

**William McGurn: Economic Foundations of Population Control Policies<sup>13</sup>**

By any measure, the future for this Asian country looked bleak. Enormously overcrowded, its normal population had skyrocketed, increased not just by a naturally high birthrate but also by revolution in a neighboring country - forcing thousands of desperate refugees upon its borders. Lacking natural resources and utterly dependent upon its unpleasant neighbor for water and food, the country's situation had deteriorated so badly that a local UN official declared the only way for it to survive would be with massive Western aid. An American newspaper proclaimed the country to be "dying", and the government itself inclined to despair.

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"The problem of a rapidly increasing population," the government lamented, "lies at the core of every problem facing the administration." These words might describe dozens of countries around the world today. In fact, they were written in the 1950s about Hong Kong - the same British colony that today has become a synonym for dynamism and development, with a per capita gross domestic product eclipsing Mother England's. Indeed, at the very moment these government reports were being written, Hong Kong was on the cusp of a general Asian economic boom that would see real income per capita in Japan and the Four Tigers (Hong Kong, Singapore, Taiwan, and South Korea) quadruple from 1960 to 1985. Though many observers felt as the American journalist John Robbins did in 1959, when he asserted that "Hong Kong's state of supersaturation" may be "a portent of things to come throughout Asia," the apocalypse they predicted never came to pass. Instead, Hong Kong witnessed the greatest economic boom of its history, and now boasts a population of more than six million people - about five times the number the Hong Kong government in 1954 declared to be its "carrying capacity".

Though there are parts of Hong Kong that rank among the most densely packed areas in the world, it remains a peaceable and safe city - a fact not unrelated to the tangible sense of opportunity granted by its (presently) open economic system. The lesson Hong Kong teaches is that there is no fixed level of resources, no natural capacity, no predefined limit to what people might do if given the opportunity to exercise the real factors in development: enterprise, creativity, and risk [...]. In the dismal abacus of our day, when a pig is born in China, national wealth goes up; when a child is born, it goes down.

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<sup>13</sup> The Population and the Wealth of Nations by William McGurn, *First Things*, available at <https://www.firstthings.com/article/1996/12/004-population-and-the-wealth-of-nations> (last visited Nov 22, 2022).

When the push for reducing population growth began in the 1950s and 1960s, it owed much to this reduction of the human being to a collection of animal appetites and urges. The philosophical father to this school of thought is, of course, Thomas Malthus, who argued in his *Essay on the Principle of Population* (1798) that “the perpetual tendency in the race of man to increase beyond the means of subsistence is one of the great general laws of animated nature which we can have no reason to expect will change.” The catastrophes Malthus predicted never came to pass, but his brand of pessimism nonetheless continued.

William Vogt, in his best-selling book, *Road to Survival*, attributed Asia’s population growth to “untrammeled copulation” by “the backward billion”, while A. J. Carlson warned in a 1955 article in the *Journal of the American Medical Association* that “if we breed like rabbits, in the long run we have to live and die like rabbits.” Everywhere the distaste for human beings was on display – joined to the notion that the poorer parts of the world were dragging down richer.

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Amid all the headlines predicting famine and chaos, there appears an astounding paragraph written in 1957 by Isamu managing director of Toyo Menka Kaisha. Inverting the usual way of looking at population and economics, he showed himself far more astute than many experts when he wrote:

“Instead of thinking our population is too large for our economy; I believe it is more correct to say the scale of our economy is too small for our population. Instead of surplus, unwanted persons, we should view our people as our most valuable natural resource. This is not only the humane but the realistic view. The Japanese people are hard working, energetic and resourceful, with a high level of education, skills, and competence. We are at the beginning of revolutionary industrial changes among which the recent achievements in synthetic chemistry and the potentialities in the peaceful use of atomic energy are mere portents. These new discoveries indicate clearly that in the economy of the future, whose beginnings are already among us, the economic resources which count will not be natural ones but human-intelligence, skill, and foresight.”

[...] in most cases it is the economists who have maintained faith in human ingenuity and initiative and who have rejected counsels of despair and control. The majority of them have never been found on the front lines of the movement for population control. And the reason is that the best economists spend their lives emphasizing that economic life is not about numbers, but about the triumph of the human mind when given the freedom to innovate and respond.

It is the market economist who argues for hope, who points to creativity when others push for control, who recognizes that people are good, in a fundamental, real sense: assets, not liabilities.

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Certainly in a world where many still go hungry at night there is much to be done. But instead of looking for ways to reduce the number of those seeking to take their place at the table, we should look for ways to eliminate the perverse policies that prevent a bigger banquet.

### **QUESTIONS FOR A DISCUSSION:**

How do economic theories underpinning population control policies understand the relationship between population growth and economic development? What is the problem with this understanding?

Did population growth trample economic development in Hong Kong and East Asian countries? Explain.