



## Pronatalist policies and COP28: Greece is no exception

### Description

**Zafiris Tzannatos\***

What was once a common practice in authoritarian regimes, such as those of Nazi Germany, the Soviet Union, and Communist Romania, is now being revived all over the world. France, Japan, South Korea, Hungary, Russia, and China, among others, are all concerned about the decline of their “ethnic” populations, even though there is a human oversupply from poorer countries.

In varying combinations and intensities, the above countries, and others, have recently introduced or expanded, various tax breaks and other incentives such as childcare, housing subsidies, loan waivers, maternity allowances, and support for working parents to promote higher birth rates.

Greece is not lagging behind this trend. The Minister of Social Cohesion and Family, Mrs Sophia Zacharaki, has described the demographic situation of our country as a problem of “absolute priority”. The same was echoed at the recent 3rd Economist Demographic Conference, by the Minister of Labour and Social Security, Ms Domna Michaelidou, as well as by Minister Adonis Georgiades who added that low fertility is the “biggest challenge” he has faced in all three ministries he has served (currently Health and previously, Labour and Social Security and also Development and Investment). The Minister concluded that “there can be no sustainable development with low fertility”.

The numerical (not “economic”) low fertility in Greece is a fact. After a steady decline in

---

births since 1981, the population in Greece has declined by 450,000 in the last decade while the number of deaths has been twice the number of births.

Speaking of numbers, it is worth noting that fertility has more than halved worldwide from 1950 to the present (from more than 5 births per woman in 1950 to 2.4 births today). By contrast, average real income per capita has quadrupled (from 2,000 to 8,000 in constant 1990 dollars). In other words, the decline in fertility, as in Greece (at 1.3 today instead of twice that in 1950), has not prevented growth, and what is no longer sustainable is not the economy but the planet.

The problem of the overpopulation of our planet and the misconception of the relationship between the economy and low fertility rates was not included in the context of COP28, the most recent World Climate Change Conference last October, which focused on the effects of global warming and other climate phenomena. The reason for the omission was the lobby of farmers: more people need more food.

If the attitude of governments, and with them of global institutions, stems from the philosophical principle of Jeremy Bentham (1748-1832) that “the measure of right and wrong is the greatest happiness of the greatest number of people”, recent economic figures deny it. A recent OXFAM estimate is that the richest 1% of the population contributes as much to climate change as the poorest 60%, with the richest 1% having accumulated “almost twice as much wealth as the rest of the world in the last two years”. The World Bank estimated that more than 100 million people have fallen below the poverty line since the pandemic. This is the first time extreme poverty and inequality have increased since World War II.

So, the question is what do the pronatalist policies mean for the planet and for inequality. The human population of the earth was about 200 million when Jesus was born. It reached 1 billion at the start of the Industrial Revolution (late 1700s), 2 billion in the 1930s, 3 billion in the 1960s, and is over 8 billion today.

---

Some estimates suggest that about 99% of all species that have ever existed on earth are now extinct. Of those that do exist, the most recognizable are mammals, and 20% of their species are endangered. The black and white film of the last Tasmanian wolf (1936) and the photograph of the last western black rhino (2011) are not easily forgotten. The role of illegal trophy hunting cannot be underestimated, nor can the contribution of fossil fuel burning. Two-thirds of polar bears will be extinct by 2050, if global warming continues to melt their habitat. The pollution of rivers and lakes and the overfishing of marine resources is already occurring rapidly.

There is no doubt that the extinction of species, not only of mammals, has anthropogenic causes. The natural destruction of habitats due to the explosion of the human population combined with its increasing needs and greed for minerals are the main causes. The result was not only more land use by humans, but also increased land toxicity from pesticides and deforestation.

Picturing the earth's 4.5 billion years of existence as an annual calendar, humans have been present for only 37 minutes of the last day and have used one-third of the earth's natural resources in the last 0.2 seconds. We reached the point of non-renewal of natural resources in 1970 when the population was about 4 billion, half of what it is today.

Certainly, Greece's contribution to the global climate crisis is negligible. But what can the contribution of the increase in fertility rates be, that will presumably come from measures that "create a significant safety perimeter for new births" as recently announced by Prime Minister Kyriakos Mitsotakis, as well as the aforementioned Minister of Social Cohesion together with the Minister of Economy and Finance, Kostis Hatzidakis?

The measures include a payment of €2,400 for each birth (up to €3,500 depending on the number of children) and an annual subsidy of €700 for those with two children, €1,000 for three children, and €1,500 for larger families. At the macro level, over €370 million will be spent on subsidies to nursery schools, €2.2 billion on housing support for young people up to 39 years old, and a 40% subsidy for renovation work. The stated policy objective of these incentives is to allow young couples to start a family and invest "in the place where they were born".

Support for families with children cannot but be applauded, as also any subsidy that has an economic or social benefit. But does the purpose of investing "in the place of their birth" run counter to Greece's policy to grant "Golden Visas" to those "not born in Greece"? Furthermore, there are doubts whether the measures will contribute to an

---

increase in the fertility rate despite their budgetary cost.

In particular, raising children, costs far more than the incentives for families to have more children, especially at present, when many cannot meet their daily needs: The saving rate in Greece has been negative since 2012 (with the exception of 2020 and 2021) and is negative again this year by 4% of income. The average saving rate in the EU exceeds 10%.

Moreover, if births increase, children will absorb a lot of public resources until they are able to work or even contribute to the economy after 15-18-25 years, depending on how long they stay in the education system (and if they do not emigrate). Meanwhile, in the early 2030s come huge repayments of previously deferred memorandum debts.

From a historical perspective, it is worth noting that our prosperity today is more because of hundreds of thousands of years of continuous migration and productivity growth than population growth. The benefits of free movement of people are not a theoretical construct of economists but a real fact. Imagine a Europe without free movement of Europeans; immigrants work for lower wages and in those jobs, they are more productive than citizens. If they put pressure on public services and social cohesion in the host country, that is related to the policies of both the countries that receive and those that send immigrants. It is immigration that needs incentives and disincentives, not low fertility. In other words, it is better to have policies that increase productivity than to have a myopic increase in fertility as a (temporary) counterweight to an ageing population. The myopic response to the environmental destruction of the planet is also a sign of temporality, just like pronatalist policies.

To sum up, the solution to sustainable development is not population growth and the purpose of policies cannot be other than Bentham's principle of "the greatest happiness of the greatest number of people" provided that the number of people is the number of people that exist since we have already fulfilled the biblical commandment "multiply and fill the earth" (Genesis Chapter 9). We have filled and overfilled the Earth, and we already need a planet 75% larger to sustain our present consumption, while the world population is still growing by 200,000 people a day with a projection to reach 10.4 billion in 2080.

---

*\*Zafiris Tzannatos is a senior advisor to the United Nations, a former senior World Bank official and Professor and Chairman of the Economics Department at the American University of Beirut. This article was originally published in moneyreview.gr.*

Â