

Abhilash Baranwal

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Demography of India - Visible Dividend or Invisible Disaster

Long years ago, we made a treaty with destiny, & now the time comes when we shall redeem our pledge when we step out from the old to the new, when an age ends, and when the soul of a nation, long suppressed, finds utterance.

— Pandit Nehru.

India recently entered the list of middle income countries when its per capita income (PPP basis) crossed \$6000 a year mark. Set to become the most populous country by 2030, India faces a paradox. While it is the fastest growing large economy in the world, it still is the home to 30% of global poor. Striving to become the second pillar of the Asian century i.e. 21st century besides China, the demography of India offers a unique opportunity; something that makes Nehruji's words as relevant ^{now} as they





were ~~even~~.

~~Demographic dividend~~ ~~scapes~~ ^{HT.}

The Prime Minister of India, Narendra Modi offered India's strength as its

4D - Demography, Democracy, Demand and Deregulation. Demography implies the presence of larger ~~num~~ ^(15-59 years) fraction of working age population, compared to the dependent population in children and adults. It is once in a lifetime of national opportunity that is a result of Malthusian demographic transition

from high birth, high death to a low birth, low death country. By 2026,

India's working age population will be 64% of its total population. In fact,

Economic Survey 2016-17 estimates that

India's sweet spot would last till 2035-40. A World Bank study showed

that nearly one-third of the growth of East Asian "miracle economies" were

Write
small
paras

Briefly
Mention
about it.

An English
professor/examiner

may not
have sufficient
background
on geography

So brief
explanation
will do no
harm

directly attributable to the demographic dividend.

Is Demographic Dividend ^{my a better phrase} inevitable?

What is inevitable is the sweet spot and the potential. It converts into demographic dividend when the workforce is made more productive and employed in more productive jobs.

Avoid
Hath in
English

Demography + More productivity of labour
+ Productive jobs + Structural transition
+ Institutional facilitation = Demographic
DIVIDEND.

What is productive labour?

This is ensured by providing education, skills, ~~and~~ healthy ~~disease free~~ life, and entrepreneurial initiative to the bulging workforce. Effectively each person produces more than before. e.g. the effective contribution of an engineer is more than a mechanic owing to her superior training (on average).

What are productive jobs?

These jobs are more value adding



in nature and has the ability to be scaled up in future. e.g. → A factory worker in organised sector is almost 15 times more productive than unorganised sector. Moreover, with improvement in technology, it can be further scaled up. It is important to note that the potential of scaling up is naturally limited in agriculture.

Structural Transition — This implies gradual movement of workforce from ~~lower~~ lower productive agriculture to secondary and further into tertiary sector.

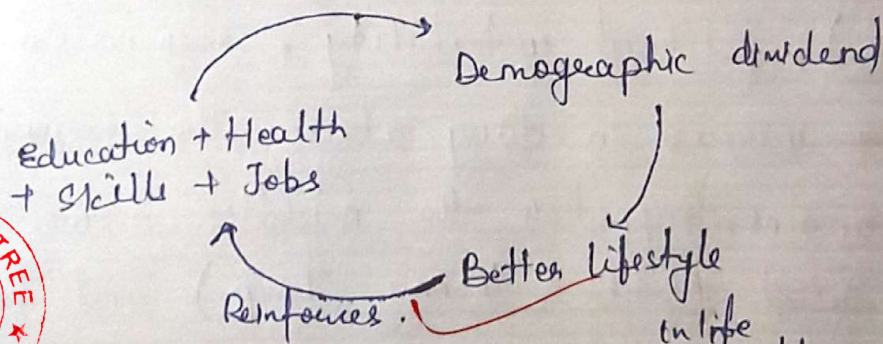
Institutional Facilitation — The state of infrastructure, regulations, policies and the business sentiment in the economy.

gnd
The true demographic dividend is a cumulative result of all the four compositional developments. As a result, the growth rate of GDP of economy is high and sustains over a large time. e.g. → South Korea, China etc have been





able to sustain a very high rate for more than 2 decades. Simultaneously, there are technological developments in the country. The social indices like mortality rates, disease burdens, educational attainment, political stability etc. further improve owing to better income for workforce. The govt. is blessed with larger resources which is deployable to curb inequities in society and promote social welfare. Thus, a virtuous cycle is obtained.



However like most things, ^{in life} the demographic sweet spot is a double edged sword.

Potential of Inevitable Disaster

If the productive jobs are not expanded at a rate which can absorb the new entrants into workforce, it can spell disaster for a country. Apart from



UPSC TREE

#attis deepa bhava

the foregone, once in a lifetime, growth opportunity, it builds resentment among the youth. With the current enhanced exposure to internet with ^{near} universal primary education, the aspirations of people are rising. It is worthwhile to remember that growing unemployment was one of the chief triggers of the Arab Spring ^{and} aside from democratic aspirations. Society is rendered vulnerable to more crimes, communalism (to grab larger share of small pie), political instability, regionalism and increase in drug abuse. The economy remains trapped in the middle income range (called Middle Income trap) and forfeits chances to become a power.

How India is faring in capitalising on its sweet spot?

To be able to answer these, let's present some sector wise statistics:→



① Education - ① Census 2011 says only 11-12% Indians are graduates compared to more than 30% in China.

② Arunima Sen ~~has~~ ~~to~~ highlighted the 'sampant teacher absenteeism' in his book

③ India and its Contradictions? ASER-2016 notes that teacher absenteeism has significantly increased since 2009.

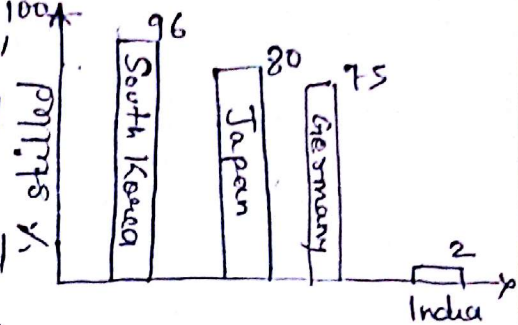
④ ASER 2016 ~~found~~ that less than half of the class V students could read a text of class II - A telling commentary on quality of education.

⑤ Health Indicators - According to Regional Survey of Children 2013, 39% children are stunted, 15% are wasted, 42% are malnourished, over 50% are anaemic. Similarly India's Infant and Maternal mortality rates remain high at 41/1000 and 167/lakh births which is ~~also~~ ^{even} higher than Nepal. Without being able to eliminate ^{communicable} diseases like malaria, TB, dengue etc, India is also becoming burdened by lifestyle diseases.



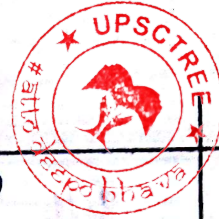
③ Skills - Less than 2.5% of Indian workforce is formally skilled. To put that in perspective,

Moreover India's annual skill training capacity is at 5 million compared to 90 million of China.



④ Job Creation - Out of 48 million people which left agriculture between 2004-05 to 2011-12 (Economic Survey 2013-14), 36 million got employment in low productive construction sector. Against a requirement of 10-11 million job creation ^{annually}, the Labour Bureau report 2016 showed merely 1.56 lakh jobs were added in first nine months of 2015-16.

⑤ Structural Transition - The manufacturing output remains stuck at 16% of GDP since 1991-92. Much of that is assembly capacity instead of design and develop. Also, the informalisation of ~~the~~ even organised sector since 1991 means 93% of workforce is in informal sector.



Is the situation stagnant?

The statistics have spoken for themselves. But the government is cognizant and any ~~pro~~ situation has to be assessed in light of the base from ~~where~~ it started. Moreover the requisite changes are being made. ~~The~~ The New Education Policy 2018 ~~limits~~ No Detention Policy to Class V and emphasizes on teacher's training. ~~The~~ New Health Policy 2017 commits increasing expenditure in health to 2.5% of GDP by 2025 and instituting free drug, free diagnostic regime. The Skill India Policy aims at skilling nearly 500 million Indians by 2021-22. The National Apprenticeship Promotion Scheme, based on German model is improving the apprenticeship regime. Most importantly, the Make-in-India scheme ~~coupled~~ with FDI reforms, New Steel Policy, thrust to infrastructure etc ~~assure~~ a co-creative approach and generation of 100 million manufacturing jobs.

→ 2%
Share of
GDP



Indian demographic sweet spot will extend till 2035-40 ~~and will~~. Though peaking at a lower working age population fraction, it affords another generation to India. The elimination of small pox, polio, maternal tetanus and leprosy has shown the strength of Indian determination. The recent demonetisation exercise showed the potential of Indian masses to sacrifice if they believe the cause is just. With the policy and infrastructure push, there is no reason to believe that India has missed the bus of demographic dividend.



expatiation India is an experiment. At times, chaotic due to its diversity, democratic polity and civilizational pride, yet a glorious experiment. The newly democratic countries are watching with bated breath how India shapes up in future. ~~Let's~~ for Rajiv Gandhi said - 'India is an old country, but a young nation. We are impatient, I am impatient and I too have a dream ^{for India}. Strong, independent and, self Reliant and Among front rankers of the world.'



What else is urgently needed?

At the level of ~~government~~, labour reforms are ~~the~~ need of hour. In a world of ~~disrupt~~ ^{mobile} capital and production facilities, stringent ~~labour~~ laws have led to stunted growth and informalisation of labour. The term-employment model introduced for textiles is a welcome change. Secondly, ~~employment~~ intensive sectors like ship-building, electronics, tourism, etc need renewed thrust. The Mudra Bank Yojana and Stand Up India schemes are welcome initiatives.



At the level of people, we need a more risk-taking, perfection-seeking spirit. Ferdinand Porsche said -

"I couldn't find the sports car of my dreams. So I built it myself"

The culture of 'Jugaad' and attitude of 'Chalta hai' will have to be dispensed.

There is time; Isn't it?

Economic Survey 2016-17 highlighted that



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Let's ~~ple~~ build that India to fulfil
its ~~tryet~~ with destiny.



use "magic ~~colae~~ effect" in
camscanner

Dear Abhilash,

you have written a good essay. However
it can be better.

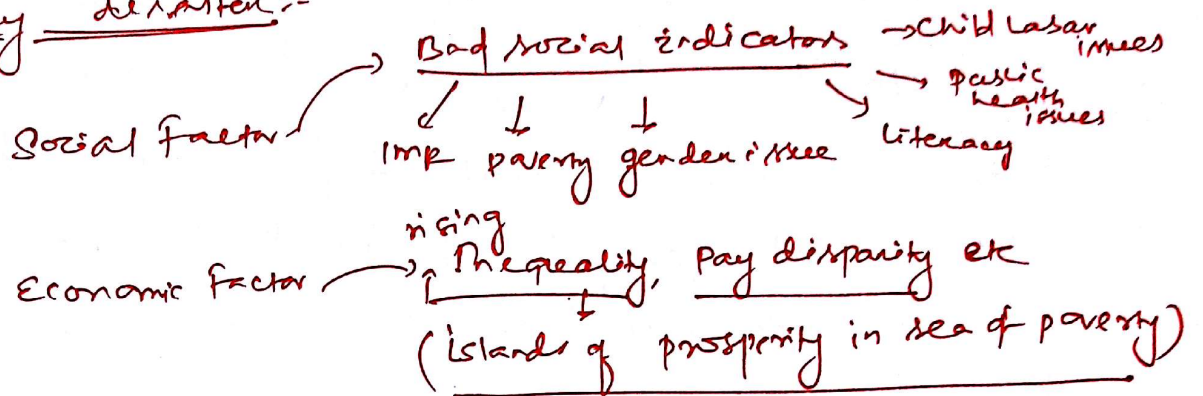


Ideas to enrich the essay :-

- (1) Avoid too many bullet points, math signs etc in essay. (Of course, there is no '~~handwritten~~' rule as such, but it hampers the flow and coherence of the essay.)
- (2) you have asked many questions in the essay; but the questions ^{should} ↑ Flaw/emerge directly from preceding paragraph.
- (3) Hence, you have to work on a proper framework and give emphasis to coherence in the essay. Allot 15-20 mins for proper structuring.
- (4) your ideas, sentence formation and ability to represent certain ideas are good, keep it up.
- (5) When you give a reference to certain theory, try to briefly explain it.

(6) Try to discuss the disaster aspect first and then dividend; so that towards the end the essay develops optimism.

(7) Why disaster:-



Social fault lines → Reservation demand & entailing violence, communal clashes, polarization of society on the basis of caste, religion etc, Regionalism & water wars → (water stressed condition of India & agri sector)
Con of soil movement etc.



Disaster growth → Data & why it is happening?
(i.e. investors are mostly interested in FDI than FDI capital creating capital)
climatic episodes & threat to demography —
agri-sector, urban flood, drought etc

women :- Low participation rate in formal economy
(6% in agriculture)

Tribal issues :- Low literacy, Lack of access to basic needs, remote location etc.

Domestic Factors

global
factor



- Reverse migration from gulf & middle east crisis
- Rise of de-globalizing trends, protectionism (H1B visa tightening, Brexit etc)
- Fourth industrial revolution and rise of machines (3D printing, Internet of things, AI) → WB says china will loose more than 80% & India will loose more than 60% of jobs. (due to 4th IR & automation) ↓

Many low-skilled jobs will be lost.

Then, after painting the gloomy picture, show why it can be a dividend.

- Good & healthy democracy
- Strong civil society & pro-active govt.
- Good education sector
- Rising income across all sections of society (rising purchasing power)
- Push for digital economy & good governance
- Better foreign policy
- Ageing globe & young India & low India can be human resource powerhouse of the globe
- Make-in-India, Skill India, ^{Start-up India,} etc gives hope.
- China is losing labour cost advantage; so India can fill the void here especially in clothing & footwear industry. ~~also~~ ALSO these are labour-intensive industries.

of course, you are aware of these ideas,
 and have discussed it (if not all, at least many)
 in your essay. But you have to work towards
 representing your essay as a coherent body
 of work rather than a disjointed unit
 put together.



Apart from that, as mentioned earlier
 write small paras (one-para-one-thing) as
 it imparts clarity to the essay. You are
 an excellent writer; little work in representation
 can make it much better. Expecting better
 essays from you.

Keep writing -

Best of luck

Marks:-

Aesthetic
 depth
 language
 grammar

12/25

Content
 diversity
 critical aspect

55/100

Read strategy in
Paras

67/125