

POPULATION DYNAMICS AND ECONOMIC TRANSITION

**Asia-Pacific towards
the Year 2000**

Guest Editors
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Articles

Introduction

S. GUNASEKARAN and JOSEPH L. H. TAN

1

The Dynamics of Population Ageing into the Twenty-First Century: ASEAN and Selected Countries of Pacific Asia

WARWICK NEVILLE

4

The Emergence of Extended Metropolitan Regions in ASEAN: Towards the Year 2000

T.G. McGEE and CHARLES GREENBERG

22

Role of Technology in the Emergence of Newly Industrializing Countries

HANS DULLER

45

Population Change and Economic Development in Indonesia

ARIS ANANTA and UDI H. PUNGUT

55

Labour Migration and Policy Formation in a Newly Industrialized Country: A Case Study of Illegal Thai Workers in Singapore

GERARD SULLIVAN, S. GUNASEKARAN and SUNUNTA SIENGTHAI

66

Documentation

UNESCAP/UNPF Pre-Conference Seminar on Migration and Urbanization: Interrelationships with Socio-economic Development and Evolving Policy Issues
Seoul, 21-25 January 1992

Note by the Secretariat on Urbanization Patterns and Problems into the Twenty-First Century in Asia and the Pacific

85

Address by His Excellency President Soeharto of the Republic of Indonesia at the United Nations Conference on Environment and Development

Rio de Janeiro, 12 June 1992

101

Statement by His Excellency Prime Minister Dr Mahathir Mohamad of Malaysia at the United Nations Conference on Environment and Development

Rio de Janeiro, 13 June 1992

106

Statement by His Excellency Dr Ahmad Mattar, Minister for the Environment, Singapore
at the United Nations Conference on Environment and Development
Rio de Janeiro, 11 June 1992

109

Plenary Statement by Professor Dr Her Royal Highness Princess Chulabhorn Mahidol,
Personal Representative of His Majesty the King of Thailand and Head of Delegation of
Thailand at the United Nations Conference on Environment and Development
Rio de Janeiro, 5 June 1992

112

Book Reviews

Technological Challenge in the Asia-Pacific Economy

edited by

Hadi Soesastro and Mari Pangestu

116

Towards Full Employment: Strategy for Accelerated Economic Growth

edited by

I. Getubig and H.T. Oshima

117

Energy Systems and the Environment: Approaches to Impact Assessment in
Asian Developing Countries

edited by

Peter Hills and K.V. Ramani

119

The Malaysian Economy: Spatial Perspectives

by

George Cho

121

Conferences, Workshops and Seminars

123

ASEAN Chronology 1992

129

Some Recent Publications

131

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Introduction

S. Gunasekaran and Joseph L. H. Tan

Important interactions existing amongst population, economic, social and technological factors continue to be highlighted in contemporary research. The relationships between population and economic growth, and the broader societal development are complex but they do appear to be clearer and sharper in terms of relations to labour force, employment and related human resource development.

In 1990, statistics indicate that almost 36 per cent of the population in developing countries are below 15 years of age. Many of the young people are living in the Asia-Pacific. Maturing to be adults later, their fertility will exert a tremendous impact on population growth rates and the development process. High population growth could slow down and even retard economic development and affect the quality of life, causing environmental or global resource stress and strain, as well as producing a host of economic and social consequences (Asian Development Bank 1991) such as the following:

1. Heightened mal-distribution of income in the long run, as dependency ratios increase, and labour supply increasingly outpaces employment creation.
2. In relation to the first point, existing mass poverty would expand and worsen with related problems, including high infant and child mortality, high rates of child malnutrition, poor school performance by children, and unemployment and disguised unemployment.

3. Raising the level of urban crowding and the attendant difficulties, through increased pressures in the demand for various municipal services and infrastructures.

4. Affecting investment requirements. For example, a country with a "younger" age profile will be forced to commit a larger share of resources to longer-term investments in education, health and other related social services. A country with a relatively stable population growth has greater capacity to concentrate on investment on job creation activities yielding probably rapid and better returns on investment.

5. Causing ecological imbalance, as there will be additional quantities of natural human waste to be managed and much more pressure on both non-renewable and renewable natural resources.

While it is a major concern that the proportion of the population below the age of 15 will be too high, the problem of population ageing is a phenomenon often not accorded sufficient attention, worse still disregarded, in the light of problems confronting the developing countries in the Asia-Pacific, and globally.

The lead article by Warwick Neville in this collection of five contributions highlights due concern on the problem of "the dynamics of population ageing into the 21st Century", focusing attention on all the six members of the Association of South East Asian Nations (ASEAN) and four other Asia-Pacific countries. With the exception of Japan, all these countries can be

loosely considered as developing, although South Korea, Taiwan, Hong Kong and Singapore are being differentiated a grade higher as Newly Industrializing Countries (NICs). His revealing analysis alerts us to the extent of changes of the youthful age structure, and underlines the fact that its shift towards greater maturity is well under way in all the countries examined. His conclusion underscores the following points:

1. The concern that the population ageing process will generate disequilibrium “resulting in surges of supply and demand in the human components of production and consumption”.
2. The need, if not the urgency, for efficient surveillance and management of resources to ensure the suitable and sufficient provision of support systems for the aged who will emerge as a major component of the total population in the foreseeable future. And this anticipatory and “appropriate deployment of human capital both before and during the onset of an aged population” will, undoubtedly, yield much benefit.

The population-related problem of pervasive urban overcrowding, which was mentioned in general earlier, and also found in ASEAN capital cities like Manila, Jakarta and Bangkok, is further examined in the substantive contribution by T.G. McGee and Charles Greenberg. However, McGee and Greenberg do not approach their analyses of the urban regions in ASEAN countries from the concerns of population dynamics *per se*. They are more interested in studying the demographic patterns of the emergence of major urban regions — conceptualized as “extended metropolitan regions (EMRs)” — and analysing how rapid economic development along with the associated industrialization, construction boom and leisure activities have produced the EMRs in ASEAN. This rapid economic growth has also generated various problems, including urban overcrowding, land use conflict and environmental degradation.

McGee and Greenberg made an interesting observation of the relationship of technology and its impact on population change and movement

and urban/spatial development: “... the considerable advances in transport technology, particularly relatively cheap intermediate technology such as two-stroke motorbikes, greatly facilitate the circulation of commodities, people and capital, creating in turn large mega-urban regions”.

In a different light on the role of technology in the development process, Hans Duller’s contribution evaluates the efforts and successes of some Asian countries (primarily the NICs and secondarily the ASEAN countries) in generating, duplicating and integrating knowledge, as embodied in technology, as the mainsprings of rapid economic growth. Pointing to the “crucial role of technological innovation in the development process”, he indicates that the continuing success of economic growth performance for the NICs and the ASEAN countries is predicated upon the “upgrading of human resources, of know-how and of capital formation”. Indeed, the over-riding importance of population quality, and not numbers — quality of the labour force responsive to the needs or demands of the changing global markets as a guarantee for sustaining economic growth and development — cannot be overemphasized.

Aris Ananta and Udi H. Pungut’s contribution, unlike the thematic focus on population ageing (Neville), demographic patterns of the emergence of mega-urban regions (McGee and Greenberg), and the technology development process (Duller), takes a different approach, highlighting a country case study of Indonesia. Their analysis of demographic change and economic development in their country, at the theoretical level, poses a challenge to Oshima’s generalizations pertaining to the relationships between demographic transition and economic change. Empirically, their study demonstrates the likely impact of population changes and trends on the future of the Indonesian economy. They observe that Indonesia’s faster demographic transition can possibly be advantageously exploited to stimulate faster economic development as well.

Seemingly a country case study on Singapore, the article by Gerard Sullivan, S. Gunasekaran

and Sununta Siengthai is substantively a study on international or cross-border labour migration, between Thailand and another ASEAN member country, Singapore. Their article examines a broad range of issues concerning economic policy and practice, the social and political aspects of migration and labour use involving, specifically, a considerable number of illegal Thai immigrants in Singapore.

This special focus issue is significantly different from earlier ones — “ASEAN and the Pacific” or “Environment and Economic Growth”,

or “The Asia-Pacific Gas Market” — which were narrower in disciplinary focus on economics. This particular special focus issue attempts a broader inter-disciplinary approach drawing on the diversity of contributors working in the field of development studies, who are trained professionally as economists, demographers, sociologists, or geographers. It also reflects the substantive academic work and complementary interests of the Social Issues in Southeast Asia (SISEA) programme and the ASEAN Economic Research Unit (AERU) of the Institute of Southeast Asian Studies.

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