

DEMOGRAPHIC DIVIDEND IN INDIA

DEMOGRAPHIC DIVIDEND IS A MYTH OR REALITY

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Abstract

India is blessed with abundant natural resources as well as human resources. Human resources are more significant than any other resources to influence socio economic scenario not only India but also in the world as a whole. Demographic dividend is a blessing to a developing country like India. Demographers are very much interested to estimate demographic dividend which arises when the dependency ratio declines. The age structure of the population presents an unprecedented opportunity to India that has been called as India's demographic dividend. This will reduce the pressure on the economy to generate additional employment opportunities which in turn increases level of income, savings, and investment of an economy. But there are some challenges in India to reap the benefits of Demographic dividend. The purpose of this study is to examine whether demographic dividend is a myth or reality in India

KEYWORDS: Demographic dividend, Demographic Transition, Digital Revolution

INTRODUCTION

Population of INDIA or any other country is nothing but human resources, which play a vital role in economic development. In fact human beings are the real asset of a country. Economic development and population of a country are interdependent. Physical and natural resources also cannot be productively utilized without human resources. Population is important because human beings are not only the instruments of the production but also the consumers of it. Hence it is necessary to estimate the number of people living in the country and the rate at which population is growing at a particular period of time.

Eminent economists like Colin Clarke, Everet Hegen, and J.M .Keynes suggested that growing population acts as a remedy for world depression. Population is a source to supply new entrants into the market through which size of the market will be enlarged. Broadly speaking it can be said that large population extends demand for different goods and services, which in turn lead to the establishment of different industries. According to Adam Smith division of labour, specialization and large scale production will take place due to increase in the labour force which is supplied by population.

Nowadays demographic dividend is an attractive, interesting, and encouraging term from the economic point of view. Several studies have revealed that many Asian countries are expected to benefit from the change in the age structure of the population in the coming years. In almost all the countries falling birth and death rates has shifted the age structure from the dependency ratio to adult working age group. This is called as demographic dividend, demographic bonus, or demographic window.

According to some demographers, India's age structure now offers a onetime window of opportunity. Since 1921 population has started increasing at more than 2.2% per annum and ranked second in the world as per 2011 census. From the decade 1971-1981 to till date growth rate of population has come down to 1.64% in 2001-2011. But there is a structural change expected in age group of population. About 60% of the population was in the working age group in 2001. This is expected to increase gradually and will be 68.4% in 2026.

Demographic dividend is likely to manifest in the gradual increase in the working age group of 15-64 years. The age group below 15 and above 65 years are considered as dependent population which is a liability and the working group (15 to 65 years) is an asset to the nation.

The demographic dividend is realised as a rise in the rate of economic growth due to the rising share of working age group of population. It reduces the dependency ratio which may result in improving India's competitiveness. Population projections revealed that (the country as whole) the demographic dividend is likely to continue to reap the benefits of demographic bonus till 2031

OBJECTIVES:

- 1 To analyze the relation between education and demographic dividend.
2. To study the challenges to demographic dividend.

METHODOLOGY:

Information for this article has been collected from primary and secondary sources of data. The primary data has been collected from 90 respondents with the help of survey method. The Secondary data has been collected from books,

magazines, and journals. For analysis of the data, simple statistical tools like averages, percentages, and correlation are used.

REVIEW OF LITERATURE:

Several studies explained that education acted as the best contraceptive other than family planning methods to control population. The study of Bloom and Williamson (1998) of 78 Asian and non-Asian countries showed a powerful positive impact of growth of the working age population on economic growth. Study by Behrman (1999) using panel data for several countries 1950 found a strong positive association between age pattern and economic outcome.

Scope of the study:

To analyse the nature and challenges of the demographic dividend 90 respondents are randomly selected as sample in Visakhapatnam who have come from different educational levels.

Analysis of the data: The details of the sample are given in the table 1. Out of total 90 respondents, 26 are under-graduates, 40 graduates and 24 are post-graduates and above.

Table-1. Education wise Classification of Respondents

S.No	Education	No of Respondents	Percentage
1.	Under Graduates	26	28.9
2.	Graduates	40	44.4
3.	P.G And Above	24	26.7
4	Total	90	100

Source: Primary Data

Table -2. Relationship between Education and Size of the Family

Level of Education	Average No. of Children per Family
Under graduates	3.61
Graduates	2.35
Post graduates and Above	1.9

Source: Primary Data

The above table is showing that size of the family is less for highly educated when compared with graduates and under-graduates. Coming to the nature of fertility rate, the following table examines the age at marriage for all 90 respondents.

Table-3. EDUCATION AND MEAN AGE at MARRIAGE

Educational Qualification	Mean Age at marriage
Under Graduate	16.15 years
Graduate	20.02 years
Post Graduate and Above	30.7 years

Source: Primary Data

This analysis is proving that education and age at marriage are positively related. This is desirable because dependency ratio decreases as educational level increases. Another significant factor is only 5% of infant deaths are registered for all 90 respondents.

The actual realisation of the demographic dividend will depend on improving health care as well as increasing human resource development especially education. Education is important not only to reap the benefits of demographic dividend but also to reduce both birth and mortality rates significantly.

According to technical group on population projections out of total population 102.9 crores in 2001, 61.9 crores in the age group of 15-65 years. This is likely to increase 95.7 crores by 2026. India adds 12 million people to its work force every year. A study by Behrman (1999) using parallel data for several countries since 1950 found a strong positive association between the share of economic growth and the share of the working age population.

The other side of the coin is different in India. To reap the benefits of demographic dividend quality of human resources are important than quantity or size of the population. Conversion of youth into quality work force is difficult to achieve in India. According to "World Bank" report about 13 million people enter into working age every year, but only 3 million are absorbed due to lack of skill. To reap the benefits from demographic advantage, the first national policy for skill development was formulated in 2009. India adds 12 million people to its work force every year.

The target of India by 2020 is to make 500 million people as skilled work force as per the requirements of our country. But many challenges are there to face in India at present.

Challenges:

A major deficit in the area of education and health makes India difficult to reap benefits of demographic dividend. It is not easy to convert growing labour force into a qualitative work force. Available workers are not automatically absorbed to deliver growth. Most of the Indian population are unskilled and under employed. Working age group is considered from 15-65 years as per the demographer's opinion based on which it is estimated as 60% of the population was in the working age group in 2001 and expected to increase to 68.4% by 2026. But the data collected from 90 respondents had revealed that even at the age of 25 years, they are not entered into productive work force, which means dependency ratio is not as less as estimated by the experts.

The world over digital revolution is creating new opportunities to our youth, but several challenges they are facing now. Technology indeed has opened a whole new world of learning. Youth by nature is innovative and ready to experiment with new technology.

But the present scenario is different. Today the mental health status of adolescents is alarming, which in turn diverts them into depression. Drug and alcoholic addiction among youth is increasing day by day. According to WHO estimates,

on an average 35.5 per 1 lakh youth between 15-24 age group, were committed suicide due to depression. Therefore the biggest challenge before India is, how to bring out them from depression. According to my opinion it is most important problem to be attended urgently.

There is another challenge to India which is called as brain drain. No one denies that it costs much to train good professionals, scholars, and scientists and the country needs them for socio economic development. To improve the quality of work force government of India is investing cores of rupees but no returns from this expenditure. Most of the intellectuals are migrating in search of more remunerative employment. Some studies have revealed that most of the professionals from the families of richer sections and middle income class are habituated to migrate to developed countries as soon as they finish their technical course.

Findings of the study:

- 1.) Number of children is limited to 2, irrespective of their education level which is showing that birth rate has fallen significantly for the selected sample.
- 2.) Age at marriage has increased considerably which is responsible to reduce fertility.
- 3.) Infant deaths are almost absent for the selected respondents.
- 4.) Literacy rate has increased
- 5.) Youth has become more sensitive than before.
- 6.) Youth are interested to migrate to affluent countries after technical course.

Conclusion:

In this situation demographic dividend is a myth to India. To solve this kind of problems we should think, act, behave, and feel as an Indian to help our nation.

It has been estimated by Mr. Bhat that the demographic dividend in India is likely to continue till 2031 and would become negative thereafter. According to UNPF report India had 90 million elderly persons in 2011 and this number will increase to 315 million by 2050. Thus a demographic tax is awaiting India. Therefore there is a need to create employment opportunity for the older people in any social sector to reduce over burden on working population. There is another need for strong social security system that would take care of India's aging population.

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