

## The Possibilities in Demographic Transition

Author: [Mohammad Shahidul Islam](#) November 24th, 2010

Following the launch of the recent United Nations Population Fund (UNFPA) report on the state of the world's population, there has been much worry that the size of Bangladesh's population has now reached 164.4 million and is growing. Challenging the UNFPA figure, the government claims that the country's population is now only 146 million. Owing to the unavailability of real-time data, one can assume that the country's total population is somewhere between the two figures disclosed by the UNFPA and the Bangladesh government.

While policymakers and the masses see the country's growing population as a looming danger, a closer look at Bangladesh's demography tells a very different story. When a large number of underdeveloped countries have fallen into the 'demographic trap', a situation where the population grows rapidly due to a high birth rate and a low death rate, Bangladesh has been undergoing a population transition in line with the population transition model.

This is indeed one rare success that Bangladesh has achieved but overshadowed by the country's high population figure. Most of the 20 countries that dominate the list of 'failed states'— predominantly Muslim countries— are caught in a 'demographic trap'.

Demographic transition can be defined as a situation where a country sees its demography transformed from high birth and death rates to low birth and death rates, causing population growth rates to first accelerate followed by a slow rate of growth. Such changes lead to high life expectancy and an ageing population. It transforms societies from a pre-industrial agrarian to an industrial one.

The first demographic transition was observed in Europe around 1800 with declining mortality rates. The American demographer, Warren Thompson, observed the patterns of population transition and his book, *Danger Spots in World Population*, offers a framework for this.

Based on the stylized facts of the demographic transition model, one can see the dynamics of Bangladesh's population transition. According to the United Nation's Population Prospects 2008 database, total fertility rates (TFR) in Bangladesh have declined, from 6.85 children per woman in 1971-75 to 2.36 in 2005-2010. The TFR is projected to approach a replacement level (2.1) in the period 2015-2020. The population growth rate declined from 2.67 per cent in 1970-75 to 1.42 per cent in 2005-2010. The crude birth rate and the crude death rates in the country are now 21.6 and 6.3 (per 1000 population) respectively.

Based on these statistics, Bangladesh is now at the beginning of Stage III of population transition. In other words, it has entered the stabilization era of population transition. Bangladesh's population transition has been following nearly the same pattern that Europe and East Asia experienced.

The age structure of Bangladesh's population and associated changes also exhibit a favourable picture. While Japan sees half its population approaching 43 years and older, with a median age of 25.5, Bangladesh is one of Asia's youngest countries. One can argue that with a median age of 17 Afghanistan is even younger than Bangladesh. But both Japan and Afghanistan have high dependency ratios—old-age dependency in the case of the former and child dependency in the case of the latter.

Bangladesh's dependency ratio has declined, from 92 in 1975 to 53 in 2010. A nation's demographic window generally opens when the dependency ratio (non-working to working age population) goes below 50. In South Asia, Bangladesh and India are projected to enjoy a large demographic window (2015-2050) thanks to a sharp decline in their dependency ratios.

The total dependency ratio declines when a country witnesses a rising share of the working age population. More precisely, this happens when the proportion of children and youth under the age of 15 falls below 30 per cent and the proportion of people 65 years and older is still below 15 per cent.

After a long period of low or erratic population growth (largely owing to famines, diseases and poor healthcare), Bangladesh experienced very high population growth in the post-1950s owing to a sharp decline in the mortality rate.

In line with Malthusian population theory (Stage I of the Population Transition Model), the population in Bengal remained checked for a long period largely owing to famines. Since the 16th century, history records at least one and a half dozen episodes of famine in Bengal (subsequently East Bengal, East Pakistan and Bangladesh).

It took half a century to increase Bengal's population by merely eight per cent in the period of 1751-1801, whereas in the span of five years (1950 to 1955), the erstwhile East Pakistan (subsequently Bangladesh) witnessed an 11 per cent population growth. Its population increased approximately 60 percent in two and a half decades—between 1947 and 1971—when the country witnessed two political divisions.

Until the 1980s, Bangladesh's per capita income growth was very low owing to a high dependency ratio. With a high birth rate, low death rate and subsistence economy the country's economic development till the 1980s resulted in poor per capita income growth. However, the scenario has changed since the late 1980s and early 1990s when Bangladesh witnessed a sharp decline in population growth and a steady increase in GDP growth with low volatility.

Moreover, Bangladesh has done much better than many of its neighbours, including India, in terms of gender-related demographic statistics. This development will provide additional impetus to Bangladesh's demography. With an improved sex ratio, the females' share is approaching half of the total working age population in Bangladesh. Studies show that the actual growth rates of South Asia and other lagging regions were at least one percentage point lower than their potential growth due to gender imbalances.

Despite this marked success, the size of Bangladesh's population has been seen as a matter of great concern. This is largely due to its population density which is now 1142 (population per sq. km). However, this high population density is a historical burden that Bangladesh has been carrying since the divides of 1947 and 1971. It is a victim its own geography.

The political divisions drew new boundaries without changing its population density. In 1970, for instance, then East Pakistan had a population density of 480. In the past four decades Bangladesh's population has increased 137 per cent. During the same period Pakistan and India's population growth was 197 and 120 per cent, respectively. China experienced a low population growth in the corresponding period (66 per cent), largely owing to its 'one-child' policy.

So, this high density of population in the country is partly, if not largely, a pre-1971 phenomenon. A back-of-the-envelope calculation shows that Pakistan would have had at least 40 million fewer people than Bangladesh had it followed the latter's population growth trends. In 1971 then West Pakistan had 9 million fewer people than East Pakistan. Today, Pakistan has 20 million more people than Bangladesh.

Now Bangladesh is poised to exploit the much-awaited 'demographic dividend' with a higher share of working age population and a low dependency ratio. More people in the working age group and a lower dependency ratio mean higher savings and investable surplus, leading to higher economic growth.

Typically, the 'demographic window' is considered a once-in-a-lifetime opportunity for a nation that lasts for 30-40 years depending on the country. It is widely recognised that the 'East Asian miracle' occurred partly because the region's demographic transition that resulted in a growth in its working age population at a much faster pace than the growth in its dependant population during the period 1965-1990.

How can Bangladesh utilise its demographic window with its massive population that is agglomerated in a space that is geographically smaller than Orissa of India and slightly larger than Wisconsin of the United States? This is an issue I want take up in the near future.

*The author is a research associate at the Institute of South Asian Studies (ISAS), National University of Singapore. He can be contacted at [imonsg@gmail.com](mailto:imonsg@gmail.com). Views expressed are personal.*

- See more at: <http://www.economonitor.com/blog/2010/11/the-possibilities-in-demographic-transition/#sthash.Gx0M4Nht.dpuf>