**ASSIGNMENT (DEMOGRAPHY)**

**B. Stat Year III**

|  |  |  |  |
| --- | --- | --- | --- |
| SUBHRAJYOTY ROY | PALLAB DAS | UDIT SURYA SAHA | SUPRAVAT SARKAR |
| BS - 1613 | BS - 1614 | BS - 1619 | BS – 1647 |

**1. Explain the sentence, “The fertility decline in India has created a situation favourable to the economy. The challenge is to make the best utilization of this opportunity.”**

**ANSWER:**

After independence, there was widespread concern over the prospects of growing population and the sustainability of both population size and resources. As per the Malthusian train of thought, it was believed the food stockpiles grow much slowly compared to the rate of population growth. Hence, it was believed that, in the long run, there would be acute shortage of resources to sustain the population, leading to hindrances in sustainable development and fall in standards of living. On the other hand, there were schools of thought postulating that growth in population, especially the working class, was a boon considering the growth in the workforce and that this would lead to an increase in overall productivity. Thus, there were widespread debate on the “optimality” of population and the limits to growth.

Contemporarily, the Malthusian train of thought came under scrutiny and debate by the likes of Marx, Boserup and Lee. Marx argued that technological advancements increased the levels of productivity of labour { making labour, and hence a larger population , more sustainable} whereas Boserup pointed out that the population explosion , in itself , necessitated and culminated in scientific and technological growth , inkeeping with the principle that necessity is the mother of inventions . Lee, on the other hand, postulated that population growth will have, possibly, adverse effects on economic scenarios or standards of living , or resource-access disparity, most of which will be restricted to the short-run agenda, leaving the situation population neutral in the long run.

With light to constraints on resources and the diminishing returns to labour { productivity per unit labour decreases with the amount of labour employed , to the point of being inefficient in the long run } , the neo-Malthusian philosophy gained ground , leading to a consensus among international organizations to reduce population growth by controlling fertility.

India was no exception. India’s population grew rapidly from 1901 to 2001, especially after 1951, whereafter the population growth had a steady rate of 2 percent per annum. The neo-Malthusian -following base was strengthened by the acute food shortages in mid 1960s and early 1970s. This became an area of concern and, accordingly, family–planning and birth control measures were introduced with rigor in 1960s and was further intensified in the 1970s. Accordingly , it was observed that short-term declines in income were offset by eventual invention pulls, and that there were a fall in fertility rates due to micro {individual and family} efforts, resulting in the fact that population growth has not been significantly alarming in recent years.

Also, because of the stable downfall in the fertility rate, the new birth cohorts decline in size and thus the share of the population comprising persons of young ages declines. At this stage, the percentage of the old ages in the population also declines because of extremely high fertility rates in the past, which is extremely evident by the narrow shape of the age pyramid at higher ages. As time passes, the large cohorts of young ones move to middle ages and forms the working force of the population. Thus birth control measures potentially increased the share of the labour force of the population and generated demographic bonus to the economy of the country. However, with time, this large cohorts of middle aged people grow old and forms the old age group, thereby, negating the effect of demographic dividend (bonus).

As an evidence for this train of thought, one might consider the relationship between the economy and the demographic transition in the already developed countries. It is depicted that the developed countries have already experienced the transition in age distribution, which in turn increased the share of their workforce considerably, thereby leading to a growth in the economy (e.g. - China). It was also pointed out that these transition stayed for a considerably long time, and after that the workforce shares begin to decline and generates increased share of old ages in the population, which would be the end of the demographic bonus (e.g. - Japan).

Kulkarni showed that India has showed clear indication of fertility decline in recent years, and has generated the demographic bonus in 2011, which is expected to stay till 2051. The key problem to utilize this demographic bonus (or dividend) is for the politicians to understand that the share of the working force is increasing and use those labour forces effectively in a distributed manner to maximize production of the country, thereby leading to a sustainable rapid growth in the economy. Another problem is that despite considerable success in the expansion of primary schools, the quality of education in India has not improved satisfactorily. Besides the standard of education, the insufficient capacity of the economy to absorb the labour force entrants is the key problem; simply put, there is a lack of jobs. The high youth unemployment rate, between eight and ten percent for many decades and thus above the general unemployment rate, represents only the small part of the officially registered unemployed young people, namely those predominantly belonging to higher educational and income strata. Population growth and inadequate education systems have led to a surplus of poorly qualified labour. Women experience even more discrimination in the labour market. Thus, the labour market participation rate of adult women is only just above 30 percent according to the calculations of the International Labour Organization (ILO). This figure, too, indicates the failure to utilise the favourable age structure for an inclusive socioeconomic development – since a particular advantage of the demographic bonus is the chance to integrate women in the labour market as they have to look after less children. Through increased participation in the labour market, their status in the household may also be raised and this could contribute to gender equality.

In summary, India can gain a lot of macro-economic development by utilizing the demographic bonuses, by taking fertility control measures at the micro-level. The key challenge to fully utilize the boon is to integrate the micro-level transitions to the macro-level transitions.

**2. Explain the fact that, “A whole generation of Indian couples, millions of them, regulated childbearing judiciously and in the process generated the demographic dividend.”**

**ANSWER:**

Due to the pressure of the neo-Malthusian train of thoughts, people began to understand the importance of fertility control measures as well as the endless opportunity for growth of economy created by demographic transition. Initially, the evidence on fertility decline was not viewed seriously by civil society and media since the rate of population growth continued to be over two percent per annum. However, the 2001 census showed some fall in the rate of growth, the rate falling just below the psychological two percent mark. The 2011 showed a clearer decline, to 1.6 percent per annum. These evidences of the decline in growth rate showed a clear indication of fertility control at the end of the century. It was evident that the Indian couples had begun to regulate fertility and the family size desire had also fallen. The reason was mainly two things, one being the hope of demographic divided influenced by neo-Malthusian thoughts, another being the decline in Mortality rate due to technological advancements in medical science. Contemporarily, the use of contraception became universally known, to all sections of society, rural and urban, educated and illiterate, rich and poor, to varying degrees. There were also regional variations. In some states, there were clear fall in Total Fertility Rate (TFR), while some of the states reached the optimum level slowly over time.

If the age distribution of a population is considered, persons of all ages are consumers, while the producers range from 15 to 64 years, i.e. the middle age range. Therefore, a relatively large share of these people implies a large share of workforce, thereby leading to a lower dependency ratio, which is always favourable to the economy as a whole. This benefit is called “Demographic dividend”.