



**JUSTICE BASHEER AHMED SAYEED  
COLLEGE FOR WOMEN  
(Autonomous) Afternoon Session Chennai  
18.  
S.I.E.T.**

**DEPARTMENT OF CORPORATE ECONOMICS**

**CLASS – II B.Com GENERAL (A,B & C Batch)**

**SEMESTER III**

**SUBJECT – ALLIED-3 “INDICATORS OF ECONOMIC  
DEVELOPMENT (IED)”**

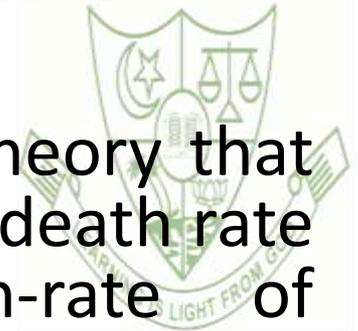
# THEORY OF DEMOGRAPHIC TRANSITION (WITH DIAGRAM)

Theory of Demographic Transition is a theory that throws light on changes in birth rate and death rate and consequently on the growth-rate of population.

Along with the economic development, tendencies of birth-rate and death rate are different.

Because of it, growth rate of population is also different.

*“Demographic transition refers to a population cycle that begins with a fall in the death rate, continues with a phase of rapid population growth and concludes with a decline in the birth rate”-E.G. Dolan.*



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# THEORY OF DEMOGRAPHIC TRANSITION (WITH DIAGRAM) Cont



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According to this theory, economic development has the effect of bringing about a reduction in the death rate.

The relationship between birth and death rates changes with economic development and a country has to pass through different stages of population growth. C.P. Blacker divided population into five types as high, stationary, early expanding, low stationary and diminishing. According to the theory of demographic transition, population growth will have to pass through these different stages during the course of economic development.

# THEORY OF DEMOGRAPHIC TRANSITION (WITH DIAGRAM) Cont



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**The four stages of demographic transition mentioned by Max are explained as follows:**

- **First Stage:**

This stage has been called high population growth potential stage. It is characterized by high and fluctuating birth and death rates which will almost neutralize each other. People mostly live in rural areas and their main occupation is agriculture which is in the stage of backwardness. The tertiary sector consisting of transport, commerce banking and insurance is underdeveloped.

# THEORY OF DEMOGRAPHIC TRANSITION (WITH DIAGRAM) Cont



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## First Stage (Cont)

All these factors are responsible for low income and poverty of the masses. Social beliefs and customs play an important role in keeping birth rate high. Death rate is also high because of primitive sanitation and absence of medical facilities. People live in dirty and unhealthy surroundings.

As a result, they are disease ridden and the absence of proper medical care results in large deaths. The mortality rate is highest among the poor. Thus, high birth rates and death rates remain approximately equal over time so that a static equilibrium with zero population growth prevails.

- **Second Stage:**

It is called the stage of Population Explosion. In this stage the death rate is decreasing while the birth rate remains constant at a high level. Agricultural and industrial productivity increases, means of transport and communication develops. There is great mobility of labour. Education expands. Income also increases. People get more and better quality of food products. Medical and health facilities are expanded.

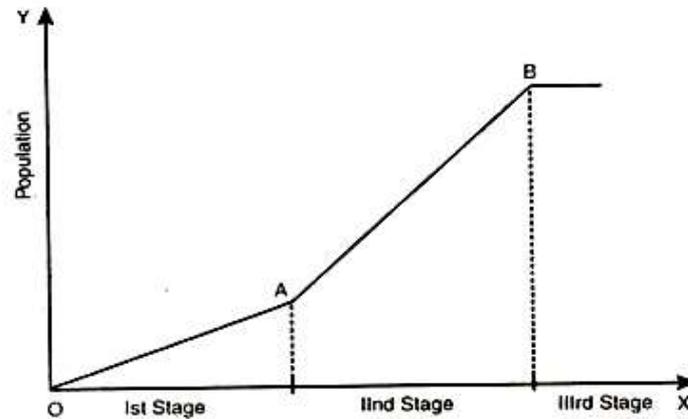
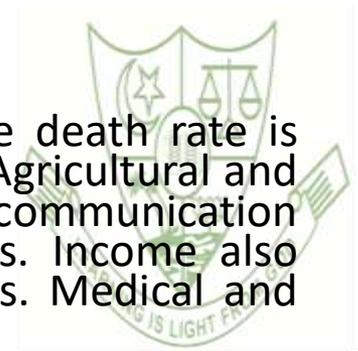


Fig. 2

During the stage economic development is speeded up due to individual and government efforts. Increased use of better technology, mechanization and urbanization takes place. But there is no substantial change in the men, attitude of the people and hence birth rate stays high i.e., economic development has not yet started affecting the birth rate.



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Due to the widening gap between the birth and death rates, population grows at an exceptionally high rate and that is why it has been called the population explosion stage. This is an “Expanding” stage in population development where population grows at an increasing rate, as shown in figure, with the decline in death rate and no change in birth rate.

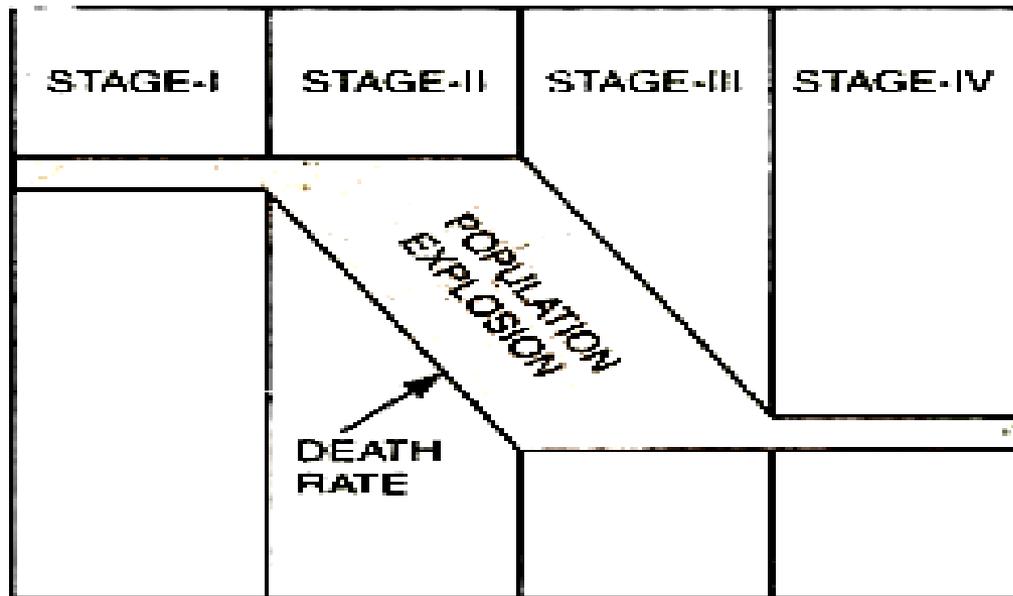


Fig. 3

- **Third Stage:**

It is also characterised as a population stage because the population continues to grow at a fast rate. In this stage, birth rate as compared to the death rate declines more rapidly. As a result, population grows at a diminishing rate. This stage witnesses a fall in the birth rate while the death rate stays constant because it has already declined to the lowest minimum. Birth rate declines due to the impact of economic development, changed social attitudes and increased facilities for family planning. Population continues to grow fast because death rate stops falling whereas birth rate though declining but remains higher than death rate.

- **Fourth Stage:**

It is called the stage of stationary population. Birth rate and death rate are both at a low level and they are again near balance. Birth rate is approximately equal to death rate and there is little growth in population. It becomes more or less stationary at a low level.

- **These stages of demographic transition can be explained with the help of diagram 3 given below:**

- Stage I is characterised by high birth rate, death rate and low rate of population growth.
- Stage II is characterised by high and stationary birth rate, rapidly declining death rate and very rapid increase in population.
- Stage III is characterised by a falling birth rate, low and stationary death rate and rapidly rising population.
- Stage IV is characterised by low birth rate and low death rate with stationary population at a low level.