people, the population challenge can turn into a nightmare for the country. Of its many challenges, the coming government would do well to accord population growth a very high priority while drawing its plans.

To be continued

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