

Population Growth and Economic Difficulties in Latin America (*)

"One of the main obstacles to the incipient economic development of most Latin American countries is the rapid increase in population, the exceptional intensity of which is attested by the expression describing it of 'population explosion'.

This increase is caused by the persistence of high birth rates side by side with steeply falling death rates. This has raised the annual rate of natural increase to a figure of the order of 2 to 3 per cent, and in some cases even more.

The main consequence of the high birth rate is the aggravation of economic and social burdens, since the immediate effect is to increase the number of children in the population, who do not contribute to the production of goods and services, but do consume and do need important services at the public expense.

The acceleration in the increase in population raises problems of various kinds, especially in housing, public health services and education. To satisfy the needs involved, either now or in the near future, new investment is called for, and at the same time the standard of living must be maintained. Thus, the high rates of fertility which are mainly responsible for the exceptional increase in population complicate the other problem of economic development, which flows from the lack of capital. Besides, owing to the difficulty of making adequate arrangements for education, the working population is swollen by large numbers of untrained recruits, and this inevitably acts as a drag on industrialization.

However, the outlook is not entirely gloomy. In fact, it may be anticipated that the conditions which have led to a fall in the

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fertility of the industrial countries will be repeated, at least in part, in the underdeveloped areas. In the light of previous tendencies and of the facts as at present established, it seems highly probable that, with the progress of education, the move to the towns, and industrialization, we are on the eve of a marked fall in fertility and hence of a slowing down in population increase which will all facilitate economic development".

These considerations are taken from the introduction to a plan for a survey on fertility prepared by the Directorate for Statistics and Censuses of Panama (1).

I have reproduced the passage *in extenso* because it brings out, concisely and effectively, a cause, too often neglected, both of the low level of living of a large part of the population of South America, and of the difficulty of improving that level and not infrequently of preventing it from deteriorating.

It is in any case encouraging to learn that a voice is now being raised in South America in favour of birth control as a means of reducing one of the factors aggravating poverty — an excessively high birth rate.

This frank recognition by Panama of one of the means available to economically backward peoples for direct action to improve their poverty contrasts with recurrent pleas for help which assume that rapid population increases are unavoidable, and are one reason for the urgent need for foreign help.

The population of Latin America increased from 33 million inhabitants in 1850 to 162 million in 1950. That is, it multiplied five times over, whereas the population of the world as a whole slightly more than doubled.

Yet, in 1950 Latin America provided food for only 6.5 per cent of the world's population (2,495 million) and the density of population was very low — 8 per square kilometer.

In the decade from 1950 to 1960, the population of Latin America rose at an even faster rate. The absolute increase was 46.5 million, or 28.7 per cent (2) of the initial figure, whereas the

(1) *Informe de un estudio preliminar sobre una encuesta de fecundidad en Panamá* (1961).

(2) Comparative data for the previous decades: 20.2 per cent from 1930 to 1940, and 23.7 per cent from 1940 to 1950.

increase for the world as a whole was 18.6 per cent. The density for the region rose to 10 per square kilometer.

As will be seen from Table I, there are still marked inequalities in density of population between the various countries. In the Antilles, the average figure in 1960 was 83; in the continental part of Central America, the figure was under 19; in South America it was as low as 8. In the island of Puerto Rico, the density is as much as 265, and in some of the smaller islands it is even higher: in Bolivia it is only 3, and in French, Dutch and British Guiana, 2.

The densely populated countries occupy only a small part of Latin America. In 1960, Brazil had 8 inhabitants per square kilometer on an area of 8,514,000 square kilometers; in Argentina, there were 7 on an area of 2,778,000. In Mexico, the figure was 18 to 1,969,000; in Peru, 8 to 1,285,000; in Colombia, 12 to 1,138,000, and in Bolivia only 3 on an area of 1,099,000 square kilometers. These countries occupy four fifths of the total area of Latin America (which is about 20.5 million square kilometers) and account for almost three fifths of its population. The average density is 9 inhabitants per square kilometer. The total area is more than four times that of non-Soviet Europe but the population is not even half that of Europe where the density is 86 per square kilometer.

In these circumstances, it may seem premature, and almost absurd, to worry about the rapid increase in population, especially if it is remembered that vast areas of Latin America are still semi-desert but are by no means uninhabitable and could be settled and cultivated if roads and means of transport were expanded and flood control works, land reclamation and sanitary improvements were undertaken.

But the need to slow down the increase in Latin America's population does not flow from a shortage of land for the growing generation, except in the islands of Puerto Rico and Jamaica (where in any case part of the increase is offset by emigration) and in a few very restricted other areas. It flows from the difficulty of ensuring that goods and services keep pace with the expansion in numbers.

It might also be argued that the present rate of increase in the population is not such as to constitute a serious problem. In Latin America, the geometric rate of increase per annum is 2.56 per cent, and has kept well below 3 per cent. In countries with ample

TABLE I

INCREASE IN THE POPULATION OF LATIN AMERICA FROM 1950 TO 1960

Political and geographic unit	Population (*) (thousands of inhabitants)		Percentage increase from 1950 to 1960	Density of population in 1960 Inhabi- tants per square kilometer
	1950	1960		
Mexico	25,826	34,780	34.67	17.7
Other countries	8,879	12,152	36.86	22.5
<i>Continental Central America</i>	<i>34,705</i>	<i>46,932</i>	<i>35.23</i>	<i>18.7</i>
Cuba	5,508	6,797	23.40	59.1
Haiti and Dominican Republic	5,243	6,500	23.97	85.5
Puerto Rico	2,207	2,360	6.93	265.2
British dependencies	2,725	3,242	18.97	101.3
Other islands	617	772	25.12	183.8
<i>Insular Central America</i>	<i>16,300</i>	<i>19,671</i>	<i>20.68</i>	<i>83.4</i>
Colombia	11,334	14,132	24.69	12.4
Venezuela	5,031	7,250	44.11	7.9
The Guianas (British, Dutch and French)	700	867	23.86	1.9
Ecuador	3,197	4,298	34.44	15.9
Peru	8,521	10,857	27.41	8.4
Brazil	52,100	69,300	33.01	8.1
Bolivia	3,019	3,456	14.47	3.1
<i>Tropical South America</i>	<i>83,902</i>	<i>110,160</i>	<i>31.30</i>	<i>8.1</i>
Chile	6,073	7,250	19.38	9.8
Argentina	17,189	19,900	15.77	7.2
Paraguay	1,397	1,768	26.56	4.4
Uruguay	2,407	2,790	15.91	14.9
Falkland Islands	2	2	..	0.6
<i>Temperate South America</i>	<i>27,068</i>	<i>31,710</i>	<i>17.15</i>	<i>7.7</i>
<i>Total Latin America</i>	<i>161,975</i>	<i>208,473</i>	<i>28.71</i>	<i>10.2</i>

(*) Population estimated half way through the year. The greater part of the data given in this table and in the present study are taken from the *Annuaire démographique* of the United Nations.

natural resources, this figure is not such, given modern technical progress, as to prevent from maintaining and indeed increasing their level of living (3). In the United States, for example, a slightly lower rate of increase of the population in the forty years between 1870 and 1910 (2.20 per cent), far from holding back economic progress, actually stimulated it (4).

The backward state of technical means of production in Latin America, however, hampers both quantitative and qualitative advances in agriculture and animal husbandry. And, where progress does take place, its effects are distorted or cancelled by those factors whose existence in underdeveloped regions is all too familiar — concentration on a few crops (mainly for export), neglect of foodstuffs consumed at home, with consequent need to import them, overabundance of labour and hence fear of causing unemployment by mechanization, shortage of capital because of the preference on the part of the local notables for investment in land and of the tendency to deposit their wealth abroad, and fear on the part of foreign capital to invest because of political instability and because of the frequent devaluations of the currency. Lastly, there is a shortage of skilled labour, quite apart from entrepreneurs who could promote industrialization. Thus, the problem is not one of numbers alone but of the economic structure and capacity of the countries themselves.

However, the numbers are impressive. Over most of Latin America, the average annual birth rate was 40-42 per 1,000 in the last decade. As the corresponding figure for deaths was 16-18 per 1,000, the mean annual rate of natural increase was 24 per 1,000.

In absolute figures, there were 75 million births against 31 million deaths in the last decade, thus giving a balance of 44 million, or 95 per cent of the total increase of 46.5 million (see Table I).

These 44 million amount to 27 per cent of the population at the beginning of the decade. But far higher proportions are to

(3) In Italy, the average geometric annual increase from 1950 to 1960 was 0.58 for population and 6.43 for the national income at constant prices.

(4) It should be noted, however, that immigration during this period helped to swell the increase by bringing in large numbers of adult workers, the cost of bringing up whom had been borne by the countries of origin, whereas the recent increase in Latin America is mostly due to a surplus of births over deaths and hence involves high expenditure on bringing up the younger generation.

be met with in the continental part of Central America, where the population increased by over 35 per cent (Table I) despite the marked surplus of emigration over immigration. This surplus has been more marked in the insular part of Central America where the increase in the population (almost 21 per cent) is therefore much lower than the natural increase. In Puerto Rico, in particular, the actual increase is not even as much as 7 per cent, owing to mass emigration to the United States. The marked predominance of immigration contributes to only a small extent to the increase in population of 31 per cent in the tropical zone of South America, where the figure is 44 per cent for Venezuela, 34 for Ecuador, 33 for Brazil, 27 for Peru and 25 for Colombia. Immigration has made a greater contribution to the much smaller increase during the decade of 17 per cent in the temperate zone of South America. There, notwithstanding this contribution, the two countries with a low birth rate, Argentina and Uruguay, show moderate increases (16 per cent), whereas in Chile the increase was 19 per cent, and in Paraguay, without any help from immigration, it was 26 per cent.

In a large part of Latin America, the population statistics are still far from being perfect, especially because of the failure to register births and deaths and to the habit of delaying registrations, especially of births. Thus most of the statistics err on the low side. Only in a few cases do the delays in registering births lead to double counting. Varying with time and place, failures to register births or deaths are more frequent. Thus, the rate of natural increase tends at times to be underestimated and at times overestimated.

Despite their lack of preciseness, the figures for the birth rate, calculated on the basis of official statistics (first column of Table II), speak volumes. Although they are mostly underestimates, they show that, in eleven out of the eighteen countries in question (5), the rate is above 50 per 1,000. In other five countries, it is 30, and only in the Argentine and in Uruguay does it go down to 25. By way of comparison, it may be mentioned that the average for Europe (excluding the Soviet Area) for the same period is not even 19, and for Anglosaxon America it is 25 per 1,000.

(5) Some countries such as Cuba, Haiti, Bolivia and Paraguay are not shown in Table II for lack of reliable statistical data, and we have left out others which have a small population.

The data for Brazil are estimated by the author on the basis of the 1940 and 1950 censuses.

The figures for the death rate in the second column of Table II are also mostly underestimates. However, the real figures are certainly not very high. According to the data available, the death rate is under 10 in seven countries and under 15 in other eight. Only Ecuador, Brazil and Guatemala are above the latter figure. By way of comparison, the corresponding rate for the same period for Europe (excluding the Soviet area) is 10 and for Anglo-saxon America, 9.

TABLE II

BIRTH AND DEATH RATES IN LATIN AMERICAN COUNTRIES
(average for 1951-60) (*)

Country	Average annual rate per 1,000 inhabitants		
	Birth rate	Death rate	Natural increase
Mexico	45.8	13.6	32.2
Guatemala	50.0	20.3	29.7
El Salvador	47.5	13.8	33.7
Honduras (**)	42.0	11.0	31.0
Nicaragua (**)	42.6	9.3	33.3
Costa Rica	46.9	10.3	36.3
Panama	38.5	8.9	29.6
Jamaica	36.4	10.1	26.3
Dominican Republic (**)	40.2	9.2	31.0
Puerto Rico	34.2	7.7	26.5
Colombia (**)	40.6	13.1	27.5
Venezuela	45.9	10.0	35.9
Ecuador (**)	46.1	15.5	30.6
Peru (**)	36.9	12.2	24.7
Brazil (**)	45.0 (*)	17.0 (*)	28.0 (*)
Chile	34.4	12.7	21.7
Argentina	23.9	8.5	15.4
Uruguay	19.0 (*)	10.0 (*)	9.0 (*)

(*) Data estimated by the writer for Brazil. Average for 1953-54 in the case of Uruguay.

(**) Countries with the highest percentage of omissions in registrations of births and deaths.

Thus, there is no question but that in Latin America, a high birth rate is accompanied by a low death rate. The only exceptions

are the Argentine, where the birth and death rates are much the same as in Western Europe, and in Uruguay where they correspond roughly to the figures for Anglo-saxon America.

The natural rate of increase is accordingly very high. It is over 30 per 1,000 in eight of the eighteen countries in Table II, 25 in other six, 20 in other two, and only in the Argentine (15.4) and in Uruguay (9) relatively low. During the same period, the average natural increase was 9 per 1,000 in non-Soviet Europe and 16 per 1,000 in Anglo-saxon America.

The high and continuing birth rate is the main factor contributing to the rapid population increase in Latin America.

The contrast between Latin America and Europe may be illustrated by a comparison between Italy and Brazil. From 1900 to 1960, the population of Italy (within its present borders) rose by 49 per cent — from just over 33 million to just under 50 million. But the number of live births which was 1,090,000 in 1900 and was still, 1,080,000 in 1930 had fallen to 910,000 in 1960, i.e., the birth rate had fallen from 32 to 18. In the same period, the population of Brazil had increased by 283 per cent, i.e., from 18 to 69 million inhabitants, and the number of live births which was only 900,000 in 1900 had risen to 1,580,000 in 1930 and to 3,040,000 in 1960 despite the marked drop in the birth rate from 50 to 44 (6). The number of live births, which sixty years ago was lower than in Italy, is now more than thrice as high.

Emigration has to a large extent acted as a brake on the increase of population in Italy, whereas immigration has made only a modest contribution to increasing it in Brazil. But the main explanation of the difference in the course of the two nations' demographic curves is undoubtedly the differential birth rate.

In rapidly growing populations such as those in Latin America, the older generation was initially much smaller than the younger one. In Brazil, for example, the 1900 generation was 70 per cent less than the 1960 one, whereas in Italy it was 20 per cent more. For this reason and because of the higher death rate among the older generation, the survivors of the latter constitute only a small proportion of the total Latin American population. Of the seventeen

(6) The data on the number of births and on the birth rate in Brazil have been worked out by the author.

countries in Table III, only one, Peru, has a percentage of people over 65 markedly higher than 4 per cent. Eight others are above 3 per cent, and nine are above 2.4 per cent. It should be noted that these figures are probably overestimates, owing to a tendency in Latin America for people to make themselves out as being older than they really are. In the United States the proportion of inhabitants of over 65 years of age is 8.4 per cent, although the increase in population has been very rapid in the last hundred years; it is 8.9 per cent in Italy.

TABLE III
BREAKDOWN OF POPULATION BY MAIN AGE GROUPS (*)
(figures as proportion of 10,000 inhabitants)

	Proportion of inhabitants in age groups			Total
	0 to 14	15 to 64	65 and upwards	
Mexico	4,178	5,486	336	10,000
Guatemala	4,227	5,526	247	10,000
El Salvador	4,116	5,588	296	10,000
Honduras	4,060	5,543	397	10,000
Nicaragua	4,328	5,386	286	10,000
Costa Rica	4,287	5,424	289	10,000
Panama	4,160	5,515	325	10,000
Jamaica	3,795	5,810	395	10,000
Dominican Republic	4,451	5,266	283	10,000
Puerto Rico	4,321	5,292	387	10,000
Colombia	4,255	5,432	313	10,000
Venezuela	4,197	5,538	265	10,000
Ecuador	4,246	5,399	355	10,000
Peru	4,209	5,363	428	10,000
Brazil	4,186	5,569	245	10,000
Chile	3,736	5,865	399	10,000
Argentine	3,086	6,522	392	10,000

(*) The age is that attained on the last birthday. The proportions have been calculated on the basis of data for the 1950 census or of the nearest year (1940 in the case of Peru). No figures available for Uruguay.

The high numbers of young people in Latin America, on the contrary, have raised the proportion of those under 14. This group

now forms over 40 per cent of the population of fourteen out of the eighteen countries in Table III, reaching a peak of 44.5 per cent in the Dominican Republic. It is slightly under this figure in two of the other countries, and falls to as low as 30.9 per cent in the Argentine. The corresponding figure is 29 per cent in the United States and 24.9 per cent in Italy.

In most Latin American countries, the proportion of children and adolescents is so that, despite the low figure for older people, the proportion of inhabitants in the middle ranges i.e., between 15 and 64, is relatively low. In eight countries, it is below 55 per cent (with a minimum of 52.7 per cent in the Dominican Republic). In other six, it is below 56 per cent. It is higher only in Jamaica (58.1 per cent), in Chile (58.6 per cent), and in the Argentine (65.2 per cent). In the latter country, it is higher than in the United States (62.6 per cent) and not far below the figure for Italy (66.2 per cent).

If we exclude the Argentine and Uruguay, it may be said that Latin American countries have in common a high proportion of children and adolescents who make a small contribution to production, whereas they weigh heavily on consumption. In a recent study of mine (7), I have calculated that the inhabitants between the ages of 0 and 14 account for only 5.2 per cent of the national income of Brazil and 2.6 in Italy, whereas the figure for consumption is 26.4 in Brazil and 14.2 per cent in Italy. In the United States, the corresponding figures are 2.9 and 16.6 respectively. These estimates are very rough, and are hence merely indicative, but they bring out the economic repercussions of a high birth rate as opposed to a low one. Quite apart from any calculation of income and expenditure, these data give an idea of the economic burden thrown on the community by the high proportion of units making a small or nil contribution to production, as compared with those who produce most of the national income. For every 100 inhabitants between the ages of 15 and 64, there are 84 of from 0 to 14 in the Dominican Republic, 78 in Colombia and Peru, 76 in Mexico, 75 in Brazil and 64 in Chile. Only in the Argentine is there a proportion as low as 47 per cent — almost equal to the figure for the United States (46), but still much higher than in Italy (38).

(7) *Economia della popolazione*, Section 46, Turin, UTET, 1960.

In part, however, the economic drag of these new generations is offset by the low cost of maintaining the older people. But, as opposed to the children, these older people often work, and their income from their property or from social insurance is partly the fruit of their past labours.

The reduction in the birth rate from 40-45 per 1,000 (which is now current in Latin America) to 20-25 (as in the Argentine and Uruguay) would result in a not too distant future in a change in the age structure of the population calculated to foster economic development. The smaller proportion of children and adolescents and the higher ratio of adults would help to increase the *per caput* income, reduce the part devoted to bringing up children and adolescents, and improve their technical training. It would be easier to save; productive investment could be increased; the slowing down in the increase in population would reduce the effort needed to keep pace with the flood of new mouths and could be in part devoted to raising the level of living.

The fall in the birth rate is all the more necessary because there may be a further drop in the death rate in the near future as a result of medical progress and of the extension of health measures. Thus, the rate of increase may go up still further, with consequent difficulties in maintaining the level of living.

Naturally, I am far from believing that a slowing down of the increase in the population is sufficient by itself to solve Latin America's economic problems. But I believe that, for a good number of these countries, it is a necessary but not sufficient condition for the alleviation of the present difficulties. And, above all, I am convinced that the application of a voluntary curb on procreation would temper the unfavourable circumstances which drive them to appeal for aid from abroad.

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