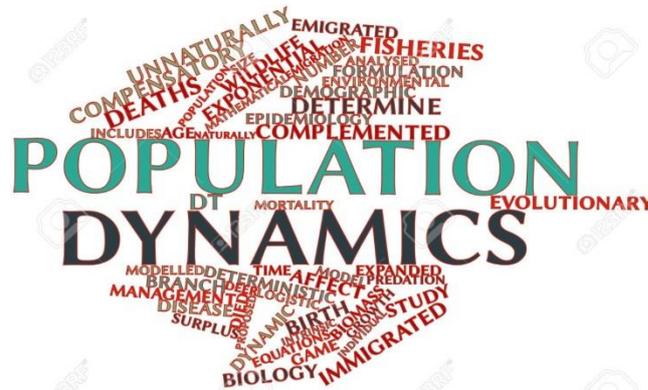


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The Inter linkage between population dynamics and development

The inter-linkages between population dynamics - size, growth, age-sex composition, and distribution – and development, particularly economic growth and poverty reduction, have been a subject of considerable literature. However, the nature and quantum of linkage effects, although significant, remain difficult to quantify. They also possibly depend upon the prevailing context. It is therefore, essential that development planning takes into account these inter-linkages and both respond to population dynamics as well as directly and indirectly influence them.

Population Dynamics describes a population's abundance and density, and how it changes over time as a function of birth rates, death rates, and migration rates. The relationships between population dynamics and economic development have been widely investigated by economists and social theorists. While development is all inclusive and must be sustainable, its economic interface is very crucial. Much of the projected growth in population in coming decades is projected to take place in developing and the least developed countries, where it is likely to

Intensify poverty and add pressure on the economy, basic health and social services and the environment.

Namibia being a developing country and aspires to be an industrialised nation build/ developed by its human resources, it is of vital importance to analyse the population dynamics of the country, in order to understand the situation in terms of trends and changes in population growth; migration; urbanization; population density; and age structures of this human resources and how are they related to development.

It is believed that Economic outcomes of a country point to the economic measures and reflections of quality of lives of the population in a country, it is this link that we need to address at a policy level in order to present some of the possible actions that governments can take to maximize benefits from population structures, and to what level does the country consider population dynamic in the planning process.

Meeting the needs of current and future generations requires knowledge

of how many people are living in the country and how many will be added in the country in the next decades; how old these people are and how the age distribution will change in the future; and where people are living today and where they will likely be living in coming years. The systematic consideration of population dynamics is essential for the formulation of sustainable development strategies, goals, targets, policies and programmes.

Objective

This policy brief is aimed at discussing the relationship between population dynamics and Development in Namibia through answering the following research questions:

- How does population growth or decline influence economic and social well-being of Namibia?
- Does population growth enhance or diminish economic growth?
- What are the impact of Population on Development
- How can Namibia benefit from demographic dividends?

Methods

The study used secondary data, mainly the population and housing census data of 1991, 2001 and 2011, The Namibia Labour Force Survey data, and the Namibian Demographic and health Survey data. **The brief took a qualitative approach by discussing the social demographic statistics as a measure of development.** It focused on social indices such as; population growth rate, percentage of urban population and fertility rate.

Namibia's Population growth rate

Birth and death rates are the most important determinants of population growth and sometimes net migration. Namibia's population has increased from 1 409 920 in 1991 to 2 113 077 in 2011 as shown in figure 1. With an average growth rate of 1.4 per year, Namibia's population is projected to be at 2.2 million people in 2015 and between 2015 and 2030 the Namibian population is projected to grow from 2.3 million to 3 million, representing an increase of 30 percent. This means that during the next 15 years the Namibian population will increase by 700 000 people.

Even though the growth rate has declined from 3.1 in 1991 to 1.4 in 2011, population increase is attributed to high proportion of young people in the Namibian population and this has led to an increase in population density from 1.7 to 2.6 people per sq.km in 1991 and 2011 respectively. Namibia has a youthful population with 35% of its population under the age of 15 years.

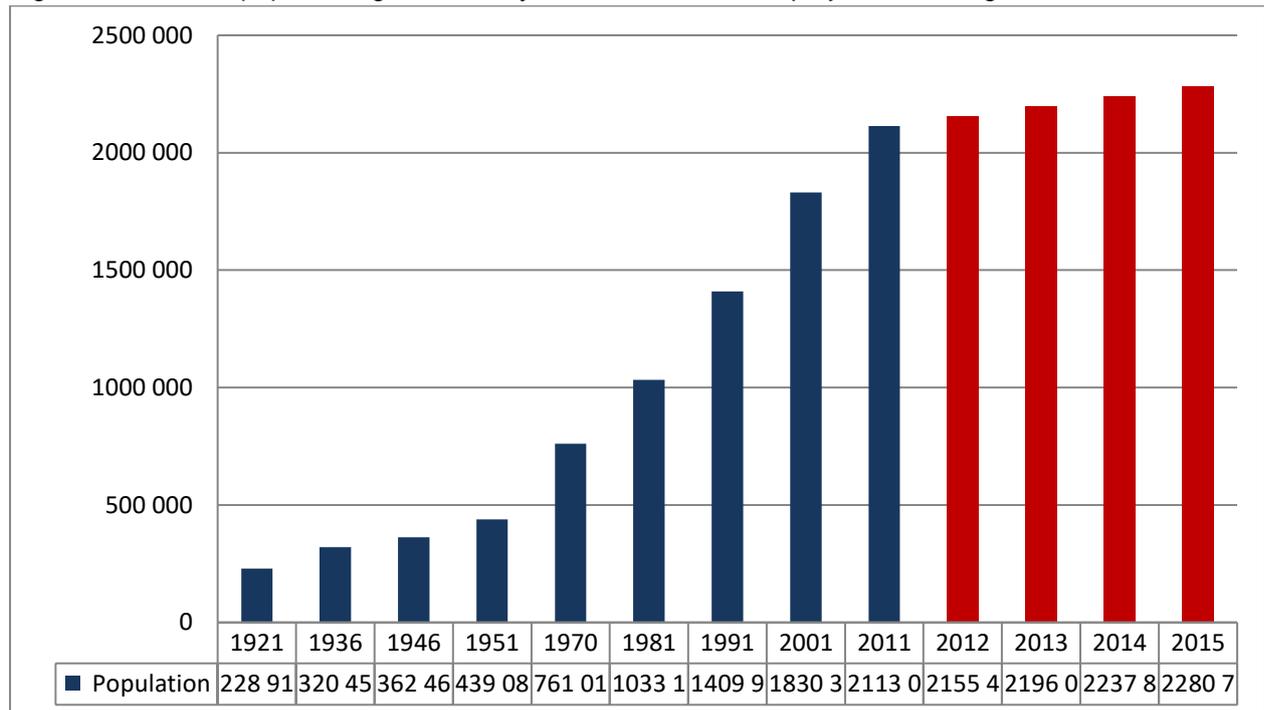
The rate of growth and size at which the population grow significantly affects the countries' potential to reach its development goals. A high population with low dependency ratio can contribute to positive economic growth of a country. A declining number of dependents can enable households to increase investments - particularly in the human capital of their children - whereas a rise in the number of working-age people can expand a country's productive potential and output.

Namibia is one of the most rapidly urbanizing countries in Africa; its urban growth rate between 2001 and 2011 is estimated at 4.96 percent per year, while the average rate for Africa is 3.3 percent per year. About 43 percent of Namibians live in urban areas, and it is

projected that more than half of the population (60 percent) will live in urban areas by 2030. It is projected that by the year 2030 up to a third of our population will be residing in the Khomas and Erongo Regions. Urban population growth in Namibia is primarily driven by rural-urban migration and natural increase in urban areas.

This type of demographic change may then be expected to have an impact on the rate of economic growth. According to Callen et al. 2004 in their study conducted in 115 countries, they found out that, Per capita GDP growth is positively correlated with changes in the relative size of the working-age population, and negatively correlated with changes in the share of the elderly. In addition to this, lower dependency ratios tend to raise saving, which in turn helps finance more investment and boosts output. Other studies have suggested that the impact of demography on growth is linked to the strength of the institutional and policy framework in place. For instance in the case of urbanisation, If it is well managed it can continue to offer important opportunities for economic and social development. However, the speed and scale of urbanization in Namibia challenge the capacity of Government to adequately plan and meet the needs of the growing number of urban dwellers. As towns such as Windhoek, Walvisbay and Swakopmund grow, managing them becomes more complex and their populations become more diverse. Therefore the country will need to adjust to this process much faster in order to get positive impact on economic growth. The increase on the number of people in urban areas will not only be placing a strain at the household level, but also increases the burden on resource allocation from the government in the education, housing and health sectors. Regions such as Khomas and Erongo, are already experiencing the effect of rural-urban migration in the education sector, where most children find it hard to find placement for grade one because of the ever increasing demand. As school enrolments grow by a certain percentage, this will also make it more difficult for government, as it has to rise the education expenditures, at the municipality level, provision of services such as infrastructure, can also pose a great challenge due to the increase of inhabitants.

Figure1. Namibia's population growth over years, with 2012-2015 projected at 1.4 growth rate



Data source: Namibia Statistic Agency 2012

Fertility rate

Total Fertility Rate (TFR) is the average total number of children that would be born to a woman by the time she ended child-bearing age if she were to pass through all her child-bearing years. Fertility rate in Namibia has fallen, from an average of 6.1 children per woman in 1991 to 3.6 in 2011. It is projected to further decline over the next 15 years from 2015 to 2030. This rate differs from places of residences and by regions. Women in rural area have an average of 4.6 children higher than the national average, while those in urban area have an average of 3.2 children, which

is lower than the national average. This implies that on average women in rural areas have two children more than women in urban areas that only have 3 children on average. “The difference in fertility rates between urban and rural women can be attributed to differences in socio-economic characteristics of women whereby urban areas tend to have better educated and employed women, better income and access to family planning information and services” (MoHSS 2008).

The decreasing TFR is expected to cause a decline in proportion of population below 15 years old (from

36.4 to 33.7 percent) and a fixed proportion of elderly (age 65+ years). On the contrary, the proportion of population in the working age (15-64 years old) is expected to increase.

This change in the population age structure is referred to as the demographic dividend (economic growth arising from increased numbers of working-aged adults relative to young dependents). The demographic dividend is not, however, automatic. Given the right kind of policy environment, this demographic dividend can help to produce a sustained period of economic growth. 2013. This is an indication that, economically active people are interested in career advancements.

The 2013 Namibia Demographic and Health Survey (NDHS) has recorded a reduction in percentage for women age at first marriage, 14 percent of women were married at the age of 20 compared to 17 percent in 2006/07. This shows that, women are getting married older these years as compared to past years, and this will reduce their chances of having many children.

The use of contraceptives has also increased from 46.6 percent in

Such economic benefits are optimized when accompanied by investments in Public health, family Planning, education, and economic policies that promote labour-market flexibility, openness to trade, and savings.

The decline in TFR is mainly due to “more Namibians pursuing higher education and career advancement leading to delay in marriages as well as having smaller families. According to the 2013 Namibia Labour force Survey (NLFS), the number of employed persons with university qualifications has increased from 5.4 percent in 2012 to 7.3 percent in

2006/07 to 50.2 percent in 2013 (NDHS).” It is expected that with this changes, the percentages of labour force with secondary level and tertiary level education will increase, and the country has the potential of benefitting from this demographic dividend in terms of opportunity for increased savings and investment for economic growth, at a time when relatively fewer resources are required for investment in education (fewer young people) and can be optimised as factors easing the poverty reduction efforts.

A declining proportion of children and simultaneous increase in the share of youth and working age adult population lowers dependency ratio and opens windows of opportunity for economic growth, as age structure matures and a larger share of population enters workforce. A large workforce with fewer children to support creates a window of opportunity to save money on health care and other social services; improve the quality of education; increase economic output because of more people working; invest more in

Population and development

Sustainable development is a process through which people can satisfy their needs and improve their quality of life in the present but not compromise the ability of future generations to meet their own needs.

For most people, aspiring to a better quality of life means improving their standards of living as measured by income level and use of resources and technology. However, sustainable development also requires equity. For example, economic and environmental goals will not be sustainable unless

technology and skills to strengthen the economy; and create the wealth needed to cope with the future aging of the population. Studies document evidence that declining fertility does indeed stimulate savings as private households with fewer children tend to increase their saving in the bank. A decline in fertility rate can also mean that the nation will in future possibly be faced with a problem of ageing population, where the majority of the population will be elderly people if fertility rates continue to decline.

social goals – such as universal access to education, health care and economic opportunity – are also achieved.

Because people's economic behaviour and needs vary at different stages of life, changes in a country's age structure and distribution can have significant effects on its economic development. Nations with a high proportion of children are likely to devote a high proportion of resources to their care, which tends to depress the pace of economic growth.

By contrast, if most of a nation's population falls within the working

ages, the added productivity of this group can produce a “demographic dividend” of economic growth, assuming that policies to take advantage of this are in place. In fact, the combined effect of this large working-age population and health, family, labour, financial, and human capital policies can effect a virtuous cycles of wealth creation.

Population dynamics will determine the potential for poverty eradication, economic growth, and health and

education service provision and for achieving sustainable economic and socially inclusive growth. Population dynamics therefore need to be integrated into the conceptualization and design of our national development plans. In addition, services should be planned taking into account population changes and therefore population projections should be used to inform national development policies and programmes.

Conclusion

Namibia is projected to have a decline in fertility, low population growth and a high educated work force, therefore ensuring appropriate investments in young people should be an essential component of the national development agenda in order to benefit from population dividend in the near future. We need to consider adopting measurable targets regarding achieving better education, sustainable job creation and the removal of barriers to accessing reproductive health services for improving young people’s opportunities and their wellbeing, and for maximizing their contributions to society. A strong educational system and sound economic management can make it possible to absorb the large generation of young adults into the workforce and reduce dependency ratio. Therefore we recommend that, the country need greater investment in human resource development (knowledge and skills): re-tooling persons to respond effectively to new and emerging challenges and to be absorbed into local economy & bridge the gap. The country further need to reduce regional imbalances (skewed development) associated with resource allocation to stem the flow of migrants from rural to urban or urban to urban areas for example through Regional Investment Policy (e.g. infrastructure) to address problems in lagging regions. Create viable and attractive opportunities in rural areas with the aim to re-directing educational systems towards the needs of rural development.

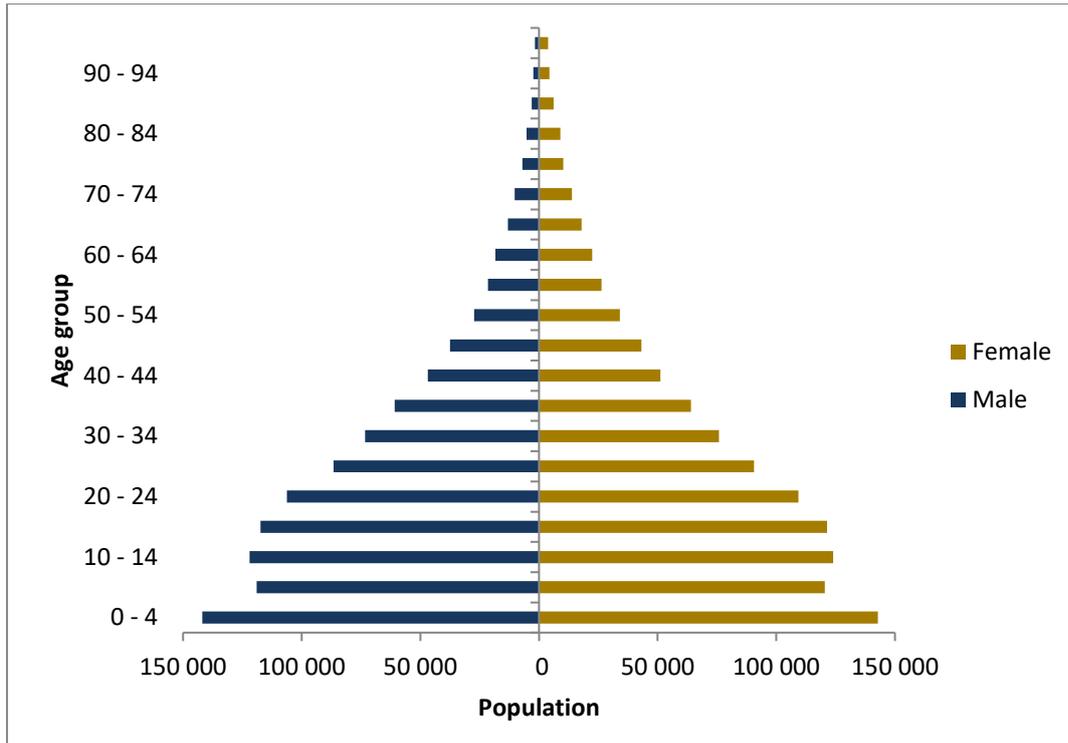
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Annexure 1: key socio-economic and development indicators

Selected key socio-economic and development indicators for Namibia (%)	
Percentage of population, urban, 2011	43
Literacy rate, male \geq 15 years old, 2011	89
Literacy rate, female \geq 15 years old, 2011	88
Literacy rate, total, 2011	85.3
Secondary school enrolment, school age male population, 2012	47
Secondary school enrolment, school age female population, 2012	53
Unemployment rate, 2013	29.6
Population living below poverty line, rural, 2010	37.4
Population living below poverty line, urban, 2010	14.6
Population living below poverty line, total, 2010	28.7

Annexure 2 (a): Namibia's Population Pyramid, 2011



Annexure 2 (b): Namibia's Projected Population Pyramid, 2030

