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Population as Public Interest

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The population issue – now passé elsewhere in the developing world, even in the poorer countries – remains a durable puzzle in the Philippines. On the one hand, a majority of Filipinos regard rapid population growth as an impediment to socioeconomic development, requiring policy intervention; on the other hand, virtually nothing is being done about it as the government appears immobilized owing to opposition from the conservative Catholic Church hierarchy. Central to the population issue are the negative externalities that sustained high fertility brings to bear on economic growth, the environment, inequality and poverty. These externalities plus the fact that women, particularly in poor households, are having more children than their desired number, as repeatedly shown by surveys, constitute strong grounds for an unambiguous population policy. Population is evidently a public interest issue that the national government must address squarely objection from some religious groups notwithstanding.

Population as Public Interest*

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Ernesto M. Pernia**

The population issue – now passé elsewhere in the developing world, even in the poorer countries – remains controversial in the Philippines. Indeed, it has been one durable puzzle. On the one hand, a majority of adult Filipinos[1] regard rapid population growth as an impediment to socioeconomic development, requiring policy intervention; on the other hand, virtually nothing is being done about it as the government appears immobilized owing to opposition from the conservative Catholic Church hierarchy. Yet, based on the surveys, the influence of the Church on the fate of political leaders and politicians seems highly overrated. The surveys say that the dominant majority of the people favor politicians who support family planning programs.

What seems to obtain in the Philippines, therefore, is a case of a *soft state* and a *hard church* – a situation that seems to be at the root of the country's inability to achieve demographic transition *cum* economic development at par with its dynamic Asian neighbours. The Church and the State need to meet half-way to arrive at a resolution of the population issue which is evidently of public interest.

This paper first reviews the main concerns about rapid population growth as a conceptual underpinning to why it is a public good or public interest issue. Next, it discusses demographic trends in relation to poverty, human capital investment, and access to family planning services. It then revisits the rationale for government intervention and points out the need for an unequivocal and coherent national population policy for effective implementation at the local levels. The final section summarizes and concludes.

Main Concerns about Population Growth

Central to the population issue is the concept of externality. Positive and negative externalities refer to the benefits and costs, respectively, of an activity that are not fully internalized by the one responsible for the activity. A typical example of an activity with a positive externality is infectious disease immunization, and of one with a negative externality is smoke emission. An externality represents a market failure that warrants government intervention.

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[1] Upwards of 70% across the broad regions and socioeconomic classes, according to Pulse Asia and SWS surveys over the past several years, as will be elaborated below.

The concern about rapid population growth stems from the notion that high fertility has negative externalities.[2]The most often cited areas of concern are economic growth, the environment, and poverty and income distribution (Birdsall 1994).

Rapid population growth constrains economic growth as it limits investments in physical and human capital.[3]At the household level, high fertility tends to hamper investments in children's education and health. Yet endogenous growth theory underscores the positive externalities to economic growth of investment in human capital. A developing country with an expanding proportion of school-age children and limited fiscal resources would be hard put to maintain the efficiency of its education and health spending. The declining quality of education in some developing countries, including the Philippines, exemplify this difficulty (Birdsall and Sabot n.d.). Put succinctly, high fertility is associated with less education and health care per child, leading to lower productivity of the labor force and, hence, the social cost of slower economic growth.

Rapid population growth contributes to straining the environment and natural resources, including both sources – forests and water, and sinks – the air that gets polluted (Birdsall 1994). At the local level, high fertility and poverty often contribute to resource depletion and environmental degradation as population pressure induces upland farming and the cutting of trees for fuel (Cruz 1992). At the global level, while the developed countries are deemed more responsible on a per capita basis for fossil fuel emissions that lead to climate change, developing countries' further population and income growth are expected to increase their contribution to global emissions from about one-fifth in the 1990s to one-half by around 2050 (Birdsall and Dixon 1991; Bongaarts 1992).

Ensuring food availability at sustainable environmental and economic costs is also an issue at the global level. For instance, it is estimated that demand for cereals will increase from two billion tons in the early 1990s to 3.6 billion tons by 2030, and that as much as 90% of the increase will be attributable to population growth and only 10% to higher incomes (Cassen 1993). The binding constraint in developing countries will likely be water, for which there is rising demand from non-agricultural uses.

The relation of population growth to income distribution and poverty appears relatively straightforward (Pernia and Quibria 1999). A fast-growing population raises the supply of labor relative to land and physical capital, thereby depressing wages and leading to greater inequality and poverty. The adverse effect on labor is oftentimes worse for the less educated, unskilled workers than for the more educated ones. It is estimated that poverty headcount would fall by a third if crude birth rate drops by five per 1000 live births (Eastwood and Lipton 1999).

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[2] A foremost exponent of the contrarian view was the late Julian Simon whose book (1977) discusses positive and negative externalities to childbearing.

[3]Some economists, however, argue that such negative effect should not be of concern, as parents may be fully aware of the private and social costs of children and yet would rather have more children than consume more goods or services – the notion of consumer sovereignty. Hence, even though it hampers economic growth, rapid population growth may be socially optimal (Lee 1991).

The inequality issue can be linked to economic and social reforms in that their success depends on the extent to which the government ensures that the costs of reform are not unduly borne by the poor and that the ensuing benefits are widely shared, as illustrated by the experience of the East Asian "miracle" countries (Birdsall 1994). Moreover, inequality affects economic growth directly apart from its impact via the difficulty of sustaining the reform process.

Early papers on demographic economics had pointed out that high fertility reflects a rational decision of poor parents, who derive value from children in terms of consumption, production, and security in old age. It had also been argued that high fertility may represent an insurance for parents against high infant and child mortality, even in a setting where child survival probability is improving but is not widely known especially among the poor. Nevertheless, a large family size constricts the budget of the poor for children's nutrition, health care and education, suggesting negative intergenerational inequality and possibly a further perpetuation of poverty or a fertility-poverty vicious circle.

Demographic Trends

Unlike in many developing countries, population growth slowdown in the Philippines has been quite sluggish, from about 3.0% per annum in the early 1970s to 2.5% in the mid-1980s, thereafter levelling to 2.36% till 2000 (according to the 2000 Census of Population).[4] However, the government claims that population growth rate has dropped to 1.95%, based on simple extrapolations (as there was no population census in 2005). In any case, the population was recorded at about 86 million as early as 2005 although the UN (1986) had projected Philippines' population to reach that size only by 2010.

The Philippines' population growth rate in 2004-06 estimated (ADB 2007) at 2.1% is the highest in developing Asia, except for Nepal's rate at 2.3%, and Malaysia's at 2.1% owing to its Bumiputra policy. Notably, Thailand's and Indonesia's population growth rates, which were similar to the Philippines' in the early 1970s, have fallen sharply to 0.9% and 1.3%, respectively. Table 1 presents population and poverty statistics on selected Asian countries with which the Philippines is often compared.

[4] It is interesting that the pace of the country's population growth deceleration corresponded to the relative waxing and waning of its population program (Orbeta and Pernia 1999; Herrin and Pernia 2003).

Table 1: Population and Poverty Statistics – Selected Asian Countries

	Population		Poverty		
	Annual growth rate (%) 2004-2006	Fertility 2005	% below poverty line 2004		% share of the poorest quintile in national income or consumption 2002
			National 2004	PPP $/day 2003	
Bangladesh	1.3	3.1	40.0 [5]	30.3	9.0
Indonesia	1.3	2.3	16.7	6.5	8.4
Malaysia	2.1	2.8	5.1 [2]	0.2	4.4
Nepal	2.3	3.5	30.9	24.1 [4]	6.0 [4]
Pakistan	1.9	4.0	23.9	19.7	9.3
Philippines	2.1	3.5 [3]	30.0 [3]	14.1	5.4
Thailand	0.9	1.9	9.8 [2]	0.7	6.3
Vietnam	1.3	2.2	24.1	9.7	7.5

[2] 2002 [3] 2003 [4] 2004 [5] 2005

Source: ADB, *Basic Statistics 2007* (May 2007).

Correspondingly, the Philippines' total fertility rate (TFR)[5] declined from 6.0 in 1973 to 4.1 in 1993, and to 3.5 in 2003 (NDHS 2003). ADB (2007) data for 2005 show the Philippines' TFR at 3.0, compared with Thailand's 1.9 and Indonesia's 2.3, although these countries had about the same rates in the early 1970s as the Philippines. This correspondence is to be expected as fertility is the underlying cause of population growth. High fertility results in a high youth dependency burden, defined as the ratio of the segment of the population aged 0-14 to the portion aged 15-64. This ratio (as of 2005) is 64% for the Philippines compared with Thailand's 45%, Indonesia's 51%, Malaysia's 59%, and Nepal's 72%.

As early as the 1970s-80s, an annual population growth of 2% or more then prevailing in many developing countries was considered high and more likely to impede than promote economic development (National Academy of Sciences 1971; World Bank 1984; Pernia 1987). A more recent cross-country study by Mapa and Balisacan (2004) shows that population growth dampens economic growth via low

[5] TFR is the number of births a woman would have on average at the end of her reproductive life if she were subject to the prevailing age-specific fertility rates throughout her reproductive years (15-49).

saving and capital-to-labor shallowing. By contrast, a faster relative expansion of the work force (implying "demographic dividend" due to slower total population growth), life expectancy at birth (a health indicator), openness to trade, and quality of public institutions (denoting good governance) all exert positive and significant effects on economic growth.

Population and Poverty

Poverty incidence in the Philippines – at 30% as reported in the last Family Income and Expenditure Survey (2003) – is also among the highest in developing Asia (Table 1). By comparison, Thailand's poverty incidence is down to 9.8% (as of 2002) and Indonesia's to 16.7% (as of 2004).[6] Going by the U.S. dollar/day measure, poverty rates for 2003 are: Philippines – 14.1%; Thailand – 0.7%; and Indonesia – 6.5%. The Philippines is also known to be among the most unequal societies in Asia. One measure of inequality (or relative poverty) is the share of the bottom quintile in national income. This measure (as of 2002) is 5.4% for the Philippines compared with 6.3% for Thailand and 8.4% for Indonesia (Table 1).

The above comparisons are instructive on the links between governance, population policy, and poverty. Thailand is arguably the best among the three countries on all three counts, suggesting that good population policy combined with good governance results in rapid economic growth and poverty reduction. Meanwhile, the experience of Indonesia, whose governance and corruption ratings have been reported, until very recently, to be worse than those of the Philippines, suggests that good population policy by itself can contribute to significant poverty reduction (UPSE 2004).

And contrary to claims that significant fertility declines can occur only in countries at high income levels, Indonesia with lower per capita income and lower literacy rate was, in fact, able to reduce fertility faster than the Philippines. The same can be said of Bangladesh, Sri Lanka, Vietnam, and India's Kerala state. In short, population policy does matter

Simulations in the Mapa and Balisacan (2004) study illustrate that if the Philippines had followed Thailand's population growth trajectory, average income per capita could have risen by an additional 0.76% per annum over the period 1975-2000, or a cumulative increase of 22% in income per capita by 2000 – meaning a GDP per capita in 2000 of $1,210 instead of the actual $993 [or $4,839 instead of $3,971 in purchasing power parity (PPP) terms]. At the same time, there could have been basic education cost savings of P128 billion from 1991-2000, and basic health cost savings of P52 billion from 1996 to 2000.

Moreover, poverty incidence could have been 5.5 percentage points lower and about 3.6 million more people could have been lifted out of poverty. And the cost savings from public education and health services could have been used to improve

[6] These are official poverty-incidence numbers from respective government statistical agencies, as reported in ADB (2007). Poverty incidence is defined as the proportion of the population below a government-set poverty line. Household poverty incidence – which has recently been the preferred indicator of the Philippine government – is, by definition, lower.

the quality of services, or to finance agricultural sector investments that – along with lower population growth – could have sharply reduced rural poverty.[7]

These simulation results were based on cross-country regressions (80 developing and developed countries). A subsequent study by Mapa (2006) using data on Philippine provinces confirms the "demographic dividend" that could arise from progressively lower dependency ratio resulting from slower population growth.

Rapid population growth, obviously, has also resulted in a fast-expanding labor supply in the face of slow-growing labor demand, thereby complicating the task of reducing unemployment and raising productivity. The unemployed and underemployed totaling around 3.5 million present a daunting challenge for job creation.[8]

Family size (or number of children) is closely associated with poverty incidence, as consistently borne out by inter-temporal household data. Data for 2000, for example, show that poverty incidence rises monotonically from 9.8% for family size of one to 57.3% for family size of 9+ (Table 2). Moreover, poverty incidence declined the slowest for family size 9+, from 59.9% in 1985 to 57.3% in 2000 compared with 19% to 9.8% for family size 1.

Table 2: Poverty Incidence by Family Size

Number of Children	Poverty Incidence (%)					
	1985	1988	1991	1994	1997	2000
1	19.0	12.8	12.7	14.9	9.8	9.8
2	20.0	18.4	21.8	19.0	14.3	15.7
3	26.6	23.2	22.9	20.7	17.8	18.6
4	36.6	31.6	30.1	25.3	23.7	23.8
5	42.9	38.9	38.3	31.8	30.4	31.1
6	48.8	45.9	46.3	40.8	38.2	40.5
7	55.3	54.0	52.3	47.1	45.3	48.7
8	59.8	57.2	59.2	55.3	50.0	54.9
9 or more	59.9	59.0	60.0	56.6	52.6	57.3
National	44.2	40.2	39.9	35.5	31.8	33.7

Source: Orbeta (2004) based on NSO, Family Income and Expenditure Surveys, 1985-2000.

Applying econometric analysis to the data, Orbeta (2005a) points out that the association between family size and poverty incidence is robust. He finds that an additional child adversely impacts family welfare and that this negative effect is regressive, i.e., the poorer the household the larger the impact. Likewise, Reyes (2002) shows that family size is directly related to the vulnerability to poverty or the likelihood of falling into poverty owing to exogenous shocks, e.g., typhoons, droughts, and consumer price increases.

Human Capital Investment

[7] It should noted that above estimates are pure demographic effects and, hence, conservative as they don't fully capture the population-economy-poverty-reduction interaction effects.

[8] Cf. Sicat (2004) for an elaboration of the unemployment and underemployment problems.

National government spending per capita on social services had declined in real terms from P2,487 in 1997 to P1,999 in 2004 (Manasan 2004). For education the decline had been from P1,789 to P1,415, and for health from P266 to P141 over the same period. More specifically for education, annual real spending per student in public elementary and secondary schools had dropped from P8,439 to P6,554.

The downward trend in human capital investment appears consistent with the increase in family size, suggesting that a brighter future is unlikely to await the poor with many children. Average spending on education per student falls from P5,558 for family size 1 to P682 for family size 9+, and average health spending per capita drops from P1,700 to P150 over that same family size range (Table 3).

Table 3: Mean Education and Health Expenditures by Family Size, 2002

Family Size	Mean Education Expenditure per Student	Mean Health Expenditure per Sick Member	Mean Health Expenditure per Capita
1	5,558	2,437	1,700
2	3,135	1,969	922
3	2,243	2,124	802
4	1,787	1,464	438
5	1,558	1,454	336
6	1,090	1,311	299
7	858	940	206
8	1,081	744	166
9 or more	682	756	150
Total	1,369	1,400	466

Source: Orbeta (2004) based on Family Income and Expenditure Surveys, 1985-2000.

Moreover, the prevalence of child labor is higher, and school attendance lower, as the number of children in the family increases (Raymundo 2004). Further, the odds of a child becoming underweight and stunted are greater if he/she belongs to a household with five or more members (FNRI 1998). Thus, poverty tends to be transmitted and perpetuated from one generation to the next.

Access to Family Planning Services

Lower-income households do not only have more children than richer families, they also have higher unwanted fertility, as shown in Table 4. Wanted versus actual fertility is reported to be 3.8 vs. 5.9 children for the bottom quintile, 2.6 vs. 3.5 for the middle, and 1.7 vs. 2.0 for the top quintile, such that the corresponding gaps representing unwanted fertility are 2.1, 0.9, and 0.3.[9] As expected, the wanted-actual fertility differentials are also evident by education level and urban/rural location.

[9] "In the 2003 NDHS, women were asked a series of questions about each child born in the preceding five years and any current pregnancy, to determine whether the pregnancy was wanted then, wanted at a later time, or unwanted…The danger of rationalization is present; an unwanted conception may well have become a cherished child…Respondents are willing to report unwanted conceptions, although

Table 4: Actual and Wanted Fertility (Number of Children) by Wealth Quintile, Education, and Urban/Rural Location

	Total Actual Fertility Rate	Total Wanted Fertility Rate	Difference
Wealth quintile			
Lowest	5.9	3.8	2.1
Second	4.6	3.1	1.5
Middle	3.5	2.6	0.9
Fourth	2.8	2.2	0.6
Highest	2.0	1.7	0.3
Women's education			
No education	5.3	4.1	1.2
Elementary	5.0	3.3	1.7
High school	3.5	2.5	1.0
College or higher	2.7	2.2	0.5
Urban/Rural location			
Urban	3.0	2.2	0.8
Rural	4.3	3.0	1.3
Total	3.5	2.5	1.0

Source: National Demographic and Health Survey 2003.

These gaps reflect considerable unmet need for family planning services: 26.7% for the bottom quintile versus 15% for the middle and 12.4% for the top quintile (Table 5). Hence, contraceptive use or contraceptive prevalence rate (CPR) (any method) is low overall at 48.9% and especially for the poorest quintile at 37.4%., while CPR (modern method) is 33.4% overall and only 23.8% for the bottom quintile (Table 6).[10] Poor households mostly depend (88.4% versus 70.1% overall) on public sources of modern family planning methods which are becoming scarcer with the cessation of USAID support scheduled in 2008.

Table 5: Unmet Need for Family Planning Services, 2003 (%)

	Wealth Quintile						
Unmet Need	**Lowest**	**Second**	**Middle**	**Fourth**	**Highest**	**Total**	**Poor-rich ratio**
Total	26.7	19.6	15.0	13.4	12.4	17.3	2.2
Spacing	10.9	8.6	7.7	6.5	6.1	7.9	1.8
Limiting	15.8	11.0	7.3	6.9	6.2	9.4	2.5

Source: NSO, National Demographic and Health Survey 2003.

some postpartum rationalization probably occurs. The result is probably an underestimate of unwanted fertility" (NSO 2004, p. 100).

[10] By contrast, overall CPR in Thailand and Indonesia had been around 70%.

Table 6: Contraceptive Prevalence Rates, 2003 (%)

	Wealth Quintile						
Type of Method	**Lowest**	**Second**	**Middle**	**Fourth**	**Highest**	**Total**	**Poor-rich ratio**
No Method	62.6	51.2	47.3	45.6	49.4	51.1	1.3
Any Method	37.4	48.8	52.7	54.4	50.6	48.9	0.7
Modern	23.8	33.8	35.7	37.9	35.2	33.4	0.7
Traditional	13.6	15.0	17.0	16.5	15.3	15.5	0.9

Source: NSO, National Demographic and Health Survey 2003.

It seems clear that lack of access to family planning services, particularly among the poor, has resulted in more children than wanted or planned and provided for. Indeed, Orbeta (2005b) finds that the demand for additional children is lower among women in poorer households than those in richer households. It is not unusual, therefore, that many unwanted pregnancies result in induced and illegal abortions, estimated to be nearly half a million annually, as of 2000 (Juarez, Cabigon, et al. 2005). Further, lack of adequate family planning services has also contributed to maternal and child mortality.

People's Views on the Population Issue

The latest Pulse Asia survey (March 2007) reveals that adult Filipinos' views on and attitudes towards family planning have not changed much since earlier surveys.

Nearly all Filipinos nationwide (92%) and across the broad regions affirm the importance of the ability to control's one's fertility or plan one's family (Table 7). Moreover, nine of 10 people think that the government should provide budgetary support for modern methods of family planning (such as pills, intra-uterine devices (IUD), condoms, ligation, and vasectomy). Further, close to eight of 10 Filipinos say it is important for political candidates to include family planning in their program, and three of four favor candidates who support a government budget for family planning.

Table 7: Survey Results on Family Planning, 2007					
Views/Attitudes	**Location**				
	National	**NCR**	**Rest of Luzon**	**Visayas**	**Mindanao**
% of people who think ability to control one's fertility or plan one's family is important	92	92	96	92	87
% of people who think government should provide budgetary support for modern methods of family planning (FP)	89	88	93	87	84
% of people who say it is important for candidate to include FP in his/her program of action	76	74	71	72	69
% of people who say they support candidates in favor of a government budget for FP	75	74	79	67	73

Source: Pulse Asia, *Ulat ng Bayan* Survey, March 2007.

Rationale for Population Policy

Market failure provides the rationale for government intervention on the population issue. Apart from the notion of externality which was lengthily discussed above, imperfect information is another source of market failure. Moreover, people's views about the population issue and the close link between high fertility and poverty provide further justification for population policy.

Information about and access to family planning services are inadequate. Low-income or less educated couples are often ill-informed about the health risks to both mothers and children of many and closely-spaced births. And even those who are sufficiently informed about the advantages of family planning may not know how to apply such information into practice or simply cannot afford, or do not have access to, suitable services. Information should enable couples to choose the family planning methods best suited to their health and religious beliefs.

Further, the large gap between wanted and actual fertility and the high unmet need for contraception, particularly among the poor, are cogent justification for the government to provide effective family planning services. These services should be extended free to the poor. Population policy should be made an integral part of the country's poverty reduction strategy.

The above can be summed up as a public interest argument that makes the need for an unequivocal and sound population policy seem obvious. There is, however, the deep-seated opposition to such a policy from some religious groups. The

Catholic Church's official position allows natural family planning (NFP) as the only method in the exercise of responsible parenthood. However, NFP has not been a dependable and an effective method. For the many poor and less educated couples, in particular, learning and adopting NFP is too complicated and cumbersome and requires extraordinary discipline (UPSE 2004).

A more humane stance of the Catholic Church hierarchy would tolerate the use of modern and tested methods of family planning, besides NFP, provided they do not result in abortion. "This moral position is also pro-life, in the sense of pro-quality-life. Each life brought into this world deserves to be raised in a dignified, human way that the parents are capable of, according to God's design, and not left to a 'bahala-na' attitude" (Tanseco 2004, p. 16).

It is time that the Catholic Church hierarchy and other religious groups listened to the people and took a more tolerant and humane position on the need for a state-supported population policy backed by a responsive family planning program. This type of mutual understanding has long happened after all in other countries, including many where Catholics predominate. Such a tolerant stance on the part of the Church would be in keeping with the Second Vatican Council's teaching that the final arbiter of moral decision is one's informed and responsible conscience.

"The Catholic Church, as is well known, is opposed to contraception, but not to family planning. The Second Vatican Council insists that parents – and parents alone – should decide on the number of children whom they will bring into the world, and that they should do so in view of the good of the family and of the society in which they live ("The Church in the Modern World" No. 50). It also recognizes the right and obligation of individuals to follow their consciences. Thus, it should be possible for responsible elements in the Church and the State, and other religious groups as well, to ignore the extremists on both sides, to end the cold war that has been going on for too long, and to work out a modus vivendi for the good of the Filipino people" (Carroll 2004, p. A15).

In a democracy, the age-old dicta *vox populi vox Dei* (the voice of the people is the voice of God) and *salus populi suprema lex* (the welfare of the people is the supreme law) apply. In this context, a prominent young writer, Patricia Evangelista (2007, p. A13), keenly observes: "In a situation where the voice from above clashes against the voice of the people, even God has to learn how to compromise."

A National Population Policy

The national government's current approach to leave the adoption of population policy and implementation of family planning programs to local government units (LGUs) is ill-advised and is likely to fail. It represents poor governance, to begin with (UPSE 2004).

In the first place, local government leaders typically wait for signals or directives from the national leadership as far as major policies are concerned. In other words, if national leaders are lukewarm about a major issue, why should local leaders even bother about it? What is worse, managing population growth at the local level may be incentive-incompatible with internal revenue allotments (IRA) which increase

with population size, as well as with political careers that rise with larger constituencies. Indeed, there are thus far only a handful of LGU executives who take the population issue seriously.

Secondly, there are negative spillovers involved, since LGU territorial boundaries are not closed and people are geographically mobile. Thus, a town or province with successful population management, good economic performance, and adequate infrastructure and social services would find itself swamped with migrants from poorly performing towns or provinces.

Third, population policy cannot be local in scale or scope because varying fiscal resources and technical capabilities among LGUs militate against its consistent and effective implementation.

For these reasons, the national government cannot simply pass the buck on this important responsibility to LGUs. It must assume leadership in coming up with an unequivocal and coherent national population policy, backed by adequately funded family planning programs that provide accurate information and enable easy access to all methods of choice, especially for the poor. Then, it must enjoin all LGUs to carry out the programs on the ground.

Role of LGUs and the Private Sector

A recent study by Edillon and Abad-Santos (2006) shows that family planning programs at the LGU level can raise both per capita incomes through the "growth channel" and fiscal resources that can be used for the "redistribution channel". The positive fiscal effect can come about because, while the LGU may get a smaller IRA with a decline in its population share, such a loss can be more than made up for by increases in locally generated revenues with higher per capita incomes. Moreover, slower population growth results in savings on the expenditure side, assuming constant spending per capita and no change in the quality of governance.

This implies that with better governance there could be higher public investment in human capital and physical infrastructure. Nevertheless, the analysis does not take into account the above-cited problem of negative spillover effects with in-migration from poorly performing LGUs which could be a strong disincentive.

The reluctance of the government to adopt a national population policy has spurred various non-government organization (NGO) and business sector initiatives to address the population problem. Noteworthy such NGOs are the Philippine Center for Population and Development, Family Planning Organization of the Philippines, Philippine Legislators Conference on Population and Development, Friendly Care Foundation, and Forum for Family Planning and Development, among others. Prominent initiatives from the business sector are those of the Makati Business Club, Philippine Chamber of Commerce and Industry, and even the Foreign Chambers of Commerce. These business associations have helped in advocacy efforts as well as in the implementation of family planning programs in the factories and plants.

However, despite a fairly long history of private sector initiatives, the population problem persists in the Philippines. An analogy with the problem of street

children is perhaps instructive. It is reported that there are over 300 NGOs all over the country attending to the needs of street children, but they are able to address only about three percent of the problem.[11] This suggests that the population issue (as well as the street-children problem) represents no less than a national crisis – albeit a silent and insidious one – that requires the attention of no less than the national government. In other words, a coherent national population policy is still the first-best approach to the population problem. And private sector efforts are likely to become more efficient and effective under such a national policy framework owing to synergy.

Elements of an Effective Population Policy

The sources of future population growth and their respective contributions are: unwanted fertility – 16%; desired family size – 19%; and population momentum – 65% (Herrin and Costello 1996). This suggests that the key objectives and instruments of an effective population policy are:

- First is to reduce unwanted fertility (or to meet unmet needs for contraception) through a strong national family planning program, i.e., one that allows a choice among both traditional ("natural") and modern ("artificial") methods of contraception. Family planning services, comprising information and contraceptive methods, should be made readily available – free or at low cost – to low-income couples who want such services.

- Second, raising the quality of basic education, reducing infant mortality, fostering women's empowerment, and increasing employment opportunities for women are desirable goals in themselves. The side effects of these improvements would include a desire for smaller families, thereby reinforcing the downward trend in fertility and resulting in a virtuous circle.

- Third, women's empowerment and job opportunities are also likely to result in later childbearing and wider birth spacing that slow population momentum. Slowing population momentum, like the first and second objectives, also requires fully responsive and effective family planning programs[12].

These measures are mutually reinforcing and, if backed by appropriate policy reforms in the economic and other social sectors, would bring about the best results. Further specific measures to help improve the welfare of the poor include investments in infrastructure and human capital that directly benefit the poor, and good agricultural prices and other food productivity-enhancing programs that are likely to favor poor households.

[11] It is possible that these NGO efforts lead to a moral hazard problem, which suggests that projects for street children would need to be complemented by attention to the source itself of the street-children problem, i.e., unplanned and unprovided for childbearing.

[12] Note that birth spacing is about the only measure that President Arroyo favors; however, without an effective family planning program, even that is meaningless lip service.

An Ageing Society?

A non-religious argument frequently used by those opposed to the government adopting an active population policy is the prospect of a "demographic winter" brought about by birth dearth and ageing. While this is occurring in varying degrees in highly advanced countries, it will probably take close to 100 years from today for the Philippines the reach that stage. Projections indicate that, if total fertility rate continues to decline by 0.2 children every five years, replacement fertility of 2.1 children per woman would be achieved only by 2040 (Concepcion 2004).

However, the effects of population momentum would persist for another 60 years before population ceases to grow, by which time the Philippines' total population would be 240 million. For instance, Korea achieved replacement fertility before the 1990s, and Thailand in the mid-1990s, but they continue to grow owing to population momentum.

Moreover, the problems of ageing in a more developed country are probably easier to tackle that those of rapid population growth in a poor country. And because the prospect is still so distant for the Philippines, there is ample time to prepare for it and learn from the best practices adopted by advanced societies to cope with it. Just as it is in the public interest to curtail fertility in a poor and rapidly growing society, highly advanced and ageing societies are now finding it in the public interest to foster fertility that justifies the use of public funds (The Economist 2007).

The so-called "demographic winter" is a bogey that can scare the unsuspecting public. It is probably being bandied about by certain groups who are unfamiliar with population dynamics – or even worse – who want to deliberately mislead (UPSE 2004).

Conclusion

Rapid population growth has been a silent national crisis in the Philippines. Being a quiet, not-so-palpable emergency, it has been treated with benign neglect at best and simply swept under the rug by the government and politicians. This despite the fact that dominant majority of people, as consistently revealed by surveys, favor public policy to address the problem. The conservative Catholic Church hierarchy has been a hindrance to a solution of the problem by keeping the government and politicians at bay. In effect, the government would rather listen to a small group of conservative bishops than to the majority of Filipinos.

The population crisis is a factor in slow economic growth and worsening inequality, and complicates the task of poverty reduction. More children than desired in poor households is due to lack of information about and access to effective methods of contraception. Unwanted pregnancies lead to induced abortions. Poor households' larger desired number of children than rich families could be gradually reduced by education and gainful employment that raise the cost of children and parents' motivation to invest in children. Thus, the availability of good family planning programs coupled with education and employment is the effective way out of the vicious circle of high fertility and poverty.

The foregoing suggests that a coherent population policy must be part of good governance to accelerate economic growth, lessen inequality, and hasten poverty reduction. A national population policy, at the core of which are well-funded family planning programs that provide accurate information and access to all methods of contraception, is pro-poor, pro-women, pro-children, pro-people, and pro-life (UPSE 2004). Family planning programs at the local level as well as various private sector initiatives to address the population issue are likely to become more effective under a national population policy framework.

The country would benefit if Church and State were to arrive at an *entente* on this critical issue – an understanding on the need for a national population policy – as has long happened in other countries, including Catholic countries.

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