ECONOMIC COMMISSION FOR LATIN AMERICA
SECOND LATIN AMERICAN MEETING ON POPULATION
Mexico, D.F., 3 to 7 March 1975
Information document No. 4
THE WORLD BANK AND THE WORLD POPULATION PLAN OF ACTION

WORKING PAPER FOR THE REGIONAL POST-WORLD POPULATION CONFERENCE

CONSULTATION ON

THE WORLD POPULATION PLAN OF ACTION

ECLA REGION

Mexico City - March 3–7, 1975

International Bank for Reconstruction
and Development
Population and Nutrition Projects Department
THE WORLD BANK AND THE WORLD POPULATION PLAN OF ACTION

Introduction

Much of the World Bank's concern with population growth is with the rate of that growth. The Bank entered into the population field in 1969, chiefly because it became convinced that the attempt to raise living standards in a great many developing countries was being seriously undermined by high rates of population growth. "More people" do not mean "development" unless it is possible to give people higher living standards and greater welfare. It is difficult to accomplish this when the age structure of the population becomes highly skewed, as it does in cases of rapid population growth.

The Bank has the view that in the great majority of developing countries, the faster the rate of population growth, the slower the improvement of living standards will be. An increasing number of countries appear to share this concern. In 1972, approximately 26 countries had official population policies and/or population programs; by 1974 this figure almost doubled -- to 49.

The Inter-Relationship between Fertility and Development

The inter-relationship between population growth and development is not fully understood. But there seems little doubt that there is an inverse relationship between the rate of population growth and the quality of development, as measured by such social indicators as the number of people who are adequately fed, become literate, share equitably in income growth, and are productively employed. On the other hand, when critical variables of social and economic development reach certain levels, they are often associated with declines in population growth rates. In some countries, high growth rates may seriously delay -- or even prevent -- the attainment of those levels of development.
The Bank shares the conviction that social and economic development have a major contribution to make to the lowering of population growth rates. But the Bank, in its efforts to accelerate the development process, has concluded that something more than conventional development efforts are needed. We need some unconventional – or at least thus-far neglected – development efforts. One of these needs is for family planning. The evolution of recent thinking in the Bank has not been to add a development emphasis to make family planning more effective; our evolution has been to add family planning to development to make development more effective.

The Bank's Approach

The projects financed by the Bank in population are prepared and implemented within the context of country development strategy. We have tried to give a high priority to rural development, to improved income distribution (especially to making the poorest 40 percent of the population more productive), and to innovative approaches to education.

We have a strong bias that official family planning is best carried on within the context of a health system's normal maternal and child health (MCH) care program, not by creating a separate organization. Our projects therefore frequently concentrate on extending those resources needed by the health delivery system to extend MCH services – mainly health centers, maternity facilities, training facilities for paramedical personnel, and transport vehicles needed for both services and for supervision.

While we regard the MCH system as the core of government-provided family planning services, we hope that governments will not overlook opportunities for providing services (particularly those not requiring close medical supervision) through other networks. These may include other
government health-delivery networks (some of which may exist outside the Ministry of Health) as well as nongovernment networks that may exist or can be created. Bank assistance is available for private as well as government activities, provided only that governments want funds used in this way. We frequently include in our projects support for educational and communication activities designed to increase understanding and support of population programs and a growing demand for family planning services. We also believe that population trends are such an important aspect of economic and social development that governments ought to know as much about what is happening to their demographic variables as they do about food production, national income, the money supply, or the balance of payments. Consequently, we try to include in our projects components that will build up national demographic expertise which will provide the basis for generating improved statistical indicators to measure the effectiveness of the population program. Finally, we are always concerned with the problems of organization and management, problems that are obviously critical but which are very difficult to solve.

Shifts in Lending

Recently, the Bank has made a deliberate attempt to broaden its lending program to include projects which would result in a more equitable distribution of real income. The Bank is not reducing its assistance to the more traditional sectors; it is supplementing these activities with new ones. The lending program continues to place great emphasis on the rural sector, and gives attention to the social as well as the purely
economic aspects of development. Reflecting the growing concern for the development of human resources, lending for education reached a record US$68.2 million in 1974 in the ECLA Region. Within the agricultural sector, the Bank and IDA have sought to direct their assistance to improving the productive capability of the lowest income groups. The agricultural workers who own or rent small plots of land and farm them on a subsistence basis are among the poorest groups in Latin America, and assistance to the small-farm sector is a central element in any strategy to alleviate rural poverty.

Beyond Bucharest

The World Population Plan of Action secured agreement on certain long-range objectives, and serves as a broad framework within which governments may determine national population policies and programs suitable to their particular needs. In short, it is now up to the governments to choose what policies and program activities to pursue. They must ascertain their demographic situation in the context of their national development objectives and the political and social realities of their country, and select a strategy which might be an effective response to that situation.

In many countries, including ECLA countries, external funds have covered a very large share of total program costs. This was not surprising in the early years of program development. We expect this situation to change, for two main reasons. The first is that grant funds for population assistance are not increasing as fast as the requests for assistance are increasing. The second reason stems from the strengthening of national commitment to population programs. As more and more governments
become aware of the social and economic costs of population growth they are becoming more willing to bring their domestic budgetary priorities into line with the priority they place on this activity.

The volume of population assistance to be made available by the World Bank Group will increase from $84 million during FY1970-74 to around $340 million for FY1975-79 (in constant prices). These funds are likely to be concentrated on the financing of basic service infrastructure and training facilities, but World Bank financing is also available for a wide variety of "software" activities that are unrelated to construction.

In Conclusion

Bucharest and the World Population Year have stimulated not only greater awareness and understanding of population issues but also an inward-looking process of re-assessment and self-criticism. This applies to donors and recipients alike. This is a significant development for it has underlined the fact that there are no simple solutions to the population problem. The Bank looks forward over the years ahead to working cooperatively with governments and with other donors in trying to find better answers to the problem of excessively high rates of population growth.

Population and Nutrition Projects Department
International Bank for Reconstruction and Development
February 25, 1975