

A SURVEY ON DEMOGRAPHIC DIVIDEND IN INDIA

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Abstract

The term Demographic Dividend is a much talked about subject today. The Graph of the population and its bearing on a nation growth constitute a two way phenomenon Declining birth rate and improvement in life expectancy. The census report shows that an increase in the ratio of the population aged 15-64 years to that aged 0-15 and above 65 years.

This Paper mainly discuss about:

1. To give a clear view of the terms Demographic Dividend, Demographic Transition, Demographic window of youth opportunity.
2. To know that how Demographic Dividend helps in a country like India.
3. To examine whether India will able to accumulate Demographic Dividend
4. To explain about nature of employment profile of youth in India.

Keywords:

Demographic dividend, India state, Demographic transition, economic growth and employability, Demographic window of youth opportunity.

Methodology:

The main objective of this research paper is to explain how Demographic Dividend helps to increase the population of youth in India

The research methodology used in this study based on secondary data collected from various published and unpublished electronic and paper source like national and international journals and government policies, reports, Newspaper etc.

Demographic Dividend:

It is defined by UNFPA (United Nations Population fund) the economic growth potential that can result from shifts in a population age structure mainly when the share of the working age population i.e., 15-64 is larger than the non-working age share of the population. In order for economic growth to occur the younger population must have access to quality education, adequate nutrition and health including access to Sexual and reproductive health.

Demographic Transition (DT):

This theory was proposed by the American Demographer "Warren Thompson" in 1929 who observed changes or transitions, in birth and death rates in industrial societies over the previous 200 years.

The Demographic Transition is the transition from high to low of birth and death rates as a country or region develops from a pre-industrial to an industrial economic system

Demographic Window of Youth Opportunity:

It is defined to be that period of time in a nation's demographic evolution when the proportion of population of working age group is particularly prominent. This occurs when the demographic architecture of a population becomes younger and the % of people able to work reaches its height. UN population department has defined the windows of opportunity as period when the proportion of children and youth under 15 years falls below 30% and the proportion of the people 65 years and older is still 15%. Typically the demographic windows of opportunity for last 30-40 years depending upon the country.

How Demographic Dividend Can Help in a Country Like India:

India has the biggest advantage of Demographic Dividend which will be a key driver for future growth while 15 million youngsters will enter the work force annually for the next 5 years; over 75 % of them will not get jobs.

By 2022 we will have 100 million people unable to get jobs due to lack of skills. India has 18% of the world's population with 520 million work forces. Demographic Dividend has historically contributed up to 15 % of the growth in advanced economic. Skill development and introduction of GST will accelerate the shift of employment from informal to formal

economy across all sectors. This is an opportunity for investment in manufacturing and service sector that can utilize skilled work force.

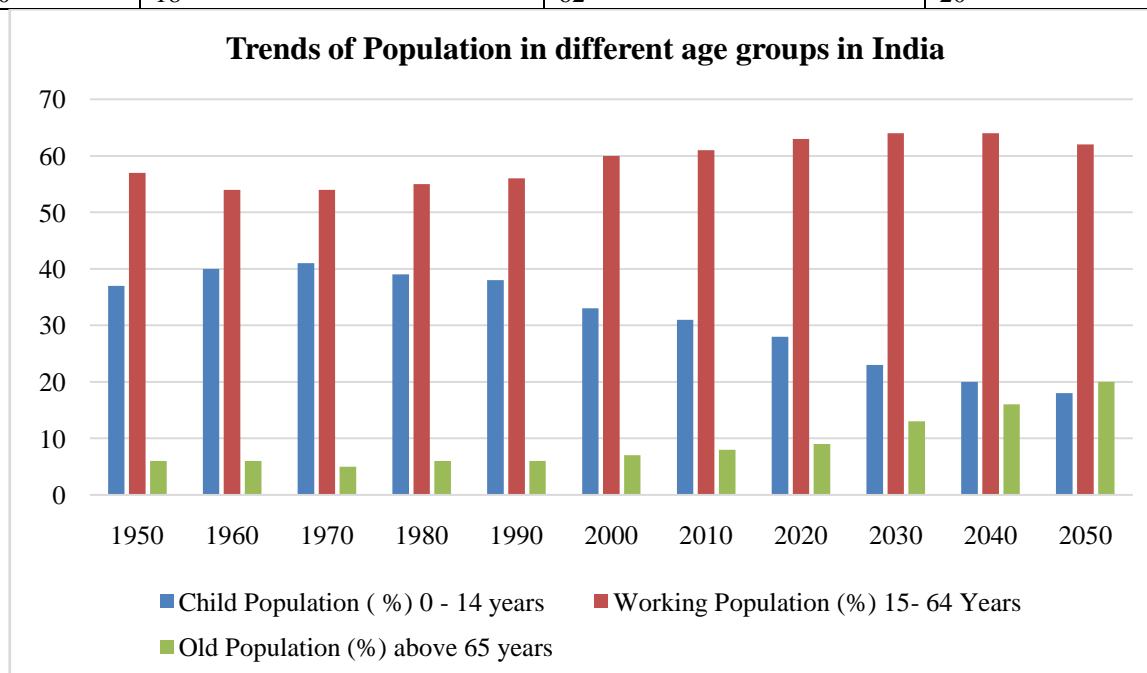
Can India Accumulate the Demographic Dividend?

India population is going through a Demographic bulge, with an increase in the proportion of working age group and a decrease that of dependence. The demographic changes due to fertility decline and attempt to forecast the demand and supply of higher education over a period 2016 – 2031 across Indian states. India liberation era that began in the 1990's has been hailed for a paradigm shifts it produced in the economy. What is less noticed is that in the same period, India went through un presented demographic changes with a medium age of 24 more than half of Indian's population is below 25 years making it one of the youngest nation in the world today

According to the census of India, while the proportion of population in the under 19 age group declined from 41% in 1961 to 35.3% in 2001, the proportion of population in the age group 15- 54 increased from 53.3% to 56.9% during the same period. The proportion of those above 60 years of age also increased from 5.6% to 7.4%. In terms of absolute numbers, the increasing in the 15-34 age group populations is even more dramatic from 174.26 million (31.79%) in 1970 to 354.15 million (34.43%) in 2000. The Youth segment of population is projected to peak at 484.86 million in 2030.

Table 1 exhibits the trends of population indifferent age group in India (1950 – 2050)

Year	Child Population (%) (0-14 Years)	Working Population (%) (15-64)	Old Population (%) (Above 65)
1950	37	57	6
1960	40	54	6
1970	41	54	5
1980	39	55	6
1990	38	56	6
2000	33	60	7
2010	31	61	8
2020	28	63	9
2030	23	64	13
2040	20	64	16
2050	18	62	20



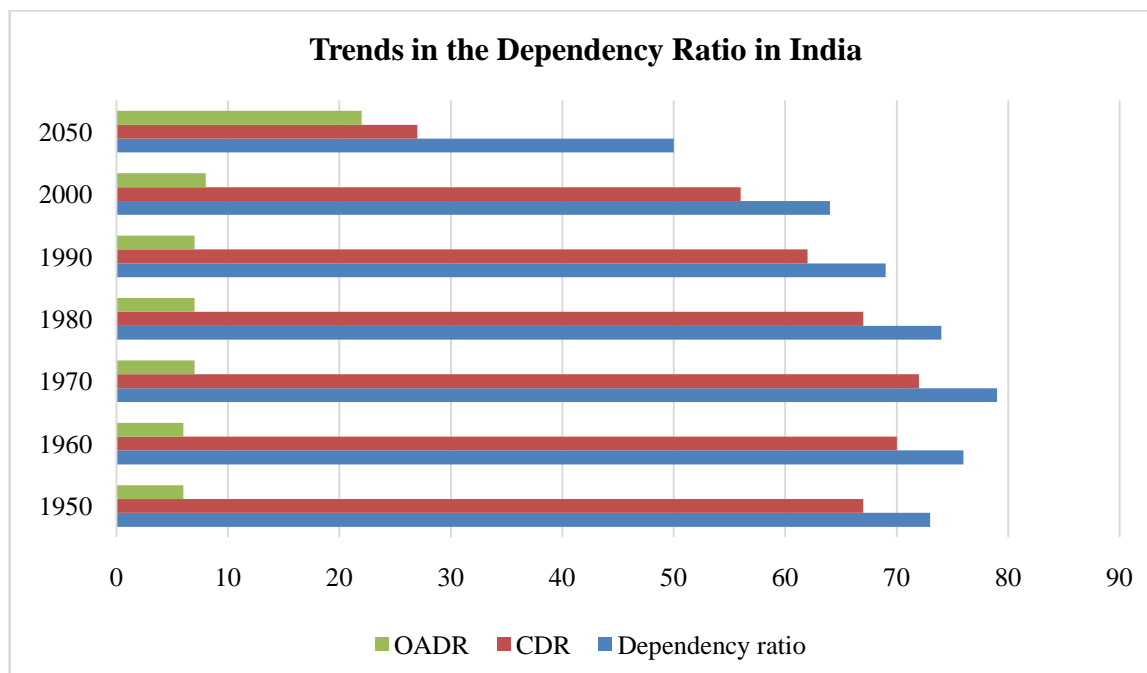
Note: 1950-2000 Actual values and 2010-2050 (*) Projected values.

The above Table 1 shows the increasing trend of child population (%) during the period from 1950 to 1970. The analyzed values show in the years (1950 to 2010). The projected values shown in the years 2010 to 2050 also indicate the decreasing trend of child population.

Table – 2 : Trends in the Dependency ratio in India:

Year	Dependency Ratio	Child Dependency Ratio	Old Age Dependency Ratio
1950	73	67	6
1960	76	70	6
1970	79	72	7

1980	74	67	7
1990	69	62	7
2000	64	56	8
2050	50	27	22



The Scan of the table to shows the following:

1. Increasing trend of dependency ratio (1950 to 1970) and decreasing trend of the same from (1970 to 2050)
2. Increasing trend of Child dependency ratio (1950 – 1970) and decreasing trend of the same (1970 to 2050)
3. Increasing trend of old age dependency ratio (1950 to 2050)

Conclusion:

A demographic dividend occurs when the rate of economic growth is increased due to a change in the age structure of a population that favours the presence of more working age people than that of dependent population. A demographic dividend thus is the result of a changing age structure of the population.

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