Literature survey:

There exists a close and reciprocal relationship between population growth and economic development in a country. The population in one way constitutes a source of labor that could be utilized to boost the country’s production. On the other hand, it could also be seen as a consumer group that uses and exhausts a large quantity of the country’s resources. However, certain economists from the earlier times have pointed out that the increase of population and the rapid growth of population in a country is tied to its economy. But the opinion of some other economists is that although the population can grow rapidly in a country, its natural and physical resources are limited, and as a consequence this situation could prove to be an obstacle to the economic development of the country. In the midst of these arguments the demographic transition theory attempts to clarify the relationship between population growth and economic development. It is clear that in the past economists and demographers considered the inter-relationship between population growth and economic development from both an optimistic perspective as well as from a pessimistic perspective. Those who viewed it optimistically adopted a benign attitude towards population increase; that is, they considered it is not necessary to control the population growth of a country. According to them the growth of population does not bring bad results. The pessimists look at it differently and assert that if a country is to attain a higher state of development, the rate of population growth should be reduced. That is, they claim that during the process of economic development population growth should be controlled. All pessimists are of the opinion that a higher fertility rate and the resulting rapid population growth act as a damper on economic development. The main objective of this paper is to examine the literature on the inter-relationship between population growth and economic development from both an optimistic angle as well as from a pessimistic angle.

Literature Review:

According to Bloom and Canning, "There is strong evidence that demographic change has a major impact on the course of economic growth. For example, they say rising life expectancy tends to increase savings and education level, increasing the investment in physical and human capital"(Bloom and Canning, 1999). Coale and Hoover have expressed their views about the relationship between population growth and economic growth. According to them, an economy based on agriculture shows high mortality and fertility rates (Coaleand Hoover, 1958). Generally, due to social disasters and floods, the rate of mortality is high in this field. On account of poor nutrition, bad health habits, limited public health programs and inadequate sanitary facilities, the mortality rate will be at a high level. However,countries that change over from agricultural products to industrial technological products will increase their production capacity and thus improve their economy (Coaleand Hoover, 1958).

Conclusion:

It is clear that in the past, economists and demographers considered the inter-relationship between population growth and economic development in an optimistic manner as well as in a pessimistic way. When considering those with an optimistic outlook, they adopted a welcome attitude towards population increase –that is, they considered it was not necessary to limit the population of a country. But the pessimists express the view that if a country is to reach a proper state of development, the speed of population growth should be reduced. According to the foregoing discussion, it is clear that although a steadily growing population might appear to be a hindrance to a country’s economic development, most of the countries have in practice accepted their population as a blessing.