

# Population Growth's Effects on Emerging Nations' Economic Development with Special Reference to India

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## ABSTRACT

The primary goal of this research is to determine how India's high population expansion has affected the country's economic progress. An economy experiences economic development as its output level rises in tandem with technological advancements, higher living standards, and other improvements. Given that India is the second most populous nation in the world, this is crucial. Economic development is intimately associated with population increase. In developed nations, a lack of labor will impede economic progress; meanwhile, in emerging nations, a high birth rate may put further strain on finite renewable resources. Real income growth is a key indicator of economic development. Increased population increase has negative effects on economic development, including decreased employment, a slower rate of capital creation, higher investment requirements, issues with food and agriculture, a negative impact on GDP, poverty, and many other issues. Population growth may have both positive and negative consequences on society. Positive implications include higher tax bases, innovation, and consumer spending at local companies. increase in population. The present study aims to examine the impact of population expansion, both positive and negative, on economic development in emerging nations.

**Keywords:** Population, Emerging Nations, Economic Development, Growth

## INTRODUCTION

Human capital is a key element of growth, as demonstrated by the histories of all industrialized nations. This is essentially supported by the observation that the availability of human capital determines the resources needed for economic progress. In addition, economies of scale, the potential for a larger market for domestically produced goods, and the new perspectives, ideas, and inventiveness that younger people offer in contrast to the elderly population are all advantages of population increase. However, the growth of a nation may also be negatively impacted by population increase. Regarding the relationship between a country's population and its economic progress, there are essentially three schools of thought. One is against the beneficial effects on economic growth.

The process by which a country enhances the social, political, and economic well-being of its citizens is known as economic development. The phrase has been widely used by politicians, economists, and others. Economic development is usually linked to advancements in a range of fields or metrics (such as life expectancy, literacy rates, and poverty rates), which may be causes of economic development rather than effects of particular economic development initiatives in the 20th and 21st centuries. The number of inhabitants in a nation, state, county, or city growing. The following calculation is used to determine if population increase has occurred:  $(\text{Immigration} + \text{Birth Rate}) - (\text{Exodus} + \text{Death Rate})$ . Companies and governments utilize this data to decide whether to invest in particular areas or communities.

## POPULATION GROWTH'S IMPLICATIONS ON ECONOMIC DEVELOPMENT

Opponents of population increase have frequently complained about the strain on resources. For example, high-yield crops were created primarily in reaction to population growth in order to enhance food output. Situations in which technical advancements have net negative effects might be linked to a finite supply of technology, a finite number of people living in equilibrium, and the possibility of a collapse. We can boost productivity through innovation, which is beneficial for a healthy population.

### Goods and Services

The majority of goods and services have a rising market due to population growth, and as we all know, the size of the market affects the division of labor. A market that has the potential to grow might encourage business owners to invest more and more in machines and capital goods. As a result, business activity will increase. Additionally, the process will generate

additional revenue and jobs. Additionally, it will give the output of productive, large-scale, mass-production enterprises a platform. Overall, the outcome might be advantageous for the nation.

Many laborers are provided by the population. Laborers, who are essential tools and implements, have historically been a nation's most productive resource. The overall production rises with an increasing population. The simple math behind population growth generates employment and production incentives, which have a positive effect on output and productivity. The number of working people who can contribute actively to the process of economic growth and development will rise as the population grows.

In many nations, population increase has been a positive element in promoting growth. In the 1930s, it was even believed in the USA that long-term secular stagnation would result from a slowdown in population increase. In industrialized nations, a high birth rate fosters innovation and increases productivity, including in the field of technology.

### **Food Security**

A growing population implies more mouths to feed, which puts strain on the amount of food that is readily accessible. This explains why the issue of food scarcity typically affects underdeveloped nations with rapidly expanding populations. They have made every attempt to increase agricultural output, yet they still cannot feed their expanding population. Economic growth is impacted by food shortage in two ways. First, when there is a lack of food, individuals become undernourished, which reduces productivity. It further diminishes the workers' ability to produce. Second, their foreign exchange reserves are unduly strained as a result of having to import food grains due to a shortage of food.

The bulk of people reside in less developed nations where agriculture is their primary source of income. In rural places, population growth has been rather rapid, disrupting the land-to-person ratio. Furthermore, as the number of landless workers has considerably expanded and their wages have been poor, it has intensified the problem of disguised unemployment and decreased per capita agricultural produce in such economies.

### **Investment**

Investment requirements exceed investing capabilities in nations with weak economies. A population that is expanding quickly raises the need for demographic investment while simultaneously decreasing people's ability to save. The supply of investible capital and the requirements for investments become seriously out of balance as a result. As a result, the pace of population increase in an economy determines the amount of such investment. According to some economists, if population growth is 1 percent annually, then investments ranging from 2 to 5 percent of national revenue are needed to sustain the current level of per capita income. These nations. These are the primary causes of such economies' stagnation.

### **Poverty**

High population growth has both direct and indirect effects on poverty and economic disparity. The continuation of the poverty cycle in developing nations is mostly caused by population increase. Due to the population's fast expansion, raising a child now requires a significant portion of a person's salary. As a result, the rate of capital formation and savings declines, per capita income rises, and overall price levels rise, pushing up the cost of living. Lack of advancements in industrial and agricultural technologies, scarcity of necessities, poor living standards, widespread unemployment, etc. This leads to a vicious cycle of poverty encircling an undeveloped nation's whole economy.

### **Natural Resources**

In the past, India was mostly an agricultural country. Irrigation is necessary for practically everything, including the cultivable land. In India, the availability of arable land and water for agriculture stagnated. However, the rate of population increase persisted in being quite high. Thus, this also put more pressure on other variables.

### **Environment**

Rapid population expansion modifies the environment. An concerning rate of increase in the number of jobless men and women is a result of rapid population expansion. As a result, a lot of people are being forced into environmentally delicate locations like tropical forests and hillside areas. It causes forests to be chopped down for farming, which alters the ecosystem in a number of ways. In addition to all of this, as the population grows, many people migrate to metropolitan regions where industry is occurring. Large cities and towns suffer from contaminated air, water, noise, and population as a result. One of the biggest environmental problems is overcrowding, which contributes quietly to climate change, habitat loss, the sixth mass extinction, intensive farming methods, and the depletion of scarce natural resources.

## **CONCLUSION**

A growing population guarantees a growing labor force. A nation will become stagnant and slow-moving if its labor force does not expand, eventually reaching an equilibrium where the economy operates at a level below full employment. Huge Market: A nation with a high population is one that attracts investors. The demand for food, shelter, clothing, and other necessities will rise along with the population. On the other hand, there are a number of negative effects of population growth, including low per capita income in the event that production levels do not rise, an increase in imports that will result in a balance of payments deficit, a shortage of food, difficulties educating the next generation, and underutilization of labor in developing nations.

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