
POPULATION GROWTH AND SOCIO ECONOMIC PROGRESS IN DEVELOPING COUNTRIES

Dr. Hemant Kumar Singh

Senior Lecturer, Department of A.B.S.T.

Rajesh Pilot Government (P.G.) College, Lalsot (Dausa)

Abstract:

The debate on the relationship between population growth has been undergoing and varies across countries. Economists have often neglected the impact of fundamental demographic processes on economic growth. A high population growth is a growing concern throughout the world and a challenge to countries economies.

The world's population was about a billion in 1800 and case to 2.5 billion in 1950.(Martin 2009). In the year 2007 the world's population was 6.7 billion and is projected to rise to 9.2 billion by 2050 with almost all population growth projected to occur in what are now considered less developed region. Between 1950 and 2000, when the world's population increased from 2.5 billion to 6.1 billion, the major shifts in population weights by continent were the result of changes in fertility and mortality rather than large scale migration.

Present paper is an attempt to examine the impact of the various dimensions of the demographic transition on per capita GDP growth in developing countries. A high rate of population growth not only has an adverse impact on improvement in food supplies, but also intensities the constraint on development of savings, foreign exchange and human resources. Rapid population growth tends to depress savings per capita and growth of physical capital per worker.

Key words: Socio-economic, Population, Density, Developing, Country

Introduction

Population growth plays a conflicting role in the development process of a country. It helps economic development and it retards economic development. The Relationship between population growth and economic development may be summarised in the words of Rahart Mc Namara – The past president of the world bank. It described it as the most delicate and difficult issue of our era. It is over head with emotion. It is controversial. It is subtle alone all, it is immeasurability compare.

Mao Zedong once remarked that –“A country greatest wealth is its people.”

As far as the size of population is concerned, India Ranks second in the world next only to China. India landscape is just 2.4% of the total world area, whereas its population is nearly 17.5% of the world population.

These facts clearly indicates that the pressure of the population on the land in this country is very high.

Socio Economic Benefits of Population Growth

Population growth helps the process of development in the following ways:

1. First, an increasing population means an increase in the number of working population who can function as active participants in the process of economic growth and development.

It is to be noted that labour, assisted by necessary tools and implement, was always and still is the greatest productive asset of nations. A growing population leads to an increase in total output.

2. Secondly, a growing population means a growing market for most goods and services and we know that division of labour is limited by the extent of the market. A potentially expanding market may stimulate entrepreneurs to invest more and more in capital goods and machinery. Business activity will be spurred as a consequence. And more income and employment will be created in the process. Moreover, it will provide an outlet for the products of efficient, large-scale, mass-production industries. The net effect may be favourable to the country.

Population Growth – An Obstacle

Population growth is regarded as an obstacle to economic development. Due to the following reasons:

(i) Population Growth and the Declining land- Man Ratio

As the pressure of the population on land has been continuously increasing in other words land –Man ratio is declining. This is a serious obstacle to the development of the nation.

Census 2011, reveals the density of population in the country is 382/sq. km. as against 117 per sq. km. in 1951. This increase in density of population may look alarming, if one makes the assumption that over the years neither the utilizable resources have increased, nor the technological knowledge has grown.

Population Growth and Capital Formation

Rapidly growing population makes increasing demands on resources for unproductive purposes and thus hinders capital accumulation. And since growth is assumed to be a function of capital accumulation, it is quite logical to infer from the fact that in a country like India, where rate of population growth continues to the high, much development would not materialize.

Even to maintain the existing level of per capita real income, it is essential that national income may increase in the proportion, equal to proportion of population growth. In India, the present population growth rate is 1.9% per year. Hence to maintain the level of exciting per capita real income. It is essential that the national income may also be 1.9% per year.

3. Shortage and Impact of Food Grains

Due to the increasing population, the demand for food in many developing countries is increasing rapidly. However, because of low agriculture productivity, the supply of food grains has failed to keep pace with the increasing demand. This has led to serious food crisis in many developing countries. This has forced these countries to resort to large scale imports of food grains off an on. Which had created serious Balance of payment crisis for the developing countries.

4. Agricultural Development

In developing 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. 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.

5. Population Growth & Employment

The rapidly increasing population of the developing countries has resulted in large scale unemployment and under employment. Because of the failure of the secondary and tertiary sectors to expand employment opportunities. At a fast enough rate, more and more people have to fall back on agriculture and aquaculture to be out a living. The pressure on agriculture increases leading to the problem of disguised unemployment. As the population is increasing, the proportion of workers to total population is rising. But in the absence of complementary resources, it is not possible to expand. The result is that with the rise in labour force, unemployment and under-employment increase.

Conclusion

The above analysis shows that high growth rate of population has slowed down the pace of economic development in the developing countries. It is found that the fast increasing population makes the task of the labour force in production activities all the more difficult. Large increase in population is more a liability than an asset in the developing countries.

The moot point is that population growth may be either favourable or unfavourable to economic development, depending on where, when and how it taken place.

Today, an international consensus has been reached. A country may strike a higher growth and development if population increases slowly.

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