ABSTRACT

There is a divergence of opinion regarding the consequences of population growth for economic development. The first theory states that population growth stimulates economic growth. The second theory views population growth as a factor that adversely affects economic growth while the third theory is that population is a neutral factor in economic growth and is determined outside the standard growth models. Cross-national evidence on the relationship between population growth and economic development is inconsistent because the underlying parameters and assumptions vary across countries.

Given the scenario, there was a need to establish the effect of population growth on the economic development using the case of Kenya .this paper aimed to provide additional evidence by employing annual secondary data from the year 1990 to 2017. The Empirical results were based on the ordinary least square method of analysis to analyze the relationship between population growth and economic development in Kenya. The results revealed that population growth has a positive impact on economic development proxies as savings, investments, employment levels, and per capita income the study concluded that in Kenya population growth promotes economic development. The study proffers various policy option which the government can implement to better the economic development and growth through well managing the growth of the population, the government should also put measures to ensure that there is a higher economic growth as compared to population growth to guarantee the increasing demand of goods and services arising from population growth is met. The provision of employment opportunity that aims to better the quality of life should be a key priority of the government and also respect investment by also encouraging private investments through incentives and better policy to create a conducive environment for investors