

Comments by discussant on “Demographic transformations, convergences and inequalities in Latin America: what the future holds?”

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Introduction

1. Thank you for the privilege of inviting a person from a different Region as discussant. I feel like a visitor to a friendly club where everyone knows everyone else.
2. Although I am Anglophone, actually, I feel very much at home. We share commonalities, especially with southern Latin America, as has recently been pointed out in a magnum opus by New Zealand’s leading historian James Belich (*Replenishing the Earth*, Oxford, 2009), farming settler societies, which largely displaced indigenous people, and we are wrestling with modern demographic trends. Among similarities between New Zealand and Latin America:
 - We have lower fertility today, although historically levels were above that of our metropolis.
 - The ageing trends of New Zealand are now between those presently in the USA and those of Argentina;
 - Migration is a major issue for us (including a Diaspora).
 - We are both highly urban societies, and for us that has been so since the early 20th century, despite our dependence on farm exports.

Key issues brought out by the papers

A. An overview

1. As an overview of the session, let me say that it has a rich array of very good papers covering key aspects of your region’s demography. I particularly like the title – *Demographic Transformation* – because it has allowed you to synthesize diverse issues.

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2. All papers have stressed the uniqueness of Latin American demography – I accept that there are particularities, but wonder whether some of the trends are due more to being a settler society than to cultural homogeneity? My question is motivated from the mention of the adolescent fertility rise. Very frequently, historically, adolescent fertility levels have occurred as a marker of more general fertility decline.
3. Most importantly, taken together the papers provide an analysis of cardinal aspects of your *demographic transformation*.

B. The Latin American *demographic transformation*

1. I like your term *transformation* because the papers go far beyond the demographic transition. That is, they consider natural increase (the classical Demographic transition model, DT) but also go into age-structural change (AST), mobility (MOB), urbanization (URB), and, by implication, the epidemiologic transition. The implicit model in the set of papers can be seen as:

DT => Mediated by mobility => MOB, URB => DEMOGRAPHIC TRANSFORMATION

2. Then several papers went well beyond this (Rodriguez-Wong, Brenes, P. da Cunha and Rodriguez) into the social and economic consequences of transformation, e.g. retirement, pensions, wanted childbearing, unsafe abortion. I will, however, discuss only the narrower demographic aspects.

C. Demographic Change and Development

1. All the papers use a broader and more realistic measure of development – the Human Development Index. This reminds us that development is about people, not about financial growth.
2. The papers also stress recent demographic convergence, an issue that brings me to a question: were the antecedents of convergence evident, already far back in the 1960's? I took out some sample data to look at this point, using the social development (HDI) in 2000 as a classification of selected countries: high (Argentina, Uruguay, and Costa Rica); medium (Mexico, Brazil, and Peru); low (El Salvador, and Guatemala). Although the results are not perfect they do point to similar starting points 40+ years ago.

Some factors of demographic change showing “convergence” in the 1960s

1. If we look at the TFR in 1960 – 65, for Argentina and Uruguay it was 2.9-3.1. But all the other countries had rates around 6.2 – 7.2. Thus the fertility trends except for the Southern cone of the Latin American Continent were similar, and then seem to have followed a relatively similar downward trajectory, with the low HDI countries still in the medium range.
2. Then if one takes the numeric growth of the elderly population (65+), 1965 – 2005, it has been fast for Costa Rica and the medium HDI countries; very fast for the low HDI countries, but slower in Argentina and very slow in Uruguay. What is my Conclusion:

that there was a convergence trend in place already, except in the Southern cone where the demographic transition had been initiated well before de 1950's

3. If I look at the numeric growth of the elderly for 2005-45: it is low at 68%-124% for Argentina/Uruguay, but the other selected countries are very similar to each other with levels running between 274%-355%. My conclusion, about numeric growth must be very tentative: that there was similarity in the past and that convergence will continue except for the Southern cone.
4. Let us take one further important indicator. The proportion of those aged 65 or more in 1965-2005, was higher than 4% in Argentina and Uruguay (which was still a low figure by European-Asian standards). But other countries had proportions below 3%. That profile, however, will change in the period 2005-2045. It will be "low" in the Southern cone (7 %-point change), but, conversely to the situation today, high in the other countries (9-14%-points). An exception will be Guatemala (4%-point), but is this a dramatic example of an emigration effect?

D. Flow-on Effects: Mobility and Urbanisation

1. As in some other regions of the world, urbanization has been marked, but is not necessarily a negative factor – the recent World Bank report stresses this, although I found their analysis too dependent on "market forces" and much less on social-demographic factors. The Latin American papers presented in this session do emphasize, very competently, the complexity of urbanization patterns of the Region.
2. That said, it seems to me that two other demographic factors *cross-cut* the trends of urbanization and metropolitan dominance in Latin America:
 - a. Ageing (thus fewer younger migrants in some countries)
 - b. High levels of international migration, which includes in some cases, a change from being countries of immigration to origins of Diasporas. I was particularly struck by this when looking at the data for Mexico and Guatemala, as one might expect, but also for other countries in South America, with the recent shifts to Spain.

Quo Vadis, Latin America?

- Fertility levels are low and a number of countries – Brazil, among them – have rates below replacement level. Exceptions are those with low HDIs (and, to a lesser extent, those with medium levels also). The region will thus "age" structurally.
- A question remains: given the disparities within countries and residential segregation (particularly considering urban areas), what is the magnitude of internal differences?
- Ageing has been emphasized in this session. But when considering demographic transformation, it is useful to distinguish between numerical and structural ageing as both have different effects. This is also true for any country that has different change patterns.

- Generally, numerical ageing will be rapid across the region, and has been over last 40 years – thereby requiring high levels of current expenditure to be diverted towards meeting this challenge. This will have reduced capacity to invest in infrastructure and savings.
- Structural ageing transition has a different trend. In future it will be relatively low in the South Cone, but rapid over much of the rest of the Region. This implies increases in dependency ratios, intergenerational transfers etc.
- The paper on aging stressed intra-family transfers, and also that the demographic bonus is not a certainty. Thus, when looking at aging we should not just focus on the formal sector, but the role of the informal sector needs to be considered.
- Urbanization trends may stabilize in general (at least viewed superficially) with a high level of metropolitanisation, but beneath the surface there is a complex “churning” with inflows/ outflows that will make meso-level planning difficult.
- In sum, Latin America faces major challenges that were brought out in this session.