

34. The Economics of Population

Demography is the study of **population**

Key Stats in Demography

Birth Rate

Average annual number of live births per 1,000 people

Fertility Rate

Average annual number of children born to a woman of childbearing years

Death Rate

Average annual number of deaths per 1,000 people

Density of Population

Average number of people per square kilometre

Infant Mortality Rate

Average number of infant deaths per 1,000 live births

Developing Countries (LDCs)

1. **HIGH** birth rate
2. **HIGH** fertility rate
3. **HIGH** death rate
4. **LOW** population density (usually rural societies)
5. **HIGH** infant mortality rate

Developed Countries

1. **LOW** birth rate
2. **LOW** fertility rate
3. **LOW** death rate
4. **HIGH** population density (more urbanised societies)
5. **LOW** infant mortality rate

Population Movements

Emigration

GOING OUT

Residents leaving their home country (in search of employment, better prospects or other reasons)

+

Immigration

COMING IN

Foreign nationals entering the home country (in search of employment, better prospects or other reasons)

=

Migration

TOTAL CHANGE

The difference between those who leave (emigration) and those who arrive (immigration)

Economic Effects of Emigration

1. **Falling demand** for domestic goods and services
2. **Reduced demand for imports** (Improves country's balance of payments situation)
3. **'Brain drain'** as highly skilled/college graduates leave (despite free state education at home)
4. Pressure on **home companies to raise pay and conditions** to prevent their employees leaving
5. **'Pressure valve'** for unemployment – reducing it
6. High rates = **Symbolic of an economy in crisis** (Negative on national pride)

Pull Factors

Conditions in other countries which makes working and living there more attractive

- Higher pay
- Better social life/cultural experiences
- Training and development opportunities
- Better job prospects
- Booming economy

Push Factors

Conditions in the home country which cause residents to leave

- Low (or falling) pay
- Religious/social reasons
- Poor training and development opportunities
- Poor job prospects
- Economic recession