

ECO2008S Development Economics
Tutorial 2
Olivia Nolan
Tut group: 5

Question 1:

Population has huge importance in the grand economic scheme. The three main views regarding population can be defined as either Population Pessimists, Population Optimists and Population Revisionists.

In terms of Population Pessimists, Thomas Malthus believed people are driven by a “passion of the sexes”. This means that populations would increase as long as food supplies would allow. These larger populations mean that the labour supply would increase and put strain on fixed resources such as land. This is basically the concept of diminishing marginal returns. Food prices would increase and wages would decrease. Malthus predicted that this would harm the economy in terms of development and be harmful to humanity as a whole. However, Malthus did not account for technological change that would perhaps lead to food production simultaneously increasing with population growth. Neo-Malthusian ideas are still popular however in believing that the planet has capacity limits and that in the long run scientific discovery and technological growth will be overridden by too big a human population.

Population Optimists, however, see population growth to have the potential to increase factor productivity. Economies of scale and population pressure are seen as a positive factor in that they induce technological change and hence productivity increases. A larger population means more people that are likely to become entrepreneurs and inventors that could solve issues humanity faces.

Population Revisionists are caught or positioned between the two extremes just explained. They acknowledge that there are many factors that influence population growth and development. They realise that trying to establish whether population growth will always be beneficial or harmful to economic development and the planet is difficult.

Personally, I find myself agreeing with both the Population Pessimists and Revisionists but perhaps more with the Pessimists. I agree more with the Population Pessimists more because the economic capitalist system that most societies function in nowadays creates large incentives for humans to use and consume and create a large amount of waste. As beneficial technological development would be, an increase in it would mean more extracting of the planet's natural resources, more plundering of things that need not be plundered if there were a smaller population. In the long term, the planet will not be able to provide for humanity if the population is too great.

Question 2:

Theodore Schultz referred to the acquisition of skills and knowledge as investments in human capital. An increase in human capital generally means an increase in earnings. Observations have inferred that the greater the number of years of schooling people receive, the greater their incomes. This reasoning makes sense when one thinks of education as an investment. Economics analysis of education is vital because the concept of education is normally accompanied by a pathway to a better lifestyle. This implies that education would enable a person living in poverty to get out of that way of living. This can be seen in an economic context where some developing countries have struggled to lift populations out of poverty and increase their earnings due to insufficient investment in human capital. High unemployment levels are also an issue in terms of school leavers and university graduates. This often reflects a failure in being able to promote economic growth that would have increased demand for educated workers instead of the schooling systems.

In the article by Connie Nshemereirwe, formal education, which developing nations are attempting to implement to ensure a better economic system, is rooted in colonial times. If formal education is producing members of society who are not in touch with the reality of their society then developing nations, specifically Africa, stand a slim chance of ensuring productive economic environments that demand highly educated workers, formal or not.

Question 3:

Boys have traditionally been favoured over girls in education in many different social contexts. Progress has been made over the last few decades in educating girls and women, however, there are some disparities still exist. Educating women opens up opportunities in the labour market for women. This enables women to generate their own income and make independent choices. There are many correlations between the education of girls and women and population dynamics. Due to the increase in potential income, opportunity costs of having children increases. As a result, couples may tend to choose to have fewer children. This effects the issue of population growth dealt with in question 1.

Education regarding contraception is important. Studies have shown that there are regions where women have more children than they originally desired. Through education about the effective use of contraception, this can be prevented, birth rates can decline. Again this relates to population growth. Education during pregnancy is also vital and how to care for the baby makes it more likely that the baby will be healthier and surviving.