



Population Growth, Poverty and Unemployment in India: A Contemporary Metro Cities Analysis

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Abstract

This paper represents a preliminary attempt to examine the successes and failures of the Indian economy in integrating population issues with development planning and what, were, or would be, the consequences of rapid population growth for the alleviation of poverty in the country. The first section of the paper analysis that the momentum of population growth during the period 1951 to 2020 and examines the prospects of reducing its growth rate in future. The second sections presents a broad analysis of a few important related to labour market adjustments in response to population growth. This section analysis for the concepts used in measuring employment and unemployment in metro cities in India, the metro cities would be encourage for the development issues and pressure on employment by the enormous increase in labour force during the next future decades.

Key words: Development Planning; Population Growth; Employment; Unemployment

Introduction

Human capital is one of the important role to determine the level of development in all economies of the world. The low level of human capital can be attributed to several factors like high growth rate of population, poverty, unemployment inequality, illiteracy mortality and morbidity, low level of income and low level of consumption etc. These factors mostly prevail in developing countries like ours and they are responsible for slow growth of their socio-economic development (Kim and Singh, 2002).

The study of human resources is vital with the perspective of economic welfare. It is particularly important because human beings are not only instruments of production but also ends in themselves. When in right numbers, they are an asset, but not so if there number is beyond the carrying capacity of the economy- they infect become a liability. It is necessary to know in quantitative terms the number of people living in a country at a particular time and the rate at which they are growing i.e. the growth of population (Srivastava, 1987).

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There was a time when population was characterised by high fertility and equally high mortality, low life expectancy and a young age structure. These factors had a significant role in stabilizing a population. However, with steadily decreasing mortality as a result of availability of a sophisticated health delivery system, high fertility has become a bane of countries like India which are besieged with what demographers and policy makers alike call population explosion (Khader, 2000).

As a population grows larger, the ability to restore resources for development may grow progressively smaller. This is true for individual nation just as it is true for entire world. Too few people may retard economic development as surely as too many people might. With a limited Gross national Product (GNP) in less developed countries like India, larger the size of population, the smaller will be the per capita income and the lower the level of living standard. It is hard to increase per capita income quickly, it is necessary either to achieve rapid economic growth or to restrict additional population growth (Tiware, 2000).

India's population is growing rapidly. This has posed many difficulties in the way of economic development. Growing population has forward and backward linkages with the other economic dynamics particularly poverty and unemployment. Rising population is accompanied by a rise in the labour force of the community which leads the substantial chunk of population to unemployment (Pethe, 1982).

As a matter of fact, unemployment is that situation, when people are willing to work at the prevailing wage rate but they didn't get work. Hence, it makes the solution of the problem of unemployment more intricate. Obviously, a significant proportion of the national resources will have to be used to expand employment opportunities to absorb the increasing labor force and the backlog of unemployed left over due to the continuous pressure of a rapidly growing population (Dev, 2000).

The rising population has serious implications on poverty also. Poverty can be defined as a social phenomenon in which a section of the society is unable to fulfill even its basic necessities of life. When a substantial segment of society is deprived of the minimum level of living and continues at a bare subsistence level, that society is said to be plagued with mass poverty. Due to poverty, rapid industrialization, haphazard urbanization, destructive exploitation, overuse of natural resources, and environmental stress is inevitable. Ecological degradation is being manifested in the poor air and water quality, deforestation, inadequate urban services and sanitation, indoor population in rural areas, water scarcity and over extraction of ground water to irrigation to ensure food security for rapidly growing population (Dandekar and Rath, 1971).

As liberalization and globalization of the economy gain currency in a fast changing world economic order, it is being realized in the policy circles that stabilizing population is an essential component of sustainable development with more equitable distribution, unemployment and poverty alleviation (Premi, 1991). In this present study we have made an attempt to surface the recent status of population growth, poverty and unemployment in India on account of considerable inter linkage among them, which in turn have far reaching consequences on the economic development of the country.

Objective of the study

The objective of the present study is to bring out forth the present situation of population growth, poverty and unemployment in India.

Data Base

The present paper is entirely based on analytical nature and makes use of secondary data. The secondary data have been collected from Primary Census Abstract 2001 and 2011, Census of India, National Sample Survey 68th Round and Planning Commission.

Table 1: CAGR for the Population Trends in India during 1951 to 2020

Year	Population (Nos.)	Year	Population (Nos.)	Year	Population (Nos.)
1951	364922360	1981	712869298	2011	1257621191
1952	372997188	1982	729169466	2012	1274487215
1953	381227705	1983	745826546	2013	1291132063
1954	389731406	1984	762895156	2014	1307246509
1955	398577992	1985	780242084	2015	1322866505
1956	407656597	1986	797878993	2016	1338636340
1957	416935399	1987	815716125	2017	1354195680
1958	426295763	1988	833729681	2018	1369003306
1959	435900352	1989	852012673	2019	1383112050
1960	445954579	1990	870452165	2020	1396387127
CAGR	2.25	CAGR	2.25	CAGR	1.17
1961	456351876	1991	888941756	OVER ALL CAGR	2.05
1962	467024193	1992	907574049		
1963	477933619	1993	926351297		
1964	489059309	1994	945261958		
1965	500114346	1995	964279129		
1966	510992617	1996	983281218		
1967	521987069	1997	1002335230		
1968	533431909	1998	1021434576		
1969	545314670	1999	1040500054		
1970	557501301	2000	1059633675		
CAGR	2.24	CAGR	1.97		
1971	569999178	2001	1078970907		
1972	582837973	2002	1098313039		
1973	596107483	2003	1117415123		
1974	609721951	2004	1136264583		
1975	623524219	2005	1154638713		
1976	637451448	2006	1172373788		
1977	651685628	2007	1189691809		
1978	666267760	2008	1206734806		
1979	681248383	2009	1223640160		
1980	696828385	2010	1240613620		
CAGR	2.25	CAGR	1.56		

Source: Calculation is based on data collected UN.

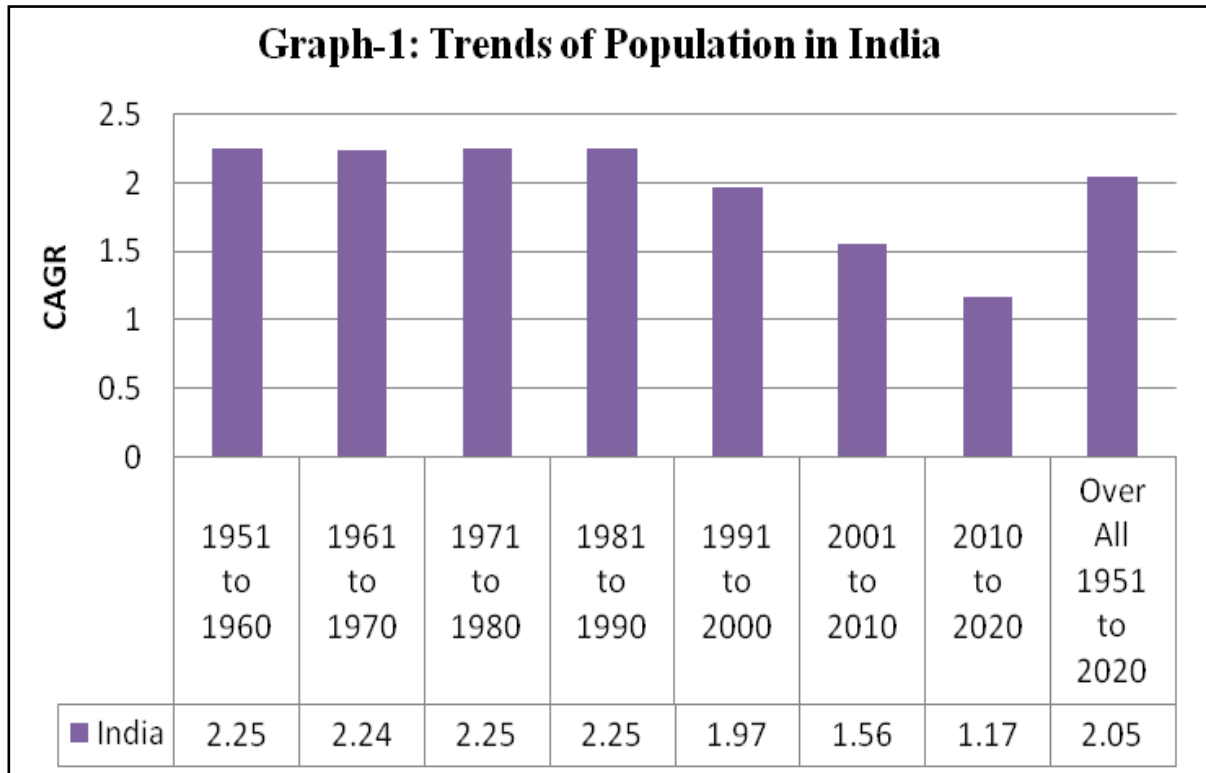


Table 1 presents the performance of the trends of the population in India during the period of 1951 to 2020. The table clearly reveals that the performance of population has been increased from 1951 was 36, 49, 22, 360 to 139, 63, 87,127 in 2020 with growing at 2.05 per cent. India is the most populous country in the world with one-sixth of the world’s population. According to UN estimates, India overtook China in having the largest population in the world with a population of 1,425,775,850 at the end of April 2023.

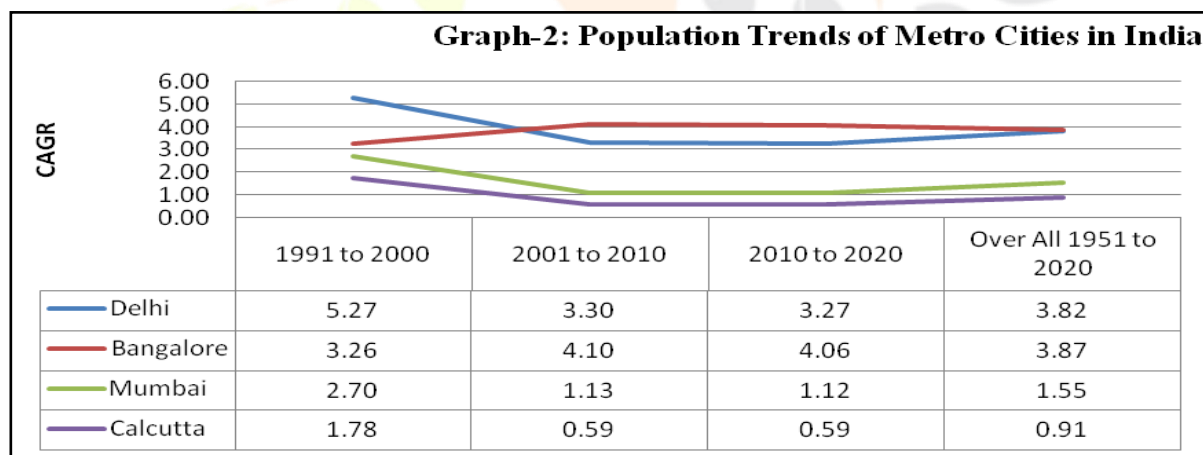
Between 1975 and 2010, the population doubled to 1.2 billion, reaching the billion mark in 2000. India overtook China to become the most populous country at the end of April 2023. As of the UN data released in April 2023, India has surpassed China to become the world’s most populous nation. According to the UN’s World Population dashboard, India’s population now stands at slightly over 1.428 billion, edging past China’s population of 1.425 billion people, as reported by the news agency Bloomberg. Its population is set to reach 1.7 billion by 2050. In 2017 its population growth rate was 0.98%, ranking 112th in the world; in contrast, from 1951 to 1960, 1961 to 1970, 1971 to 1980 and 1981 to 1990 India’s population grew by an CAGR about 2.5 per cent.

Table 2: Population Trends for the Selected Metro Cities in India during the Period of 1991 to 2020

Year	Delhi	Bangalore	Mumbai	Calcutta
1991	9885000	4182000	12709000	11176000
1992	10406000	4318000	13052000	11375000
1993	10954000	4459000	13403000	11577000
1994	11531000	4604000	13764000	11783000
1995	12138000	4754000	14135000	11992000
1996	12779000	4909000	14517000	12206000
1997	13451000	5069000	14908000	12422000

1998	14160000	5234000	15309000	12643000
1999	14906000	5405000	15722000	12868000
2000	15692000	5581000	16147000	13097000
CAGR	5.27	3.26	2.70	1.78
2001	16414000	5779000	16496000	13278000
2002	16956000	6015000	16683000	13356000
2003	17516000	6262000	16872000	13435000
2004	18095000	6519000	17064000	13515000
2005	18691000	6786000	17257000	13595000
2006	19309000	7064000	17453000	13676000
2007	19946000	7354000	17650000	13757000
2008	20606000	7656000	17851000	13838000
2009	21285000	7969000	18053000	13920000
2010	21988000	8296000	18257000	14003000
CAGR	3.30	4.10	1.13	0.59
2011	22714000	8636000	18464000	14086000
2012	23464000	8990000	18674000	14169000
2013	24239000	9358000	18885000	14253000
2014	25039000	9742000	19099000	14338000
2015	25866000	10141000	19316000	14423000
2016	26720000	10557000	19535000	14508000
2017	27602000	10990000	19756000	14594000
2018	28514000	11440000	19980000	14681000
2019	29399000	11883000	20185000	14755000
2020	30291000	12327000	20411000	14850000
CAGR	3.27	4.06	1.12	0.59
Over All CAGR	3.82	3.87	1.55	0.91

Source: Calculation is based on data collected UN.



The 74th Amendment to the Indian Constitution defines a metropolitan area as an area having a population of 10 lakh or 1 million or more, comprised in one or more districts and consisting of two or more Municipalities.

Table 2 presents the population trends for the selected metro cities in India during the period of 1991 to 2020. The table clearly reveals that there are selected metro cities like, Delhi, Bangalore, Mumbai and Calcutta which have positive growth rate during the same period. Among these are Delhi highest grew at the 5.27 per cent during the period of 1991 to 2000. Bangalore and Delhi also highest grown at the rate of 3.87 and 3.82 per cent respectively during the period 1991 to 2020. And also Mumbai 1.55 per cent and Calcutta about 0.91 per cent during the same period.

Poverty in India during Period 1977 and 2021

Poverty in India is a complex and multifaceted issue influenced by a combination of historical, economic, social, and political factors. Several renowned economists and leaders have provided insights into the root causes of the high poverty rate in India

Amartya Sen, the Nobel laureate economist, has highlighted the importance of addressing social inequalities and investing in education and healthcare to combat poverty in India and sustain economic development

The 2023 Multidimensional Poverty Index Report finds over a third of all poor people in the world live in South Asia, which is around 389 million people. India contributes significantly to this number, accounting for almost 70 percent of the increase in extreme poverty.

The World Bank defines poverty using the International Poverty Line, which designates extreme poverty at \$2.15 per person per day, while \$3.65 falls under the lower-middle income category, and \$6.85 is classified as upper-middle income.

Considering the poverty line set at \$3.65, India's contribution constitutes 40 percent of the slight upward adjustment in the global poverty rate, moving from 23.6 percent to 24.1 percent.

Dadabhai Naoroji, a strong critic of British economic policy in India, explained the financial exploitation of India under British colonial rule through the Drain Theory. According to Naoroji, the economic surplus generated in India was drained to Britain, leaving the Indian economy impoverished. He argued that this drain took various forms, including the remittance of profits to Britain, high salaries for British officials in India, and the payment for goods and services imported from Britain.

Let's see how British economic policy in India contributed to the poverty in India:

1. Economic Exploitation
2. Imbalance in Trade
3. Impact on Indigenous Industries
4. Financial Exploitation
5. Financial Integration
6. Legacy of Inequality

Poverty in India after Independence

After gaining independence, India continued to face significant challenges in overcoming poverty. The causes of poverty in India include:

1. Historical legacy
2. Unequal distribution of resources
3. Corruption and governance issues
4. Weak institutions
5. Dependency on primary commodities
6. Social inequalities

7. Population growth

8. Global economic factors

The Performance of the poverty in India during the period of 1977 to 2021 has been presented in Table 3. Most interestingly the poverty in India has declined 63.11% to 11.9% during the period of 1977 to 2021. However, India's poverty rate at 11.9% in 2021 also remained higher than the 2018 level of 11.09%, though easing from 14.72% in 2020.

Table 3: The Poverty Rate in India during the Period of 1977 to 2021.

Year	Poverty Rate in India (percent)
1977	63.11
1983	56.26
1987	50.59
1993	47.64
2004	39.91
2009	32.87
2011	22.53
2015	18.73
2017	13.37
2018	11.09
2019	12.73
2020	14.72
2021	11.9

Source: CMIE

Unemployment Rate in India During the Period of 1991 to 2020

Unemployment is a critical issue that continues to challenge the economic landscape of India. As one of the world's most populous nations with a diverse workforce, fluctuations in the unemployment rate have far-reaching implications for the country's growth and development.

The latest data indicates a glimmer of hope, as India's unemployment rate has recently declined. According to NSSO, the unemployment rate for individuals aged 15 years and above in urban areas decreased to 6.8 percent during January-March 2023 from 8.2 percent a year ago. This positive development suggests a potential turnaround in the job market amidst the prevailing economic complexities. However, continued vigilance and effective policy measures remain crucial to foster sustainable job growth and secure the nation's future prosperity.

Table 4: The Unemployment Rate in India during the Period of 1991 to 2020

Year	Unemployment (%)	Year	Unemployment (%)	Year	Unemployment (%)
1991	6.74	2001	7.96	2011	8.17
1992	6.82	2002	8.10	2012	8.10
1993	6.80	2003	8.36	2013	8.04
1994	6.83	2004	8.53	2014	7.98
1995	7.01	2005	8.70	2015	7.92
1996	7.18	2006	8.63	2016	7.84
1997	7.28	2007	8.54	2017	7.73
1998	7.49	2008	8.35	2018	7.65
1999	7.71	2009	8.38	2019	6.51
2000	7.77	2010	8.32	2020	10.20

CAGR	1.73	CAGR	0.38	CAGR	0.07
				Over All CAGR	0.56

Source: Calculation is based on data collected CMIE.

The table 4 presents the performance of the unemployment rate in India during the period of 1991 to 2020. Interestingly the unemployment rate of CAGR has declined at 0.07 per cent during the period of 2011 to 2020. The total period of 1991 to 2020 the unemployment rate has grew at 0.56 per cent.

Throughout our economic history, several significant events have significantly impacted the unemployment rate in India.

Global Financial Crisis (2008-2009): The 2008 global financial crisis severely affected India's economy, leading to a slowdown in growth and reduced employment opportunities in various sectors.

Demonetisation (2016): The government's decision to demonetise high-value currency notes in 2016 caused economic disruptions, particularly in the informal sector, resulting in temporary job losses.

Goods and Services Tax (GST) Implementation (2017): The introduction of GST aimed to simplify the tax structure, but it initially caused short-term disruptions in the economy, affecting businesses and employment.

Covid-19 Pandemic (2020): The Covid-19 pandemic and the subsequent lockdown measures profoundly impacted the Indian economy, resulting in a surge in unemployment as businesses closed and economic activities came to a standstill.

Inflationary Pressures: India has also faced inflationary pressures over the years, influencing the current unemployment rate in India. High inflation rates can erode the purchasing power of consumers, leading to reduced demand for goods and services. This can have a cascading effect on businesses, resulting in cost-cutting measures, including layoffs and hiring freezes, leading to higher unemployment rates.

The Performance of Employment details in Metro Cities in India

Bengaluru is in the top place with the highest number of employment and jobs created, with a 17.6 per cent proportion in 2021-22. Delhi ranks second with an 11.5 per cent proportion, followed by financial capital Mumbai at 10.4 per cent. Calcutta is placed at the fourth spot with a six per cent employment proportion

Bengaluru, also known as the Silicon Valley of India, is a major hub for technology and IT industries. It offers a wide range of job opportunities in these sectors and is known for its vibrant start-up culture.

On the other hand, Delhi has a diverse economy, with a strong presence of industries such as IT, manufacturing, and finance. As a digital marketing company owner, and also may find opportunities to network with potential clients and collaborators in Delhi.

Mumbai is known to be the financial capital of India. However, its the epicentre of India's stock market, big businesses, start-ups, Bollywood and TV industry and more. One can find jobs in healthcare, IT, BPO, textiles, logistics, restaurants and other service industries. This makes Mumbai best place for job in India as it is open to hire any time for any position. There are opportunities for every field for everyone. Popular Companies Available in Mumbai – Accenture, EY, Tele performance, PwC, Morgan Stanley, Microsoft, IBM,

Siemens, Unilever, Reliance Industries, Jio, Atos, WhiteHatJr, Nielsen, Johnson and Johnson, SITEL Group, HERE Technologies, and many more.

Kolkata, on the other hand, is a major commercial and financial hub in eastern India. It has a diverse economy with opportunities in sectors such as manufacturing, education, healthcare, and cultural industries.

Conclusion

This study analysis of issues of population growth, poverty rate and unemployment indicates that the achievements of Indian planning represent at best only partial success. Firstly, the whole planning effort in India critically failed in achieving the most important social and human values any societies normally cherished, namely, to have an educated and a healthy population. The failure to eradicate illiteracy to improve the status of women in society and to assure access to health care also accounted for the failure to reduce the rate of population. The Indian development would be put to a severe test in the coming years as the challenges posed by population growth, poverty and the need to generated additional employment would prove to be more daunting during the next future years than they were hitherto.

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