



IMPACT OF POPULATION GROWTH ON ECONOMIC DEVELOPMENT IN INDIA

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Abstract : India is the largest population country in the world. India population are 1.44 crores in the year of 2024. India Population is equivalent to 17.76% of the total World Population. The impact of population growth on Economic Development in India is a significant and complex phenomenon with both positive and negative implications. The country's expanding population has contributed to a larger workforce and a growing domestic market, potentially boosting productivity and stimulating economic growth. However, rapid population growth has also strained resources, exacerbated unemployment, and put pressure on infrastructure, posing challenges to sustainable development. Effective policies focusing on education, skill development, infrastructure investment, and family planning are crucial to harnessing the demographic dividend and mitigating the adverse effects of population growth on India's economic trajectory.

This research paper aims to highlight the various adverse effects of overpopulation and its impact on the economic development of our country.

Keywords: Population, sustainable, poverty, unemployment, significant, ecosystem, economic.

I. INTRODUCTION

Population explosion is affecting the standard of living. Overpopulation creates problems such as unemployment, food shortages, low per capita income, capital formation problem, high pressure, social problems, economic insecurity, social insecurity, pressure on land and degradation of the environment. The population is the end as well as being a means of economic development in India. It becomes an asset if it is sufficient in strength and liability if it is high in strength. Population in India has crossed the limit and has become an obligation. Therefore, the problem of overpopulation in India has proved to be a major impediment to the success of financial planning and development. India's current population contributes to 17% of the global population. India's economic planning and development are heavily affected by changes in population. India is still considered a developing country with its growing human resources and abundant natural resources. India is still not in a position to adequately utilize its natural resources for the welfare of the growing population. Poverty in India results in poor clothing, inadequate housing, poor medical care and undernutrition. India's situation today is marked by a lack of electricity in many villages, inadequate food for a large part of its population, and very few health care and education facilities. The present article

examines the relationship of the population with increasing unemployment, the environment with poverty and urbanization and the deteriorating environment. The study shows that the country's population growth is putting a growing burden on the country's limited and rapidly decreasing natural resource base. Natural resources are under increasing pressure, even though most people survive at subsistence levels.

Population pressure on arable land contributes to land degradation. The increasing population numbers and rising prosperity have already resulted in a rapid increase in energy production and consumption in India. The impact of the population growth rate on economic growth is one of the most debated topics on earth. Many theories suggest that the increase in population hurts both the economic growth and development of a country. All these debates have begun since Malthus proposed his theory in the book “An Essay on the Principle of Population”. He tried to find out the reasons for low returns in most countries and he said population growth is the major reason.

The population explosion Based on the history of all developed countries we find that human capital is a major component of development. This can be said from the fact that the resources required for economic growth are driven by the availability of human capital. Other positive effects of population growth are economies of scale and increased market potential for goods produced in the country, and compared to the old population they bring new attitudes, ideologies, and creativity. But population growth can also be an obstacle to the development of a nation. This is because the growing human population has to spend many resources and this puts pressure on the limited natural resources the country has and uses the resources to retain capital rather than increase the stock of capital per worker.

It is therefore important to study the relationship between these variables. Anecdotal evidence on the relationship between population growth and economic growth does not lead to a uniform or normative conclusion. It just varies from one country to another and what is found in the past may not apply to the future. But, likely, the history of the relationships between these variables in a country can predict future relationships. It is therefore important to pay attention to these variables in India. This paper is quite different from the other papers in terms of how to interpret the variables and theories used.

Objective of the Study

The main objective of this study is to know about the hypothesis i.e. how do human resources make an impact on Economic development of the country.

Hypothesis of Study

Hypothesis taken in this study is

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 labor of every nation is the fund which originally supplies it with all the necessities 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 markets 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

1. Overuse 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.

2. Per Capita Income

The effect of population growth on per capita income is unfavorable. 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.

3. Agricultural Development

In under-developed countries like India, people mostly live in rural areas. Agriculture is their main occupation. So 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 worker 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.

4 .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.

5. Employment

A 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 labor 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 labor 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 labor force.

6. 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. 7-

6. Social Infrastructure

Rapidly 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

Population Growth has both positive and negative impacts on Economic development in India:

Positive impacts:

- 1. Increased workforce:** A growing population provides a larger workforce, which can lead to increased productivity and economic growth.
- 2. Consumer market:** A larger population creates a bigger consumer market, attracting investments and stimulating economic activity.
- 3. Innovation and entrepreneurship:** A growing population can lead to more innovation and entrepreneurship, driving economic growth.

Negative impacts:

- 1. Resource depletion:** A growing population puts pressure on natural resources, leading to depletion and environmental degradation.
- 2. Unemployment and poverty:** If population growth outpaces job creation, it can lead to unemployment and poverty.
- 3. Strain on infrastructure:** A growing population puts pressure on existing infrastructure, including roads, housing, and public services.
- 4. Increased inequality:** Population growth can exacerbate income inequality, as resources and opportunities may not be distributed evenly.
- 5. Dependence on agriculture:** A growing population may lead to increased dependence on agriculture, which can limit economic diversification and growth.

Suggestion s to control Population explosion

1. To control the population rate, the best method is to increase the income rate.
2. Promoting delayed marriages.
3. Encouraging female Education and Employment.
4. Making available family planning methods through different outlets in urban, semi-urban and rural areas.
5. Government should provide incentives and awards to people for adopting and promoting family planning measures.
6. Government of India has made many laws regarding raising the minimum age of females marriages, Education of child labor and others i.e. family planning. Government should take strict steps and make laws against the people who do not follow it.
7. “Family Planning” means bearing of a child by will not by chance.
8. Economic growth needs to be more equitably opportunities.
9. Invest in health infrastructure to reduce infant and child mortality rate.
10. Social consensus for small family norm is promoted.

Conclusion

The impact of overpopulation is huge on the Indian Economy. The pressure it puts on the Economy is getting worse over the year. The above analysis shows that the high growth rate of the population has slowed the pace of economic growth in developing countries. Based on the above argument, my hypothesis is true that population growth impedes development. It has been found that the fast growth of the population makes the task of absorbing the labour force in productive activities more difficult. Such a large increase in population is more of an obligation than an asset in developing countries. It has also been investigated that the increasing demand for agricultural land, firewood, housing units etc. results in deforestation which adversely affects soil fertility, causes flooding and affects the climate. It can be concluded that the large size of the population and its growth rate increase consumption needs. This increases the consumption expenditure. So, the savings rate and capital formation do not increase much. A portion of the resources

mobilized by such economies is consumed by the rapidly growing population. Despite this conclusion, I would like to express that the relationship between population growth and economic growth can be favorable only if the growing population is proportional to the resources available in the country and the resources are fully utilized by skilled, talented human resources in countries like India.

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