



India's Demographic Potential

This editorial is based on [“Numbers game: On the State of World Population Report 2023 and the India projection”](#) which was published in The Hindu on 21/04/2023. It talks about the state of India's population as per the State of World Population Report 2023.

For Prelims: [India's demographic dividend](#), [UN World Population Prospects \(WPP\) 2023](#), [National Family Health Survey](#), [TFR](#)

For Mains: [Demographic Transition of India](#), Significance of Population Growth, Reaping the Demographic Dividend Challenges.

India has come a long way from the initial days of evolution under conditions of high mortality due to famines, accidents, illness, infections and war, when relatively high levels of fertility was essential for species survival. Over the years, better equipped in dealing with diseases and vagaries of nature, it has witnessed a significant increase in life expectancy along with a steep fall in mortality.

According to The UN's State of World Population Report 2023 India will become the world's most populous country by mid-2023, surpassing China's 1.425 billion people by about 3 million. There are implications of this [demographic shift](#) for India's economy, society, and environment. Population growth previously seen as a disadvantage, now viewed as an advantage due to the demographic dividend.

India needs to create economic opportunities to fully utilize the potential of its [demographic dividend](#).

What is the Population Growth History of India?

- India's population growth has been a point of concern in the past.
- In the **socialist era**, the growing **population was blamed for poverty and led to sterilization programs**.
 - [Globalization](#) in the 1990s saw India as a vast market with untapped potential, shifting the perception of population as an advantage.
 - India's demographic dividend has provided valuable economic opportunities.
- India currently has **17.5% of the world's population**.
 - This is four times the population India had at the time of Independence in 1947 (34 crore)
- **Period of Slow Growth Rate of Population (1891-1921):**
 - Between **1891 and 1921**, the rate of **population growth** in India was **low**.
 - In these 30 years, the population **increased by 1.26 crore**.
 - It was so **because** in these years, calamities and epidemics, like **famines, plague, malaria** etc. took a heavy toll on human lives.
- **Period of High Growth of Population (1921-51):**
 - Since **1921**, the **population has been increasing at a rapid rate**.
 - The **Census Commissioner** has **referred** to the year **1921 as the Year of Great**

Divide.

- **Period of Population Explosion (1951-1981):**
 - Between **1951-1961** the population increased rapidly. It is called the 'period of population explosion.
- **Period of High Growth with definite Signs of slowing down from 1981 onwards:**
 - The decadal growth rate during 1981-91 was recorded 23.87 percent as against 24.66 percent during the previous decade (1971-81).
 - This is a healthy and definite sign indicating the starting of a new era in the demographic history of India.
- **Recent Population Growth Trends:**
 - Despite overtaking China, India's **population growth is slowing.**
 - The **total fertility rate is below** the replacement level of 2.1 for the first time according to the **National Family Health Survey**
 - **UN estimates** India's population to reach **1.67 billion in 2050** before settling at **1.53 billion in 2100.**

What about Demographic Transition?

- Demographic transition refers to a process of change in a population's birth and death rates and patterns over time, as a society moves from a high-fertility, high-mortality regime to a low-fertility, low-mortality regime. This transition is typically divided into four stages.
- **India is at stage three of the four stage model of demographic transition** from stable population with high mortality and fertility to stable population with low mortality and fertility, with some of the states/UT's already into stage four.
- **Stages of Demographic Transition:**
 - **Stage 1:**
 - Less developed countries, high birth rate, high death rate due to preventable causes, stable population. E.g. South Sudan, Chad, Mali etc.
 - **Stage 2:**
 - Death rates fall due to improved public health but high fertility due to limited access to health and contraceptive services, spurt in population. E.g. Afghanistan, Pakistan, Bolivia, sub-Saharan countries such as Niger, Uganda etc.
 - **Stage 3:**
 - **Birth rate also falls, population continues to grow** due to large no. of people in reproductive age group. E.g., Columbia, India, Jamaica, Botswana, Mexico, Kenya, South Africa, and the UAE.
 - **Stage 4:**
 - **Stable population** but at a level higher than the initial, **low birth & death rates**, high social & economic development. E.g. Argentina, Australia, Canada, China, Brazil, most of Europe, Singapore, South Korea, and the U.S

What are the Causes of the Declining Trend of Population?

- **Decline in Population Growth:**
 - Percentage decadal growth rate of population has been **declining since 1971-81** at all India level.
 - However, **significant fall in case of EAG States (Empowered action group states: UP, Uttarakhand, Bihar, Jharkhand, MP, Chhattisgarh, Rajasthan and Orissa)** has been noticed for the first time during the 2011 census.
- **Decline in India's TFR:**
 - **The Total Fertility Rate (TFR)** has further **declined from 2.2 to 2.0** at the national level **between NFHS 4 and NFHS 5.**
 - There are **only five states** in India which are **above replacement level** of fertility of 2.1. These states are **Bihar, Meghalaya, Uttar Pradesh, Jharkhand and Manipur.**
 - **Replacement level fertility is the total fertility rate**, the average

number of children born per woman at which a population exactly replaces itself from one generation to the next, without migration.

▪ **Improvement in Mortality Indicators:**

- **Life expectancy at birth** saw a remarkable recovery **from 32 years in 1947 to 70 years in 2019.**
- According to NFHS 5 **Infant Mortality Rate stands at 32 per 1,000 live births** which includes an average 36 deaths for rural and 23 for urban areas.

▪ **Increase in Family Planning:**

- According to NFHS 5, **Overall Contraceptive Prevalence Rate (CPR)** has **increased substantially from 54% to 67%** at all-India level and in almost all Phase-II States/UTs with the exception of Punjab.

▪ **Climate change and migration:**

- Population debates in the past did not account for the climate crisis and the fact that many migrants are becoming permanent immigrants.
- **Over 1.6 million Indians** have **renounced citizenship since 2011**, including over 225,000 in 2022.

What is the Significance of Population Growth?

▪ **Better Human Capital:**

- A larger population is perceived to mean **greater human capital, higher economic growth and improved standards of living.**
- However, if not managed properly it can also lead to war, internal conflicts, and rupture social fabric.

▪ **Better economic growth:**

- Better economic growth is brought about by increased economic activities due to higher working age population and **lower dependent population.**

▪ **High Working Age Population:**

- In the last seven decades, the share of the **working age population has grown from 50% to 65%.**
- This has **resulted in a decline in the dependency ratio** (number of children and elderly persons per working age population).
- In the next 25 years, one in five working-age group persons will be living in India.

What are the Challenges Associated with Demographic Dividend?

▪ **Asymmetric Demography:**

- The growth in the working-age ratio is likely to be concentrated in some of India's poorest states and the demographic dividend will be fully realized only if India is able to create gainful employment opportunities for this working-age population.

▪ **Lack of Skills:**

- Most of the **new jobs** that will be **created** in the future **will be highly skilled** and lack of skill in the Indian workforce is a major challenge.
- India **may not be able to take advantage** of the opportunities, **due to a low human capital base and lack of skills.**

▪ **Low human Development Parameters:**

- India **ranks 132 out of 191 countries in UNDP's Human Development Index 2023**, which is alarming.
- Therefore, **health and education parameters need to be improved** substantially to make the Indian workforce efficient and skilled.

▪ **Informal nature of the economy:**

- It is another hurdle in reaping the benefits of demographic transition in India.

What Should be the Way Forward?

▪ **Create Economic Opportunities:**

- India needs to create more economic opportunities to fully benefit from its demographic dividend.

- **Boost Entrepreneurship:**
 - Support the growth of **small and medium-sized businesses** through **tax incentives and financial assistance.**
- **Increase Investment:**
 - Attract **more foreign investment by improving ease of doing business, reducing bureaucratic hurdles,** and enhancing infrastructure.
- **Promote Digital Transformation:**
 - Promote digital transformation **to unlock new economic opportunities** and create more efficient and productive businesses.
 - Invest in **high-speed internet connectivity and digital infrastructure** to support businesses and individuals.
- **Address Economic Inequality:**
 - **Increase access to education:**
 - India needs to **invest in quality education for all,** especially for those from disadvantaged backgrounds.
 - **Ensure social protection:**
 - India needs to ensure **social protection for vulnerable groups,** such as the elderly, disabled, and children.
 - This can include programs like **pensions, disability benefits, and child support.**
- **Focus on Economic Opportunity:**
 - **Infrastructure Development, Foreign Investment, Fostering Innovation** can be helpful for creating economic opportunity.

Drishti Mains Question

Analyse the demographic dividend in India and its potential impact on the economy.

UPSC Civil Services Examination Previous Year's Question (PYQs)

Mains

Q. Critically examine whether growing population is the cause of poverty OR poverty is the main cause of population increase in India. **(2015)**