

Consequences of World population growth and population explosion⁶ ?

1. Investment:

Faster population growth makes the choice more scarce between higher consumption now and the investment needed to bring higher consumption in the future. Economic development depends upon investment. In UDCs the resources available for investment are limited. Therefore, rapid population growth retards investment needed for higher future consumption.

2. Overuse of Resources:

Rapid population growth tends to overuse the country's natural resources. This is particularly the case where the majority of people are dependent on agriculture for their livelihood. With rapidly rising population, agricultural holdings become smaller and unremunerative to cultivate. There is no possibility of increasing farm production through the use of new land (extensive cultivation).

3. Urbanisation:

With rapidly growing population, it becomes difficult to manage the adjustments that accompany economic and social change. Urbanisation in UDCs creates such problems as housing, power, water, transport, etc. Besides, growing population threatens permanent environmental damage through urbanisation in some rural areas.

4. Per Capita Income:

The effect of population growth on per capita income is unfavourable.

The growth of population tends to retard the per capita income in three ways:

- (i) It increases the pressure of population on land;
- (ii) it leads to rise in costs of consumption goods because of the scarcity of the cooperant factors to increase their supplies; and
- (iii) it leads to a decline in the accumulation of capital because with increase in family members, expenses increase.

These adverse effects of population growth on per capita income operate more severely if the percentage of children in the total population is high, as is actually the case in all UDCs. Children involve economic costs in the form of time and money spent in bringing them up.

5. Standard of Living:

Since one of the important determinants of the standard of living is the per capita income, the factors affecting per capita income in relation to population growth equally apply to the standard of living. A rapidly increasing population leads to an increased demand for food products, clothes, houses, etc. But their supplies cannot be increased in the short run due to the lack of cooperant factors like raw materials, skilled labour, capital, etc.

Consequently, their costs and prices rise which raise the cost of living of the masses. This brings down further the already low standard of living. Poverty breeds large number of children which increases poverty further, and the vicious circle of poverty, more children and low standard of living continues.

But Hirschman and Colin Clark opine that population pressures leading to lowering of standards will encourage the people of UDCs to work hard in order to improve their standard of living.

6. Agricultural Development:

In UDCs, people mostly live in rural areas. Agriculture is their main occupation. So with population growth the land-man ratio is disturbed. Pressure of population on land increases because the supply of land is inelastic. It adds to disguised unemployment and reduces per capita productivity further. As the number of landless workers increases, their wages fall. Thus low per capita productivity reduces the propensity to save and invest.

As a result, the use of improved techniques and other improvements on land are not possible. Capital formation in agriculture suffers and the economy is bogged down to the subsistence level. The problem of feeding the additional population becomes serious due to acute shortage of food products.

These have to be imported which increases the balance of payments difficulties. Thus, the growth of population retards agricultural development and creates a number of other problems discussed above.

7. Social Infrastructure:

Rapidly growing population necessitates large investments in social infrastructure and diverts resources from directly productive assets. Due to the scarcity of resources, it is not possible to provide educational, health, medical, transport and housing facilities to the entire population.

There is over-crowding everywhere. As a result, the quality of these services goes down. To provide these social infrastructure requires huge investments.

8. Capital Formation:

Population growth retards capital formation. As population increases, per capita available income declines. People are required to feed more children with the same income. It means more expenditure on consumption and a further fall in the already low savings and consequently in the level of investment.

Further, a rapidly growing population by lowering incomes, savings and investment compels the people to use a low level technology which further retards capital formation.

9. Environment Rapid Population Growth Leads to Environmental Damage:

Scarcity of land due to rapidly increasing population pushes large number of people to ecologically sensitive areas such as hillsides and tropical forests. It leads to overgrazing and cutting of forests for cultivation leading to severe environmental damage.

Moreover, the pressure of rapid growth of population forces people to obtain more food for themselves and their livestock. As a result, they over-cultivate the semi-arid areas. This leads to desertification over the long run when land stops yielding anything.

Besides, rapid population growth leads to the migration of large numbers to urban areas with industrialization. This results in severe air, water and noise pollution in cities and towns.