

A Review on India's Demographic Dividend and Future of the Indian Population

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ABSTRACT: *In the demography of their country, each economy has a shifting pattern, as and when life cycles change. The nation's youth are the nation's future, as they shape the economy's diverse human capital. An aging population would drain the country's economic wealth, since they are not economically productive workers. The country's youth and working-age population actively contribute to work and contribute to the nation's economic development. India has a higher birth rate than a death rate with an asynchronous transition; it has a younger population and lower dependents than most nations, enabling it to reap the benefits of demographic dividend. This demographic dividend, combined with higher investment in the nation's human resources through improved quality of education, a hygienic and efficient work climate, and improved health facilities, would propel the nation towards greater economic growth and development. The better prepared the nation's human capital is, the better they gain, and therefore their capacity to consume and induce the economic growth of the nation is increased. The country would face economic depression and high rates of unemployment if this potential is not used favourably and then squandered by underutilization and lack of government initiative.*

KEYWORD: *Human capital, Demographic dividend, Indian Economy, Economic growth*

INTRODUCTION

A nation's population is its prospective human capital. The capacity of this human resource can be realized through the concerted efforts of the respective nations' governments, through initiatives and schemes that promote education, job development, good quality of living standards and adequate healthcare. India's demographic dividend is projected to last until 2055, a great opportunity to increase industrial growth, productivity growth and growth (Thakur, 2019). The Indian economy went straight from a largely agrarian economy into a service-based economy, missing the Rostovian stage of development to a great extent. It is now a good time to invest financial and human resources in making the nation's manufacturing sector more robust and accessible, and thereby generating job opportunities for the nation's large population[1]. More people are competing for scarce resources and economic opportunities with more population. As a region, India sees one of the world's highest internal migration to seize the best possible economic opportunity, as people move from rural to urban areas[2]. The government must take steps to reduce disparity among the citizens of India, provide the masses with job opportunities, provide access to avenues that will support the growth of skills and exploit the nation's demographic dividend[3]. Education is one of the primary instruments that can be used for the economy to upskill and improve the nation's human capital. The government needs to ensure that the quality of education is at par with the highest standards in order to provide a globally competitive human capital, in addition to providing education.

The goal of this paper is to recognize and bring to the fore the position of a solid working-age population and the future of India's youth. The paper would also determine the situation of a highly populated country at the same time, and what the pitfalls and advantages of it might

be. As India is an emerging economy and densely populated at the same time, it is imperative that the human capital dividend from its population resources be realized. External secondary data analysis is based on the research paper. The purpose of the research paper is to recognize the real problems facing India as a result of a large population and, at the same time, to assess the potential benefits. The research study analyzed a variety of government information and data, institution-wise population statistics and published research work of an analogous nature in order to achieve the above. In doing so, the research paper highlights ways and means by which the Indian economy can harness the nation's demographics and develop the potential for human resources.

Human Capital:

What does human capital and its value mean to us? It is a sustained investment in the nation's human capital to improve its competitiveness through the provision of quality education, healthy nutrition and sustainable jobs. The Human Capital Index (HCI) is used to quantify the human capital of a nation, which measures the amount of human capital that a child born today can expect to gain by the time the child turns 18, i.e. this metric focuses on the human capital of the next generation, all while accounting for the impediments of poor health and education in the country in which the child is born. Established countries such as Canada with an HCI of 0.80, the United Kingdom with an HCI of 0.78 and Germany with an HCI of 0.79 are very highly fair in terms of HCI, where India scores 0.44, standing at 115 out of 157 countries (World Bank Group, 2018). This highlights the human capital capacity that India still needs to dig out of its 1,380,381,949 population as of Sunday, July 12, 2020, based on the elaboration of the new United Nations data by Worldometer, which is equal to 17.7 percent of the world population. Via education, one of the best ways to boost the nation's human capital capacity is. India needs to boost the nation's quality and standard of education, and it also needs to ensure that the children enrolled have the opportunity to have at least 15 years of education, since India scores 10.2 years according to the latest statistics from HCI's Predicted Years of School.

Demographic Dividend:

The birth rate in India is about 18.2 and the death rate is about 7.3, leaving the country with a rising population and a "youth bulge". Nations with the highest demographic growth prospects are those countries that can boast of a desirable working-age population with good health, high quality education, better jobs in the future after completion of their education and a lower number of young and old dependents on them. The smaller the household, the higher the investment per child can be, the more time the mother can take care of her health and work if she wants to, and thus a larger proportion of contingencies saved in the old age. We can term this favourable condition the demographic dividend as all of the above occurs, since the economic payoff would be positive.

Education & Skill Development:

Education is the key to the demographic dividend's economic dividend, as individuals can be educated and transformed to human resources through proper and sufficient education[4]. Training is an effective instrument that can be leveraged to upskill and build human resources for the population. India's latest census in 2011 highlighted that the disparity in literacy between men and women has decreased from 22 points in 2001 to a much smaller 16 point discrepancy between men and women[5]. At the same time, all people, regardless of their

gender, should be given equal opportunities, which might not always be the case. Literacy rates among the rural population have increased, with women's literacy rising from 26% in 1951 to 80% in 2011, and men's literacy also rising from 22% in 1951 to 79% in 2011. Yet, to bridge the literacy gap between the nation's urban and rural population, much more needs to be done.

Population Burden:

Having a huge population has merits and demerits, as it offers a large potential human capital on the one hand, whereas turning human resources into human capital on the other is a herculean task. The nation has to cater to a situation with a larger population where the demand for good education, good health care, good infrastructure and viable employment opportunities is far greater than the availability of the same[6]. In addition, relentless pressure must be put on food security, potable water, accommodation, sanitation and financial security to ensure a decent quality of life for the people of the nation and to reap the benefits of the demographic dividend[7]. An adept government, capable of generating employment and maintaining a decent quality of life, needs to tackle the burden of the population. In India, by taking steps to improve infrastructure, rural agriculture and tribal development, the government has taken steps towards job creation.

Government Role:

The government needs to devote the resources it has to the task of upskilling and improving the nation's human resources in order to convert the large population into future human capital. Through the Skill India Mission, put into action in 2014, the government has undertaken and launched schemes that address the problem of job creation and adequate and effective skills development. Schemes such as the DeenDayal National Rural Livelihood Mission and the SansadAdarsh Gram Yojana aim to create employment opportunities in the country's rural areas, as well as improve social and cultural growth in rural areas of India. ShramewJayate Yojana, a programme introduced in 2014, has the goal of improving labor growth, increasing labor efficiency and employability, helping to upskill the nation's labor, and building a talent pool for the nation's industries (India Today, 2014). The government has made arrangements to provide loans with low interest to promote repayment in order to enable individuals to be self-reliant and to be entrepreneurs by introducing the PM Mudra Yojna, which in turn generated 5.5 crore jobs (The Economic Times, 2017). Start-up India, too, stands as a job development platform and an innovation incubation hub, which will improve India's ability to cultivate talent, boost the formation of indigenous companies and thus build employment opportunities. Building infrastructure is an ancient technique used by countries to increase jobs, increase wages, increase buying power, increase production, increase consumption, and thus improve economic development. In 2016, the government launched the SetuBhartamYojna with the clear objective of building more bridges in the nation; 24 projects are underway (PM India, 2016). This will offer many people jobs, if and when the projects are launched. The Indian Government launched the Garib Kalyan RojgarAbhiyan at the time of the Coronavirus pandemic, which will provide job opportunities for migrant workers from 116 districts of India, with 125 days of livelihood given (The Economic Times, 2020). An approximate outlay of INR 50,000 crore would be available for this scheme. The first priority is to provide immediate relief for employees who have returned to the districts," said NirmalaSitharaman, Minister of Finance of the Government of India."

CONCLUSION

The government and the people of India need to work together for the nation's overall growth, with development of equal importance. Having a large population has the inherent issue of inequitable distribution of capital, with the least access to resources for the economically and socially backward individuals of society, as seen in Oxfam's "Time to Care" survey, where research has calculated that 1% of India's wealthiest power exceeds 4 times the wealth owned by 70% of the poorest (The Economic Times, 2020). India is the second most unequal country in the world, where cities find nearby poverty and wealth, making high and increasing levels of inequality all the more evident. In order for India to benefit from the potential demographic dividend, it must first and foremost provide the human resource with widespread job opportunities and quality education. The government must take concerted and successful measures to reduce poverty and pull people out of poverty, for as long as poverty remains, the low-income economy of India, human resources and future demographic dividends will be a distant fact. The issue of injustice continues with a vast population, and the same can only be solved adequately by concerted efforts.

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