



The Social Benefits of a Falling Population

Significant population growth is forecast worldwide, including in the UK. While it has been argued that this level of population growth would be devastating for the environment and for human well-being, shrinking population sizes forecast for some countries are still a cause of concern for business and governments.

Fears of declining GDP and an insufficient workforce dominate. Potential benefits accompanying falling populations, however, remain largely unacknowledged. Some countries are already experiencing working age population decline. States like Japan and Germany should be observed to indicate the social impact of such a decline.

Such observations debunk the myth that a falling population creates insurmountable difficulties. A myth, because surely any potential difficulty is easier to overcome than the physical limitations of Earth.

Social benefits

To determine whether a change is beneficial for society or not, we must have an idea of what is desirable. While it is difficult to come up with a universally-accepted list of desirable outcomes, we can assume that people prefer a life of well-being to a life of burden. Hence, this briefing will equate improving well-being to social benefit.

If the sum of all changes in ‘scenario A’ creates more social benefits — and thus more well-being — than would the sum of benefits in ‘scenario B’, ‘scenario A’ is preferable. In this case, two scenarios will be considered: that in which population grows, and that in which it falls.

Social Impact Areas

To establish whether a falling population creates more social benefits than a growing population would, a wide range of social impact areas must be considered.

GDP and employment

A falling population generates a fear for a shrinking Gross Domestic Product (GDP) due to a smaller workforce. While a decrease in GDP may indeed occur, this is not certain and, even if it were, the development would not necessarily be negative.

GDP expresses the value of a country as an economy, but it doesn’t capture the well-being of individual citizens. Therefore it is more valuable to consider the GDP per capita.¹ The countries with the highest GDP per capita — Norway, Switzerland and Singapore, to name a few — are mostly small in area and below average in terms of population size.² Size and prosperity thus don’t go hand in hand. Japan’s GDP per capita is still

projected to increase despite its falling population.³ At the same time it has seen its unemployment levels fall to 3.1 per cent in October 2015, the lowest level since July 1995.⁴

The UK currently faces high youth unemployment rates, in spite of the fact that it has never had a greater number of highly-educated young citizens.^{5,6} Many employed individuals are also overqualified for their jobs, leaving their capacities underutilized.⁷ Population decline could improve employment rates. It would also encourage employers to use the skills of their employees more efficiently, which would increase productivity. This, in turn, would translate into a better GDP per capita.

Housing

The UK faces a housing crisis. There is a demand for 240,000 new houses per year, but only 120,000 new properties annually are built.⁸ Housing scarcity has allowed property prices to increase, making homes unaffordable for many.⁹ As a result, homelessness is on the rise.¹⁰

Further population growth will lead to more housing demand that cannot be met. Land scarcity makes the development of affordable properties difficult, and concerns about resource shortages have already been voiced.¹¹ Such scarcity will become more common in the future if the population grows, because it will mean that there will be fewer resources per capita.¹²

Population decline would reduce housing demand and probably property prices. It would reduce the number of 'shoebox homes', as there would be more living space per person.¹³ While property prices have doubled in the past ten years in the UK, they have risen by only two or three per cent in Germany.¹⁴ Fears that housing might turn into ghost towns or fall into decay as a result of a

population decline seem irrelevant since the UK is currently suffering a housing crisis. Houses of poor quality could be upgraded, or demolished and transformed into green spaces.



Infrastructure

The UK faces major infrastructure problems. Roads are congested, which will cost the state £22 billion per annum by 2025 if unresolved.¹⁵ Population growth requires that the London tube system and its surrounding airports expand. This would decrease air quality, increase noise levels and lead to a loss of green spaces, all of which would negatively impact well-being.

Naturally, a smaller population would not require such expansions. Instead, existing infrastructure could be made more efficient. Moreover, there would be less crowding, improving the experience of travelling. Japan's infrastructure is regarded as modern, safe, punctual and energy-efficient.^{16,17} Population decline has so far not affected the Japanese infrastructure negatively, and it is predicted that a large but slow population decline will not cause insurmountable maintenance problems.¹⁸



Green spaces

Due to its territorial limits, the UK will inevitably lose green spaces should its population grow. A falling population would, in contrast, increase the number of green spaces. This is beneficial for a number of reasons, set out below.

Environmental

Green spaces contribute to environmental preservation in multiple ways:

- Trees improve the air quality by pollutant absorption. Moreover, plants capture carbon, which helps reduce carbon emissions and their negative effects.¹⁹
- Trees create shade and this cools down metropolitan areas by about 1°C, making life in a city more bearable during summer.²⁰

Well-being

People's physical and mental well-being increases when more green spaces are available:

- More green spaces create a better environment to live in, and this benefits people's respiratory systems and makes it easier for them to exercise, improving their lifestyles.^{21,22}

- Green spaces reduce stress and mental fatigue.²³

Health Care

Increased longevity places a huge strain on the NHS, because its model of care cannot yet meet the demands of an ageing population.²⁴ It has been suggested that population growth would generate enough money to fund the NHS further. This suggestion overlooks the strain that more young people would put on the NHS.²⁵

A smaller population would reduce the pressure on the NHS in two ways:

- It would allow the NHS to focus on the new composition of the UK's population, which is older than ever before.
- A bigger focus on the avoidance of poor lifestyle choices would decrease the number of people suffering from non-communicable diseases such as obesity and diabetes.²⁶ Achieving a healthier lifestyle will be easier in a greener society.

Moreover, ageing societies like Italy and Japan spend proportionally less of their GDP on healthcare than do younger societies like Germany and Switzerland. This suggests that healthcare costs do not depend solely on ageing and population size, but also on expectations of physicians and patients, and the costs and availability of medical equipment.²⁷

Education

Schools in the UK struggle to offer places to all children of school age.²⁸ In 2016-17, national pupil intake is set to increase by eight per cent, and the London intake by 17 per cent. Parents therefore have limited choice of school for their children, and there have been instances where siblings

could not attend the same school due to a lack of available places.²⁹

While population growth would intensify these issues, a decrease in population would bring down education costs and give parents more choice of schools. Moreover, a smaller population size does not appear to negatively affect student performance. Japanese and Finnish students consistently score high in mathematics tests, for example. Calculations concerning the number of Nobel prizes awarded per millions of people further show that smaller populations do better on average.³⁰ Small populations similarly perform well on lists recording major technical inventions.³¹

Conclusion

The UK currently faces many social challenges. A housing crisis, overcrowded infrastructure, schools and hospitals, a lack of green spaces and high youth unemployment rates all affect today's citizens. Many of these struggles would be significantly reduced in the presence of a smaller population. It would seem, however, that all issues are exacerbated by population growth.

An analysis of Japan and Germany shows that falling workforces do not equate with a falling quality of life. Moreover, a look at states with small populations, such as the Nordic countries, shows that population size says little about success and well-being in general. The UK should thus embrace the idea of a falling population, and see it as a golden opportunity to achieve a sustainable state with improved well-being for its citizens.

¹ <http://www.differencebetween.net/business/difference-between-gdp-and-gdp-per-capita/>

² https://dash.harvard.edu/bitstream/handle/1/4551794/alesina_size.pdf?sequence=2

³ <http://www.statista.com/statistics/263596/gross-domestic-product-gdp-per-capita-in-japan/>

⁴ <http://www.tradingeconomics.com/articles/11262015234403.htm>

⁵ <http://www.theguardian.com/society/2015/feb/22/youth-unemployment-jobless-figure>

⁶ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/470017/skill_levels_2014.pdf

⁷ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/495447/UKCESS_2015_Report_-_for_web.pdf

⁸ http://populationmatters.org/documents/housing_population.pdf

⁹ https://www.populationmatters.org/documents/housing_population.pdf

¹⁰ <http://www.crisis.org.uk/news.php/1015/rough-sleeping-in-london-rises-again>

¹¹ <http://www.theguardian.com/business/2014/aug/04/brick-shortage-housebuilding-grows-fastest-rate-2003>

¹² https://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=3&cad=rja&uact=8&ved=0ahUKEwjst-is3tvKAhXlyT4KHXAACMQFggwMAI&url=http%3A%2F%2Fwww.populationmatters.org%2Fissues-solutions%2Fsustainability-ipat%2F&usq=AFQjCNG_yq4d9_HvDyC3d7IB1OAnfCGRtQ&sig2=GAllmg88w7MsSMHm0ngr5g

¹³ <http://www.bbc.co.uk/news/uk-14916580>

¹⁴ <http://www.theguardian.com/money/2011/mar/19/brits-buy-germans-rent>

¹⁵ <http://www.lse.ac.uk/researchAndExpertise/units/growthCommission/documents/pdf/lseGCrep-Chap3.pdf>

¹⁶ <http://gizmodo.com/how-japans-bullet-train-is-taking-over-the-world-1749338443>

¹⁷ <http://web.stanford.edu/~plipscy/JapanTransport2012-2-22.pdf>

¹⁸ http://etheses.lse.ac.uk/1038/1/Uemura_Population_decline_%20Infrastructure_Sustainability.pdf

¹⁹ <https://www.cityoflondon.gov.uk/business/economic-research-and-information/research-publications/Documents/research-2013/Green-Spaces-The-Benefits-for-London.pdf>

²⁰ <http://projectevergreen.org/resources/environmental-benefits-of-green-space/>

²¹ <https://www.cityoflondon.gov.uk/business/economic-research-and-information/research->

publications/Documents/research-2013/Green-Spaces-The-Benefits-for-London.pdf

²² <http://www.operationgroundwork.org.uk/take-action/media-centre/report-launched-at-rhs-chelsea-flower-show/the-benefits-of-green-space>

²³ <https://www.cityoflondon.gov.uk/business/economic-research-and-information/research-publications/Documents/research-2013/Green-Spaces-The-Benefits-for-London.pdf>

²⁴ <http://news.bbc.co.uk/1/hi/health/4512934.stm>

²⁵ http://populationmatters.org/documents/population_health.pdf

²⁶ https://www.england.nhs.uk/wp-content/uploads/2013/07/nhs_belongs.pdf

²⁷ http://www.tai.org.au/documents/dp_fulltext/DP63.pdf

²⁸ <http://www.ibtimes.co.uk/uk-fast-population-growth-will-crank-pressure-britains-creaking-infrastructure-1493136>

²⁹ <http://www.telegraph.co.uk/education/11832063/A-right-for-siblings-to-attend-the-same-school-guaranteed.html>

³⁰ http://www.oisp.ox.ac.uk/fileadmin/documents/PDF/WP57_Who_s_afraid_of_population_Decline__by_David_Coleman_and_Robert_Rowthorn.pdf

³¹ http://www.oisp.ox.ac.uk/fileadmin/documents/PDF/WP57_Who_s_afraid_of_population_Decline__by_David_Coleman_and_Robert_Rowthorn.pdf