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Press release:

Why sub-Saharan Africa's population growth could overwhelm attempts to improve its living standards

Unless enough people in sub-Saharan Africa obtain affordable, productive employment in the next few years, population growth will overwhelm attempts to improve the region's low living standards. This is the finding of a new analysis¹ by development economists Robert Eastwood and Michael Lipton at the University of Sussex. Their findings are in the March issue of the journal *Population Studies*.

The population of the region - currently 870 million after quintupling since 1950 - is forecast to double by 2050. Eastwood and Lipton explain that, for economic growth to outpace population growth, sub-Saharan Africa needs in some respects to follow Asia's example. In Asia, fertility started to decline in the 1950s, and that meant rising numbers of workers per dependant. This is happening in sub-Saharan Africa too, but later and more slowly. Will these extra workers find productive jobs? So far, most of Africa lacks Asia's high rates of savings and investment and its Green Revolutions. Together, these brought much productive work for Asia's extra workers, thus allowing the rapid economic growth of the past fifty years. Could sub-Saharan Africa follow suit?

Eastwood and Lipton have analysed 15 countries in the region, which contains two-thirds of its people. Fertility started to fall around 1980. However, the fall is slower than it was in Asia, so the potential boost to the region's economic growth is less. The decline in infant mortality has also been slower than it was in Asia, and a couple is less likely to have fewer children when the prospect of their survival is uncertain. The United Nations' projection of a speeding up of the fertility decline may therefore prove unrealistic. Still, sub-Saharan Africa enjoys an improving ratio of would-be workers to dependents. The improving ratio can accelerate economic growth, but only if would-be workers are able to get affordable, productive employment. Unfortunately, low savings and investment rates (by Asian standards) make that a difficult requirement to meet.

The analysis produces another worrying result. For many large African countries, Eastwood and Lipton show that, with the population growth expected by 2025, wealth per person - machines, building, oil, forests, etc. - will fall because savings per person is not enough to replenish wealth. Thus, even today's low levels of consumption may be unsustainable.

However, there are enough examples of success - in Africa as well as Asia - to show that things could get better. The region's infant mortality could be reduced much more rapidly, and this would

accelerate the fall in fertility and bring faster rises in workers per dependant. And the workers could find productive work, if (as in Ghana and Rwanda) the past neglect of agriculture is remedied.

¹ Robert Eastwood and Michael Lipton. Demographic transition in sub-Saharan Africa: How big will the economic dividend be?, *Population Studies*, March 2011.

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