Perception and Interest in Population Economics

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During the last 15 years increasing research efforts on the interdependence between economic and demographic developments have been undertaken. This has resulted in the establishment of a scientific line in its own right within economics: population economics. It is evidenced by numerous working groups as well as by the publication of scientific journals and a flood of other publications on topics of population economics. Therefore, it is time to reflect the scientific methods and contents of this line of research and to try some guiding position finding. The following arguments are based on scientific theory and are the first approach of this kind.

First, a retrospection of the history of economic thought with respect to the hypothetical recognition objectives of population economics is to show the historical-economic context of its tenets. As the example of the economic theory of fertility behavior exemplifies, the claim of an analysis to be generally valid, i.e. independent from time and space, cannot be maintained. Rather, it is indispensable to include the historically given institutional framework in any attempt to explain economic as well as demographic behavior and its mutual impacts. Finally, having explained these contexts, some starting points for an institutional approach to population economics will be proposed.

Recognition Objectives of Population Economics

The following explanations are based on the thesis that economic theories set up for the explanation of the inherent laws of economic interactions are codetermined by the circumstances in which the researcher lives and acts. The reflection of his respective position in its spatial, social, contemporaneous and intellectual respect is therefore conducive to a better understanding of the different, partly controversial interpretation of economic interactions. This suggests a change in the prevailing paradigms and scientific schools consulted and is, thus, valid for population economics too. Their respective formulations of the questions and statements of the problems cannot be understood without taking into account the topical outlook on given problems in population and economic developments. Therefore, it is not the aim of the following considerations to add a new hypothesis to those already existing in population economics, but to analyse and understand the existing theories from the point of view of their underlying interests. Thereby, it is not the personal interests that come to the fore, but research interests that are conditioned by history and culture. The understanding of explanations by working out the connections between recognition objectives, methodology, and the substantial statements of population economics offers a chance to a deepening and a critical analysis of the dominating patterns of explanation. Understanding and explaining are in this sense-complementary categories.

J. Habermas offers a systematization of possible recognition interests. He differentiates between technical recognition interests which he assigns to the empirical-analytical sciences, the historical-hermeneutical sciences, which are characterized by a practical recognition interest, and an emancipatorical interest of critically orientated sciences, which are obliged to self-reflection. Do population economics intend to give technical instructions for policy-making on the basis of empirically verified hypotheses, or do they rather feel obliged to political, respectively emancipatorical recognition interests? The realization of technical recognition interests involves that there exists (in principle) a demographic optimum as to an absolute size of the population as well as to its composition according to sex, age and ethnicity. Correspondingly, scientific analysis would form the basis for policy-making in order to bring about and stabilize this population. Practical-political cognition interest in the sense of hermeneutical tradition involves the analysis of the population with regard to historical, economic-political developments. Projections based on these historical experiences are the result of such a proceeding. The theory of demographic transition is an example for this. Emancipatorical cognition interest in population implies a critical reflexion of political objectives with regard to population developments. Furthermore, it aims at revealing power structures and vested interests.

As a consequence, the prevailing mainstream premises and tenets are called into question. These more hypothetical possibilities of demographic-
economic theory show that a unequivocal separation of cognition interests does not and even cannot exist in practice. So far there exists a remarkable difference between the principle of research that is orientated at the value-free empirical-analytical scientific ideal and its practical realization. Fixing a demographic optimum does not only conceptually presuppose a local and temporal control of the population but does also imply an assessment, which is determined by certain social, political or economic standards. From this point of view, the claim of general validity, that goes back to the science orientation of last century economists, bears a contradiction in itself. The principle of rational human behavior, the ‘homo oeconomicus’, which has been the result of these considerations, signified a liberation from the theology-dominated superstructure. At the same time, it served, in its philosophical formulation of utilitarianism, as a necessary guideline for the development of industrial capitalism. The fixing of a population optimum has different political implications. This can even be seen from a utilitarian point of view. Thus, a population optimum in the sense of Malthus is equivalent to a population figure without considering the distribution. It allows to reach a maximum in welfare and happiness, i.e. in today’s terminology a maximum in GNP. In J.S. Mill’s interpretation it means the population number that involves a maximum in individual average welfare. This definition has more connections to the positions of social reformers. On the other hand, an optimum as a maximum in general welfare, is the idea of conservative policy. These different political results, apparently deduced from a scientific and objective viewpoint, show exemplary that a conceptual analysis is necessary which identifies the economic and social values. In this sense, one has to follow step by step the historical developments of population theories and take into regard cognition interests with respect to space and time. This is also necessary in order to examine whether J. Robinson was right in her remark concerning the developing countries: “The question of population raises so much emotion and touches on such deeply buried complexes that logic plays very little part.”

Population economy is a connection between demography and economics. It is an attempt to integrate into economic thinking a quantitatively and qualitatively structurable number of human beings. Of course, one may say that as an aggregate figure population is implicit in all sciences of behavior, i.e. it forms by its nature the basis for supply and demand in households, firms and in the markets. Alas, why an independent line of research? The point is that population is only implicitly taken into regard as an exogenous economic variable. Therefore, a specialization with the intent to show the impacts of population developments on the economic performance may be quite reasonable. As a consequence population economics are related to many economic fields and cannot be regarded isolated. The foundations of labor market theory, e.g., are relevant in this context as well as the foundations of distribution, welfare or growth theories. Even at a time when population economics as it is understood today did not yet exist, statements concerning population issues were made. At all times, these statements had in common that they were rooted in conservatism: The existing situation was to be conserved and stabilized. Temporal conjunctures have been adjusted to accordingly rather than critically called into question. Topical circumstances have been accompanied by comments as an antique tragedy was commented by the chorus. The struggling against any menaces that might enforce changes, the stabilizing and the strengthening of the existing state of affairs have always been a basic characteristic of population economics. So far it can be observed that its final aim is given by a political-practical cognition interest, to whom technical relationships are rather subordinated. The results are hierarchies of goals as we know them from mainstream economic policy.

Understanding Dogmas of Population Economics

An historical review shows this close connection. Malthus, who is considered as the founder of population economics, was actually not the first to consider demographic questions. Even in ancient Greece the analysis of the ‘demos’, the population, became a relevant part of Plato’s and Aristotle’s philosophy and served as an orientation for state leaders. Moderation and self-control were requested. A harmonical and peaceful social life in the polis, the locally confined town state, was considered incompatible with uncontrolled population growth. Economic arguments like the dependency of the polis on food supplies as well as the implementation of a direct democracy were put forward. Plato fixed a goal of 5040 households and gave practical advice on birth control to stabilize the population of Athens. In this manner he transformed his political cognition interest into technical advice. Leafing further on through the book of history, population growth was, for the first time explicitly, postulated by Emperor Augustus. A respective legislation was passed. Lex Julia and Lex Papia Poppeae were the first class-specific pronatalistic laws. People without children were sanctioned. A population maximum was
politically understood as a useful power potential to serve the purposes of the Roman Empire. Explicit political measures to restrict population growth cannot be found until the early medieval times when famines indicated obvious symptoms of overpopulation. Since then, a cyclical pattern of problems has again and again led to a respective cyclical repetition of opinions (and political goals) in regard to population issues. For instance, after heavy losses of people by the plague or the Thirty Years' War a pronatalistic trend came up again in accordance with religious commandments. The canonical laws and the annihilation of knowledge about birth control methods by persecuting the 'witches' who had this knowledge were the most important instruments to implement pronatalistic goals. In the times of Mercantilism people were seen as a means to increase wealth and power of the sovereign. In realizing this goal, the Roman population legislation was taken as a model. In addition to this, emigration became prohibited while, at the same time, immigration was encouraged. But even then other views existed, e.g. in Venice, where unstable political and property relations had to be stabilized. There, in the 18th century, the Venetian Ortes demands a limitation of the population so that income distribution could be maintained.

The 19th century saw an explosive population growth and horrible famines in Ireland, Silesia and other regions. It is therefore that the pessimistic theses of Malthus became the common ground for discussing population issues. These Malthusian theses originated from the historical background above-mentioned and from Malthus's personal dispute with the Utopian theses of the early Socialists. On the other hand, the rapidly progressing technology and the colonisation overseas became the foundation of anti-Malthusian, optimistic theses. The American economist H.C. Carey may be mentioned here, who became living in the land of unlimited opportunities - an outspoken critic of the Malthusian population pessimism. In scientific discussion, the importance of the relation between population and the economic living conditions became more and more evident and developed to the focus of the discussion. Different definitions as well as different prerequisites as to the interactions between population, technical developments and the economic base were the causes of controversies about the consequences of population growth on economic development. Nothing has changed since then.

The power claim connected with a high population size can without difficulties be pursued up to these times. The rising nationalism during the last 100 years, which saw the size and power claim of nations as its most important goal, put weight to this claim. One example is France, where after the lost war of 1870/71 an intensive discussion was started about the French lack of the power potential 'people', especially in comparison to Germany or England. French demographers and economists saw the loss of their military potential and international prestige as the most pressing danger resulting from the French stagnation in population growth. This attitude was exacerbated by fears that French nationality, culture and language might become unimportant and that the people would be missing to colonise and populate the French overseas areas. The strongest expression of this combination of nationalism, power and population increase in our century was certainly Hitler's population and racial policy with its strong connection to his expansionist plans. The German population sciences are still suffering from this inherited burden. Today, the big powers openly compare their respective populations as part of their power potentials. The Soviet Union takes measures to increase birth rates in their European regions where they are low and to contain them in the Asian parts where they are high. An especially dark chapter in recent history is the Romanian ex-dictator Ceaucescu's policy which demanded a Romanian population of 30 million people instead of the actual 20 million of Romania. Fears concerning the unification of Germany have also always taken into consideration that Germany would become by far the most populous state in Europe. These are only some examples to show the link between power and population - as it is seen by many.

The new 'modern' population economy is not modern insofar as the cycle of question formulation and answers shown above continues. The intellectual dispute about an optimal size of the population reflects, as it did in the past, different individual perceptions and involvements in an institutionally given political, social and economic framework. Population economy is now dominated by dogmas from the Anglo-Saxon countries, especially from U.S., with the German discussion following the trend set in the U.S.

The characteristic features of the demographic development in the industrialized countries are decreasing birth-rates, a respective drop in population and aging of the population, while in the developing countries the population grows mainly as a result of lower mortality. Based on their predecessors, analyses in population economics focus on the economic and social consequences of these demographic trends. Factors like the importance of technical progress which involves the issue whether resources are finite
or not and the effects of a certain age structure on the components of economic growth have come to the fore. In addition to the empirical-analytical research a stepped-up effort was made during the last twenty years to find a theoretical formulation of reproductive behavior. The family economics which is one result of these attempts show the validity of the maintained context between cognition and interest in modern population economics. They may serve as examples.


Within research on family economics neoclassical economists of the Chicago-Columbia School applied the microeconomic approach of rational behavior of households and enterprises to human behavior where according to a general understanding economic variables play only a negligible or subordinate role. It causes some uncomfortable feelings to regard, e.g., marriage as a means to benefit from economies of scale or the decision for having children or for getting divorced as a result of a cost-benefit analysis. It may be seen as a desecration of emotions and individual immaterial values, which exist outside the economised environment in which material values are of highest priority. Why then an economic analysis of family decisions? Isn't this the peak of the imperialism of economic thinking?

But, on the other hand, family is no value that exists outside a given time and culture. The ‘family’ has always been changing: During the centuries it developed from a production and consumption community into a mere consumption community. This change of institutional functions was caused primarily by economic developments, which made an adoption of tasks and labor division within the family necessary. Research on family labor division in different cultures and at different times made the economic influences evident. With regard to the question considered here whether an economic analysis of familial processes is justified or even necessary the answer may already be derived from the fact that the definition of the term ‘family’ is an historical one and mainly economically determined. To a farmer of the 17th century questions about economic factors of his marriage behavior would have seemed quite normal. He would have mentioned his wife’s labor capabilities and perhaps her dowry. In the same way, he would have praised his children’s labor skills and would have pointed out how important they were for securing him care and provision in his old age.

A man or a woman who does mention economic reasons for choosing his or her spouse is, nowadays, thought of as cold and emotionally impoverished. These different attitudes seem paradoxic considering the respective historical background. But they show the differences in the function of the family. To a modern small family it means, besides reproduction, to provide for emotional demands in social and economic environment in which there is little room for emotions. Family is, thus, no value in itself but has to be seen complementary to the economic principle. So far the economic approach, the cost-benefit analysis of family affairs, is logically consistent. To consider a child as a kind of ‘durable’ consumption good that offers emotional benefits is the logical consequence and is understandable only in our times. It takes into account that economic thinking is nowadays dominating all areas of life. But this implies also that this way of explaining generative behavior is limited to modern industrialized countries in which the economic principle is paramount. In former times and other regions the number of children can only be explained within its societal and cultural context. Other explanatory factors have to be taken into account than for the industrialized world. This does not rule out that the cost-benefit approach may be used as an analytical instrument. But this may not result in equating economic method with the use of only measurable economic variables.

G. Becker, who first came up with this theory, has pointed out the limitation himself. Therefore, the application of this theory to developing countries is questionable. It becomes even clearer if the basic contents of the microeconomic fertility theory are regarded. The most important argument for explaining the number of children is the competition of needs, in which children are competing with other durables when the family resources, i.e. its income, are allocated. Rising costs for breeding children, especially women’s time costs and higher demands as to the quality of the ‘good’ child have to be confronted with diminished utility owing to an increased supply of alternative utility-yielding goods. This line of thought seems plausible, at least to all people who have experience with children and know their costs in time and money. Quality demands in terms of education and health follow Rousseau’s educational ideas which are inherited. But here, however, we are already confronted with the dilemma that quality cannot satisfactorily be expressed in quantitative terms. The proposal to set the costs of education and health against the expected income of children may be understandable in a country like the USA with its mainly privatised educational and health systems. But it poses a much bigger problem in a country like Germany where educational and
health facilities are part of the public infrastructure. To commercialize goals and contents of education by measuring expected future income reaped from it is again in keeping with the above-mentioned primacy of the economy in our society.

This can also be proved for the argument of time, intensity. First, emphasizing time costs takes into account that time, i.e. the shortage of time, has become, notwithstanding our increased life expectancy, the tyrant of our life. According to Erich Fromm this has to be seen as a typical symptom for the 'Having' way of life which he contrasts with the 'Being' way of life. Here it becomes evident that time must not be defined as a logical abstract term, but as a historical, social category. Second, the fact that the high time costs are almost exclusively borne by women can only be understood if one takes into account a certain, still existing family role model at a historical time, the decade after World-War II, when more married women have taken up professional work besides their domestic chores. Even so, this argument seems to hold true rather for the well-educated, emancipation-orientated middle-class woman. In Simone de Beauvoir's words, this is the kind of woman who tries to overcome the slavery of motherhood by economic independence from the family by a job-income. Scarcity of time and its management has become a prominent feature in the daily lives of those women who carry double or even triple burdens by their job and family duties.

Whether a comparatively uneducated lower class woman generally has a choice between job and children must be doubted. Class-specific and, in the USA, race-specific fertility rates show that. The opportunities for making individual choices are rather institutionally limited by social, economic and political restrictions. The importance of these institutional factors, which are banned to the set of data by mainstream economics, are the reason for the very limited possibility to apply the economic fertility theory to developing countries. The average woman there doesn't have much of a choice how to spend their time. Questions about the time intensity of child-breeding, about trade-offs between quantity and quality of their children appear absurd in the face of the fact that the main causes of death in these regions (and, by the way, in the world) are measles and intestinal diseases; they seem absurd in the face of the fact that Black African women on average have a 16-hour-day. The choices are whether to fetch water first or to till the land, but not between tilling the land and child-rearing. But their work is not tantamount to professional, job-orientated work. The conclusion that time costs for Black African women are very low because they don't get a monetary remuneration has therefore no explanatory value as to the fertility behavior in Third World countries. The explanatory value of the results derived from using this theoretical approach is low. Children in those countries have other functions. They are manpower and first of all they offer economic security. Therefore, the microeconomic approach including the factors described above cannot be applied. It has bee devised under socio-economic conditions in which child-breeding does not imply any direct economic benefits, and where information about preventive measures and availability of contraceptives is a matter of course. This approach implicitly assumes institutional regulations and value orientation of the industrialized countries without taking into account its historical and cultural conditionality.

Outlook

In this article it is shown, approaching from a political practical cognition interest, how attitudes towards questions of population developments have changed. The gist with regard to fertility is that it can only be explained when economic, social and cultural conditions are taken into account. Perhaps, J.K. Galbraith suggests, even the role of sexual intercourse is in poor societies more important than in richer ones in which there exist plenty of other opportunities to amuse and distract oneself. Information about birth control and family planning alone would then be an inadequate approach to control birth-rates. Instead, abolishing the general poverty would be necessary. Population economic studies accepting this political valuation could then be helpful by analysing and transmitting the interactions between income distribution and population developments, on a global level as well as for the respective state. In this sense, population economics can also contribute to the knowledge about migration movements and, thus, to reducing prejudices against immigration.

Mathematically, the distributional aspects of the population problem could be solved, at least on a global level. But why is it that we who are living in industrialized countries call for birth control in the Third World while people there think twice about this proposal and have been only very reluctantly prepared to restrict their population growth? Is the reluctance then the result of a claim of Third World countries for their own political power base by greater population numbers? Fear of overpopulation in the Third World and of depopulation in our countries may suggest that anxieties about possible future changes of the World's income and property situation are involved. The same anxieties and easily be identified in the European discussion about the
influx of political or economic refugees from former communist countries. Could the political and economic property order be affected? The dominating political questions, which are about negative results of population growth in developing countries and negative results of population decrease in industrialised countries on the other hand show a conservative political stance. It is not necessary to condemn this stance but it should be made explicit. To ask this kind of questions is the approach of a population economy which gets its orientation marks from a political cognition interest. By the explicit setting of ethical, social and political norms it also meets the demands of an emancipatorical approach.

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Notes
1. As to development and subjects of population economics cf. v. Praag (1988).

References
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