

Population and economic growth in India

Dr. Anil Kumar

anildogra18@gmail.com

Associate Professor

Department of economics

Govt Degree College Rakkar

Abstract

Numerous pros and cons accrete with the growth of the population and its size affects the all aspects of the economy. Human capital is one of the key factors in regards of the economic development which directly depends upon the size of population. The proportionate growth of the population and another resources, required in the process of the production, provide a stupendous result in terms of elevating the economic welfare the people. Most of the developing countries are experiencing a high growth population in comparison to its economic growth. This paper intends to ascertain the effects of high growth of the population at the economic development of the country and an attempt is made to suggest the nostrum to reign the population growth and make it a productive catalyst for the economic growth to have big spurt in the economy.

Exordium

The population grew at a very slow speed i.e., .002% per year till 17th century and with the advancement in science, agriculture and industry the population growth began to accelerate. There was only one billion population of World during eighteenth century and it gone up to 6.8 billion until now. Every four days the world population increases by one million. India, the largest democratic country in the world covers 2.4% of the total land of the world and 16% of the total world population inhabits in it. Every year about 1.6 crores persons are added to its population. According to the United Nations Fund on Population Activities (UNFPA) the world population increases by about 78 crores every year, India contributes about one-fifth of this growth. According to 2011 census, India now has a population of 1.2 billion comprising 624 million males and 587 million females. This is an increase of 181 million people since the census 2001 which is nearly equivalent to the population of Brazil.

OBJECTIVE OF THE STUDY

The main objective of the study is to ascertain the impact of human resources on economic development of the country

Hypothesis

- 1 Population is growing rapidly in India.
- 2 Increasing population is constraint for development.

Population Growth and Economic Development: The consequences of population growth on economic development have attracted the attention of economist ever since Adam Smith wrote in his “Wealth of Nations”. Adam Smith wrote, “The annual labour of every nation is the fund which originally supplies it with all the necessaries and conveniences of life”. It was only Malthus and Ricardo who created an alarm about the effect of population growth on the economy. But their fears have proved unfounded because population growth in Western Europe has led to its rapid industrialization. It is sometimes said that a growing population helps in economic development by providing an expanding market for goods. But it is an erroneous view. Actually, over-population retards economic development. All efforts at economic development under fast growing population turn out to be “Writing on sand with waves of population growth washing away all that we have written”. Population growth hampers the economic development in many ways.

➤ **Overemployment of Natural Resources:** Rapid population growth tends to overuse the country's natural resources. This is particularly the case where the majority of people are dependent on agriculture for their livelihood. With rapidly increasing population, agricultural holding become smaller and unremunerative to cultivate. There is no possibility of increasing farm production through the use of new land. Consequently, many households continue to live in poverty. In fact, the population of India has increased from 102.7 crores in 2001 to 121.01 crores in 2011 which leads to overuse of land, thereby endangering the welfare of future generations.

➤ **Per Capita Income:** The effect of population growth on per capita income is unfavourable. The growth of population tends to retard the per capita income in three ways- • It increases the pressure of population on land. • It leads to increase in costs of consumption goods because of the scarcity of the co-operant factor to increase their supplies. • It leads to a decline in the accumulation of capital because with increase in family members, expenses increase. These

adverse effects of population growth on per capita income operate more severely if the percentage of children in total population is high. Therefore, a large number of children in the population entail a heavy burden on the economy, because these children simply consume and don't add to the national product.

➤ **Agricultural Development:** In under-developed countries like India, people mostly live in rural areas. Agriculture is their main occupation. Thus, with population growth the land man ratio is distributed. Pressure of population on land rises because land supply is inelastic. It adds to disguised unemployment and reduces per capita productivity further. As the number of landless workers increases, their wages fall. Thus, low per capita, productivity reduces the propensity to save and invest. As a result, the use of improved technology and other improvements on land are not possible. Capital formation in agriculture suffers and the economy is bogged down to the subsistence level. The problem of feeding growing population becomes serious due to acute shortage of food products. These have to be imported which raises balance of payments difficulties. Thus, the growth of population retards agricultural development.

➤ **Capital Formation:** Growth of population retards capital formation. As population increases, per capita available income declines. People are required to feed more children with the same income. It means more expenditure on consumption and a further fall in already low savings and consequently in the level of investment. Further, a rapidly growing population by losing incomes, savings and investment compels the people to use a low level of technology which further retards capital formation.

➤ **Employment:** rapidly increasing population plunges the economy into mass unemployment and under-employment. As population increases, the proportion of workers to total population rises. But in the absence of complementary resources, it is not possible to expand jobs. The result is that with the rise in labour force, unemployment and under-employment increases. A rapidly increasing population reduces income, savings and investment. Thus, capital formation is retarded and job opportunities are reduced, thereby increasing unemployment. Moreover, as the labour force increases in relation to land, capital and other resources, complementary factors available per workers decline. As a result, unemployment increases. India has a backlog of unemployment which keeps on growing with a rapidly increasing population. This tends to increase the level of unemployment manifold as compared with actual increase in labour force.

➤ **Environment:** Rapid population growth leads to environmental damage. Scarcity of land due to rapidly increasing population pushes large number of people to ecologically sensitive areas such as hillsides and tropical forests. It leads to over grazing and cutting of forests for cultivation leading to severe environmental damage. Moreover, the pressure of rapid growth of population forces people to obtain more food for themselves and their livestock. As a result, they over-cultivate the semi-arid areas. This leads to desertification over the long run when land stops yielding anything. Besides, rapid population growth leads to migration of large numbers to urban areas with industrialization. This results in severe air, water and noise pollution in cities and town.

➤ **Social Infrastructure:** speedily growing population necessitates large investments in social infrastructure and diverts resources from directly productive assets. Due to scarcity of resources, it is not possible to provide educational, health, medical, transport and housing facilities to the entire population. There is over-crowding everywhere. As a result, the quality of these services goes down. To provide these social infrastructures requires huge investment.

➤ **Conclusion:** the above analysis shows that high growth rate of population has slowed down the pace of economic development in the developing countries. On the basis of above argument my hypothesis holds true that population growth is constraint for development. It is found that the fast-increasing population makes the task of absorbing the labour force in productive activities all the more difficult. So large increase in population is more a liability than an asset in the developing countries. It has also been also examined that increasing demand for agricultural land, firewood, dwelling units' etc. results in deforestation which adversely affects soil fertility, causes floods and affects the climate. It can be concluded large size of population and its fast rate of growth increases the consumption needs. This increases consumption expenditure. therefore, saving rate and capital formation does not increase much. A part of resources mobilized by such economies are eaten away by fast growing population. Despite this conclusion I want to express that the correlation between population growth and economic development could be favourable only when increasing population is proportionate to resources available in country and resources are to be exploited in its full capacity, in effective and efficient manner by the skilful, talented human resources in the countries like India.

Suggestions to Control Population Explosion: To control the population rate, the best method is to increase the income rate, promoting delayed marriages, encouraging female education and

employment, making available family planning methods through different outlets in urban, semi-urban and rural areas, Government should provide incentives and awards to people for adopting and promoting family planning measures, Government of India has made many laws regarding raising the minimum age of females marriages, education of child labour and others i.e. family planning. Government should take strict steps and make laws against the people who do not follow it, "Family Planning" means bearing of a child by will not by chance, Economic growth needs to be more equitably opportunity of Invest in health infrastructure to reduce infant and child mortality rate, social consensus for small family norm is promoted.

References:

Alsan, Marcella, David E. Bloom, and David Canning (2006). "The Effect of Population Health on Foreign Direct Investment Inflows to Low- and Middle-Income Countries", World Development, April, Vol. 34, No. 4, 613-630.

Attane, Isabelle (2002). "China's Family Planning Policy: An Overview of Its Past and Future." Studies in Family Planning, Vol. 33(1), pages 103-113.

Acemoglu, Daron, and Simon Johnson (2007). "Disease and Development: The Effect of Life Expectancy on Economic Growth." Journal of Political Economy, Vol. 115(6), pages 925-985.

Mehta, P. (n.d.). Main effects of Population explosion in India. Retrieved from www.economicdiscussion.net:

. States times. (n.d.). List of indian states by population. Retrieved from www.statisticstimes.com: <http://www.statisticstimes.com/demographics/population-of-indian-states.php>

Times of India. (2018, Oct. 15). India Ranks 103 on Global Hunger Index. Retrieved from www.timesofindia.indiatimes.com: <https://timesofindia.indiatimes.com/india/india-ranks-103-on-globalhunger-index/articleshow/66227550.cms>

Trading Economics. (n.d.). India GDP. Retrieved from www.tradingeconomics.com: <https://tradingeconomics.com/india/gdp>

Trading Economics. (n.d.). India Population. Retrieved from www.tradingeconomics.com: <https://tradingeconomics.com/india/population>

Trading Economis. (n.d.). India unemployed persons. Retrieved from www.tradingeconomics.com: <https://tradingeconomics.com/india/unemployed-persons>