

Demographic Dividend: A Transition from Being Dependents to Bread Earners

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Abstract: A rapid increase in the population growth of a country has become the topic of discussion for almost all the countries of the world and especially the developing countries. Demographic dividend is a recent subject that has become very popular over the past few years as it has assumed a great significance not only in India but all over the world. Demographic dividend has become an issue which is drawing the attention of various researchers, social scientists, planners, policy makers and administrators. The main aim of this paper is to give a deep conceptual knowledge about an emerging demographic issue i.e. demographic dividend. In this paper efforts have been made to study and analyze the concept of demographic dividend and its impact in India. The paper also emphasises on various methods through which the benefits of the demographic dividend can be reaped by India.

Key words: Demographic Dividend, Developing, Growth, Population

1. Introduction

The term demographic dividend can be defined as acceleration in the rate of economic growth due to an increasing share of working age people in a population. It occurs with the fall in the birth rate leading to a shift in the age structure of the population towards the adult working age group. It is also termed as demographic gift, demographic bonus or demographic window.

Demographic dividend is essentially due to two factors – declining birth rate and improvement in life expectancy [8]. As women and families realize that fewer children will die during infancy or childhood, they will begin to have fewer children to reach their desired number of offspring, further reducing the proportion of non-productive dependents. This fall is often accompanied by an extension in average life expectancy that increases the proportion of the population that is in the working age-group. This cuts spending on dependents and spurs economic growth. The main criteria for attaining Demographic dividend are that

there should be a transition to lower birth rates and child death rates in comparison with high birth and death rates a process referred as “demographic transition [5]. Therefore, before understanding the concept and impact of Demographic Dividend in detail, it is essential to know about the different phases of demographic transition through which every country passes.

Demographic transition process is divided into three phases having three unique age structures of a country which are as follows:

1. **First Phase:** In the first phase, the fertility is higher than the mortality rate leading to a large number of people in the young age group i.e. mostly below 15 years leading to high dependency ratio.
2. **Second Phase:** In the second phase, the fertility rate starts declining rapidly leading to decline in the child population. But due to high fertility in the previous phase, working age group population continues to be high during this period. In this phase, there is considerable reduction in the dependency ratio.
3. **Third Phase:** In the third phase, the dependency ratio rises again as a result of higher old age population.

Thus, the second phase of demographic transition helps in understanding the term of demographic dividend. The proportion of working age population in the total population will be one of the highest during this period with a potential growth.

Definition

- According to United Nations Population Fund (UNFPA) demographic dividend means “the economic growth potential that can result from shifts in a population’s age structure, mainly when the share of the working-age population (15 to 64) is larger than the non-working-age share of the population (14 and younger, and 65 and older).” In other words it is “a boost in economic productivity that occurs when

there are growing numbers of people in the workforce relative to the number of dependents." UNFPA stated that, "A country with both increasing numbers of young people and declining fertility has the potential to reap a demographic dividend."

Demographic Dividend is the economic benefits that derive from demographic change. It occurs when a falling birth rate changes the age distribution of a population so that fewer investments are needed to meet the needs of the youngest age groups and resources are released for investment in economic development and family welfare. By demographic dividend, we mean a rise in the rate of economic growth due to a rising share of the working age population. It may occur only once during a demographic transition and lasts for just a few decades [8].

2. Features of Demographic dividend

2.1 Demographic dividend is a result of decline in the level of fertility rate.

2.2 Demographic dividend results in rising share of working age people in a population or a shift in the age structure of the population towards the adult working age group

2.3 Demographic dividend results in reduction in the dependency ratio.

2.4 Occurrence of demographic dividend is expected to be a short phase in any population depending upon the pace of fertility decline. For instance: If the fertility decline is slow and steady as in the western countries, this demographic gift may even pass unnoticed. But for the developing countries which are experiencing a rapid decline in fertility, the age structure transition is evident and is expected to be present for a long period.

2.5 Demographic dividend leads to increase in the economic growth potential of the country and an increase in the level of economic productivity.

3. Aims of the Study

Following are the aims of the study:

- 3.1. To have conceptual understanding of the term "Demographic Dividend".
- 3.2. To visualise the impact of demographic dividend in India.
- 3.3. To study how India can reap the benefits of demographic dividend by using different plans, policies and programmes.

4. Methodology

This study is based on secondary sources of data. In order to enrich the study different books, journals, newspapers, UNDP Reports, Government publications and related websites have been consulted. In this paper, we review demographic trends in India of the past, present and projected and its inclusion in our systems.

5. Mechanisms for growth in the Demographic Dividend

During the course of the demographic dividend there are four mechanisms through which the benefits are delivered. These are as follows:

5.1 Increased labour supply- The most important mechanism is the increased labour supply. The children born during periods of high fertility finally leave the dependent years and can become workers. Women now have fewer children than before. They are better educated than older cohorts. They are not confined now to their home only. Women are employed in jobs outside of the home. So they are productive in the labour force. However, the magnitude of this benefit appears to be dependent on the ability of the economy to absorb and productively employ the extra workers rather than be a pure demographic gift.

5.2 Increase in savings- The second mechanism is the increase in savings. The demographic transition affects the savings, which in turn affects the prospects for investments and growth. Working-age adults tend to earn more and can save more money than the very young. Personal savings grow and serve as a partial resource for industrial investments that fuel economic growth. As the number of dependents decreases individuals can save more. This increase in national savings rates increases the stock of capital in developing countries already facing shortages of capital and leads to higher productivity as the accumulated capital is invested.

5.3 Better human capital- The third mechanism is human capital. The demographic transition begins with changes in mortality that results in a population that lives longer and stays healthier. A longer life expectancy causes fundamental changes in the way that people live. Decreases in fertility rates result in healthier women and fewer economic pressures at home. This also allows parents to invest more resources per child, leading to better health and educational outcomes.

5.4 Increase in domestic demand- The fourth mechanism for growth is the increasing domestic demand brought about by the increasing GDP per capita and the decreasing dependency ratio.

6. How the benefits of demographic dividend can be reaped: What is required?

Reaping the benefits of demographic dividend is essential for the growth of an economy. But a recent survey of UNESCAP warns that there is no guarantee that the "dividend" will automatically translate into economic growth. Mere increase in the volume of population cannot increase the economic growth of a country. There is a need to understand how this growing population can be made productive and efficiently used for economic growth and development of the country. Therefore following are the essential pre-requisites so as to ensure that India's young population is truly an asset:

6.1 Need for social and economic policies and institutions- The first and foremost requirement of any country is to formulate appropriate social and economic policies as well as different institutions to absorb the rapidly growing labour force. A country can reap the benefits of demographic dividend only when the policies formulated are implemented effectively and efficiently.

6.2 Reform in the education sector- Education is the most important tool for realizing the full potential of a youthful nation. Education is considered as crucial in transforming the collective energy of youngsters into mature ideas, well-developed skills and a sense of confidence, hope and capability. Sound basic education is thus an essential prerequisite to empower each and every individual so that they can pursue different economic opportunities.

6.3 Vocational training- Along with the academic aspect there is also a need to focus upon the vocational development or job-specific technical training of an individual, so that a country can reap the benefits of demographic dividend appropriately and effectively.

6.4 Reform in the health sector- "Health is wealth" and good health is an essential pre-requisite for reaping the benefits of demographic dividend. A healthy population is considered as a productive population which is capable of giving its full potential and taking the advantage of various economic opportunities.

6.5 Adequate employment opportunities- Mostly, developing countries are overpopulated where population always exceeds the employment opportunities and thus cannot provide employment opportunities to all its working population. Therefore, it is essential to provide adequate employment opportunities to the youngsters of a country so that they can optimally contribute their services for the country.

6.6 Skill Development- To reap the benefits of demographic dividend, there is a need to develop different skills among the individuals. Therefore, it is necessary to have appropriate skill development opportunities in a country.

6.7 Reduction in infant mortality rate and dependency ratio- Another important way of reaping the benefits of demographic dividend is to reduce dependency ration and the infant mortality rate i.e. Infants are the children of less than one year or below the age of one or in simple words children between the ages of 0-1. These are the children who are in the first year of their life and have not reached age one. With the reduction in infant mortality rate, the country is getting a chance to reap the benefits of its working population in the years to come.

6.8 Increased adult literacy rate- Many people, at times either due to their economic or social conditions could not get education in their childhood. Adult Education aims at extending educational options to those adults, who have lost the opportunity and have crossed the age of formal education, but now feel a need for learning of any type, including literacy, basic education, skill development (Vocational Education) and equivalency. Thus, by increasing adult literacy rate, the people who were earlier not contributing much to the country could now contribute in a positive way.

6.9 Large-scale and persistent long-term investment in manufacturing- Surplus labour force in agriculture, whose marginal productivity is zero, can be easily shifted to the manufacturing sector. Since manufacturing units are labour intensive, they will generate capital and absorb labour surplus.

6.10 Use of science and technology- Innovations and use of new scientific technology can help the working population and country to reach global markets with pricing power.

6.11 Internal and external peace- Maintenance of internal and external peace in a country is essential so that there is no wastage

of labour, capital and time. The labour which could be wasted due to disturbances in the country can be deployed skillfully.

7. Demographic Dividend in India

One of India's competitive advantages is its demographic dividend. Demographic dividend occurs when the proportion of working people in the total population is high because this indicates that more people have the potential to be productive and contribute to growth of the economy. Declining fertility rates have changed the age structure of India's population, resulting in a "bulge" in the working age-group. This "demographic dividend" has improved the dependency ratio leading to the hypothesis that the bulge in working population will lead to acceleration in growth. Falling birth rates reduce the overall expenditure required to provide basic necessities for the under 14 age group which is yet to be productive and increased longevity ensures that a large proportion of the population are within the 15-59 age group i.e. working population. Dependency ratio refers to the proportion of non-working population on the working population and according to the World Bank in India this ratio is around 0.6.

It is known that demographic dividend does not last long. India is passing through a phase of unprecedented demographic changes. These demographic changes are likely to contribute to a substantially increased labour force in the country. The census projection report shows that the proportion of working age population between 15 and 59 years is likely to increase from approximate 58% in 2001 to more than 64% by 2021. Such a trend would make India one of the youngest nations in the world. The office of the Registrar General of India and Census Commissioner released 'single year age data' for the 2011 Census, which refers to the number of people at each year of age in the population. The data shows that India's working age population (15-64 years) is now 63.4% of the total, as against just short of 60% in 2001. The numbers also show that the 'dependency ratio' — the ratio of children (0-14) and the elderly (65-100) to those in the working age — has shrunk further to 0.55. "Even as the western world is ageing, these new numbers show that India's population is still very young". So, at present the India's competitive advantage is its demographic dividend.

According to the United National population research, during the last four decades the countries of Asia and Latin America have been the main beneficiaries of the demographic dividend. Advanced countries of Europe, Japan and USA have an ageing population because of low birth

rates and low mortality rates. China's one child policy has reversed the demographic dividend it enjoyed since the mid 1960s according to a World Bank global development report.

Today, India is a young nation. We have 605 million people below the age of 25, while in the age group 10-19, poised for higher education, we have 225 million. This means that for the next 40 years we would have a youthful, dynamic and productive workforce when the rest of the world, including China, is aging. The International Labour Organization (ILO) has predicted that by 2020, India will have 116 million workers in the work-starting age bracket of 20 to 24 years, as compared to China's 94 million. It is further estimated that the average age in India by the year 2020 will be 29 years as against 40 years in the USA, 46 years in Europe and 47 years in Japan. In fact, in 20 years the labour force in the industrialized world will decline by 4%, in China by 5%, while in India it will increase by 32%. And the IMF, in 2011, reported that India's demographic dividend has the potential to add 2 percentage points per annum to India's per capita GDP growth over the next two decades.

The Planning Commission of India, in its 12th Plan discussions, indicates that while the "demographic dividend" accounts for India having world's youngest work force with a median age way below that of China and OECD Countries, the global economy is expected to witness a skilled man power shortage to the extent of around 56 million by 2020. Thus, the "demographic dividend" in India needs to be exploited not only to expand the production possibility frontier but also to meet the skilled manpower requirements of India and abroad. To reap the benefits of "demographic dividend", the Eleventh Five Year Plan had favoured the creation of a comprehensive National Skill Development Mission. Various strategies for the 12th Plan — improved access to quality education, better preventive and curative health care, enhancing skills and faster generation of employment are being finalized to ensure greater productivity of Indian workers.

8. Deriving Demographic Dividend: Policies and Strategies Undertaken By the Government of India

Higher education is of vital importance for the country, as it is a powerful tool for building knowledge based 21st century society. To prepare for the challenges of the 21st century, the government has taken a number of initiatives during the 11th Plan period focusing on improvement of access along with equity and excellence, adoption of state-specific strategies,

enhancement of the relevance of higher education, through curriculum reforms, vocationalization, networking, and use of information technology and distance education along with reforms in governance in higher education. A large scale expansion in university education has been initiated during the 11th Five Year Plan by setting up new educational institutions comprising 30 central universities, 8 new Indian Institutes of Technology (IITs), 8 new Indian Institutes of Management (IIMs), 10 new National Institutes of Technology (NITs), 20 new Indian Institutes of Information Technology (IIITs), 3 new Indian Institutes of Science education and Research (IISERs), 2 new Schools of Planning and Architecture (SPAs), 374 model colleges, and 1000 polytechnics. The government has initiated many schemes for elementary and secondary education. Sarva Shiksha Abhiyan (SSA), National Programme for Education of Girls at Elementary Level (NPEGEL), National Programmes of Mid Day Meals in Schools, Model Schools Scheme, Vocational Education, Saakshar Bharat/Adult Education, Inclusive Education for the Disabled at Secondary Stage and Rashtriya Madhyamik Shiksha Abhiyan are some of the schemes initiated by the government. For trapping demographic dividend in India, the 11th Plan relies not only upon ensuring proper health care but also gives major emphasis on skill development and encouragement of labour intensive industries. The global economy is expected to witness a skilled manpower shortage to the extent of around 56 million by 2020. Thus the demographic dividend in India needs to be exploited not only to expand the production possibility frontier but also to meet the skilled manpower requirements of India and abroad. To reap the benefits of demographic dividend, the 11th Five Year Plan had favoured the creation of a comprehensive National Skill Development Mission. As a result, a "Coordinated Action on Skill Development" with three-tier institutional structure was created in early 2008. It consists of The Prime Minister's National Council on Skill Development (NCSD), National Skill Development Coordination Board (NSDCB) and National Skill Development Corporation (NSDC). The NCSD appointed an adviser to the Prime Minister in the NCSD in January 2011. Prime Minister's National Council on Skill Development has spelt out policy advice, and direction in the form of "Core Principles" and has given a Vision to create 500 million skilled people by 2022 through skill systems. NSDCB has taken upon itself the task of coordinating the skill development efforts of a large number of Central Ministries/Departments and States. The NSDC has geared itself for preparing comprehensive action plans and activities, which would promote PPP models of financing skill development. Various

strategies for the 12th Plan improved access to quality education, better preventive and curative health care, enhancing skills and faster generation of employment are being finalized to ensure greater productivity of Indian workers. As on 31 October 2011, the NSDC has approved 34 training projects spread across 177 districts in 20 sectors. The NSDC has also approved 8 sector skill councils (SSCs). A new strategic framework for skill development for early school leavers and existing workers has been developed since May 2007 in close consultation with industry, State Governments, and experts. At present, 1386 modules for employable skills covering 60 sectors have been developed, 36 assessing bodies empanelled for conducting assessment, 6753 vocational training providers registered and more than 12.19 lakh persons trained/tested (since inception).

Prime Minister Narendra Modi launched his pet project Skill India Campaign in New Delhi on the occasion of the first ever World Youth Skills Day which included the launch of the National Skill Development Mission and unveiling of the new National Policy for Skill Development and Entrepreneurship 2015. Skill India is a campaign launched by Prime Minister Narendra Modi on 15 July 2015 with an aim to train over 40 crore (400 million) people in India in different skills by 2022. It includes various initiatives of the government like "National Skill Development Mission", "National Policy for Skill Development and Entrepreneurship, 2015", "Pradhan Mantri Kaushal Vikas Yojana (PMKVY)" and the "Skill Loan scheme". Various initiatives under this campaign are:[16]

- National Skill Development Mission
- National Policy for Skill Development and Entrepreneurship, 2015
- Pradhan Mantri Kaushal Vikas Yojana (PMKVY)
- Skill Loan scheme
- Rural India Skill

The Prime Minister said that while in the 20th century the IITs made a name for them globally, now in the 21st century ITIs (Industrial Training Institutes) should acquire global recognition for producing quality skilled manpower. He also called for constant updating of training programmes and syllabi to ensure that the youth are exposed to the latest technology and industry environment. Linking the necessity to promote apprenticeship and entrepreneurs, the prime minister said that it was important to predict the possibilities of the future and prepare for them today itself.

The launch of the mission assumes significance as "India currently faces a severe shortage of well-trained, skilled workers. It is estimated that only 2.3% of the workforce in India has undergone formal skill training as compared to 68% in the UK, 75% in Germany, 52% in USA, 80% in Japan and 96% in South Korea. Large sections of the educated workforce have little or no job skills, making them largely unemployable. Therefore, India must focus on scaling up skill training efforts to meet the demands of employers and drive economic growth", the document on the framework of implementation of the National Mission for Skill Development said.

In the recent budget of 2017-18, following initiatives have been taken for providing opportunities for the youth who can contribute in an efficient manner for the overall development of the economy[17]:

1. To introduce a system of measuring annual learning outcomes in schools.
2. Innovation Fund for Secondary Education proposed to encourage local innovation for insuring universal access, gender parity and quality improvement to be introduced in 3479 educationally backward districts.
3. Good quality higher education institutions to have greater administrative and academic autonomy.
4. SWAYAM platform, leveraging IT, to be launched with at least 350 online courses. This would enable students to virtually attend courses taught by the best faculty.
5. National Testing Agency to be set up as an autonomous and self-sustained premier organisations to conduct all entrance exams for higher education institutions.
6. Pradhan Mantri Kaushal Kendras to be extended to more than 600 districts across the country. 100 India International Skills Centres will be established across the country.
7. Skill Acquisition and Knowledge Awareness for Livelihood Promotion programme (SANKALP) to be launched at a cost of Rs.4000 crores. SANKALP will provide market relevant training to 3.5 crore youth.
8. A scheme for creating employment in the leather and footwear industries along the lines in Textiles Sector to be launched.
9. Incredible India 2.0 Campaign will be launched across the world to promote tourism and employment.
10. Next phase of Skill Strengthening for Industrial Value Enhancement (STRIVE)

will also be launched in 2017-18 at a cost of Rs. 2,200 crores.

9. Limitations in reaping the benefits of Demographic

Demographic advantage does not mean more people but more prosperous and productive people [6]. A larger workforce translates into more workers only if there are productive jobs. An unemployed, uneducated or unskilled Indian can't reap the benefits of demographic dividend. Following are the limitations which India has been facing in reaping the benefits of demographic dividend:

- 9.1 Lack of educated workforce.
- 9.2 Lack of skilled labour force.
- 9.3 Poor quality of educational institutions
- 9.4 Teachers are inadequately prepared, weakly motivated, poorly paid, and frequently absent.
- 9.5 High dropout rate in schools.
- 9.6 Quality of the higher education system is well below global standards and it has shown no significant sign of improving.
- 9.7 Lack of technological advancement.
- 9.8 Majority of the children, future workforce, are malnourished. Tuberculosis is endemic to India, and hundreds die every year due to Japanese encephalitis in eastern Uttar Pradesh and Bihar.

10. Suggestions

10.1. To increase Investments by framing proper policies: The country's present disorder-high inflation, current account deficit, fiscal deficit have to be paid attention for sustained inclusive growth. India has to develop reforms to strengthen its financial sector, narrow down the infrastructure gap and reduce its fiscal deficit. To take advantage of the global market, policies for exports have to be formulated to have a lasting effect as the currencies of many other emerging economies are weakening against the dollar.

10.2. Poverty Reduction and formation of pro-poor policies: India has achieved notable progress in poverty reduction over last few years. However, considerable efforts are yet to be made by the government to formulate and implement growth strategies. The strategies should focus on managing income generation through natural resources, export strategy for agricultural products so that the farmers could earn and providing a strong base to sub-regional assimilation to avail economies of scale [4].

10.3. Providing IT platform: Since the 1990s, the information technology industry has flourished in India. However, still these new technologically advanced sector forms only a tiny share in terms of employment. The National Association of Software and Services Companies (Nasscom) has published a study saying that only 25% of information technology (IT) graduates are employable. This was taken seriously from the All-India Council for Technical Education (AICTE), the government's accreditation agency. As per AICTE, every year, one million engineers and diploma holders are added to the workforce and if Nasscom report is true, that shows that there is a skill gap. According to the report, titled "The National Employability Report, Engineering Graduates, Annual Report-2012", India produces more than 500,000 engineers annually, but only 2.68% meet the skill requirements of the IT products sector. The report estimated that nearly 92% of engineering graduates in India lack computer programming and algorithms skills and around 56% lack soft skills and cognitive skills. The challenge for the policymakers is to bridge the gap between education and skill deployment [1].

10.4. Employment generation: More than half of the Indian population works in agriculture, which is substantially the biggest informal sector in India. Women are deployed as domestic workers. Even educated women in urban areas have difficulties getting employed in the organised sector. The number of 'missing women' in the Indian economy -- women who withdraw from labour force and attend only to household work -- was a staggering 162 million in 2004-05. India's challenge is to build a strong manufacturing sector which generates massive employment [3]. Though unemployment rate in India decreased to 5.20 percent in 2012 from 6.30 percent in 2011 [9], but still efforts are required to increase employment outside the field of agriculture, especially in the organised and service sector. Demographic change is associated with fertility declines; the transition period may be accompanied by greater female participation in the labour force. [2]

10.5. Generation of Vocational training programmes: In spite of having a huge workforce, India is still suffering from an extreme shortage of skilled manpower. As per industry analysis, nearly 75 to 80 million jobs will be created in India over the next five years. It is estimated that almost 75 to 90% of all additional employment will require some vocational training. There is a huge demand-supply skill gap in India. About 90% of the jobs in India require skill training, thus there is an underlying requirement of vocational training. It is estimated that only 5% of the youth in India are

vocationally trained. At present, institutions that are imparting skill development in the country is 3.1 million per annum against country's target of skilling 500 million people by 2022. In large number of Vocational Training Institutes the syllabus is outdated which do not relates with the present market conditions. Thus, it is very essential for us to strengthen our work force with capabilities that are essential for them to be market savvy [7]. Sectors have to be identified and holistic training need to be provided to our young force.

10.6. Integration between Government, Academia and Industry: There is a large gap or lack of integration between the government, academia and industry in India. The methods of business have changed drastically but still the curriculum in the education institutes is being taught in the same manner as it was taught decades ago. The strategy of three Es — education, employability and employment have to be taken care off. India's literacy rate is still 74.04% [10]. Many of the Indian schools are not up to the mark as far as quality is concerned. Dropout rates are 40% at the elementary level [11]. Also, strict enforcement of Right of Children to Free and Compulsory Education Act, 2009 has to be done.

10.7. Providing Health Care for children and women: The biggest of all challenges for the policymakers is to keep its more than 1.2 billion population fit and educated. As per World bank estimates, India ranks highest in malnutrition among children Underweight children are highest in India [12]. The health care facilities are either not sufficient and where they are adequate, they not properly implemented. There are various health care plans in India, which have been made on papers but still they are not implemented. Proper strategies for healthcare are a must of our policymakers in order to not to turn demographic transition into a demographic catastrophe.

10.8. Prioritizing equitable and pro-poor policies: Well-organized infrastructure is critical to economic and social development for promotion of pro-poor growth. Progressive and technologically advanced management of infrastructure investment, increasing the role of infrastructure in the routines of poor people and development of public private participation model in the rural areas are some of the areas where the government needs to look into so that the poor strata of our society are included in the economic development leading ultimately the achievement of demographic dividend [13].

10.9. Promotion of good governance In India: There is a huge difference between the rich and the poor and between the urban areas and rural areas.

Also the disparity exists in the use of scarce natural resources between the corporate and the communities. However, India has recognised these issues and has placed the concept of good governance in the 11th Five Year plan. But, at the same time, proper implementation of strategies is required. The successful implementation of good governance nurtures a “development dividend”. Administrative changes and decentralization, transparency in each department, anticorruption strategies and strategic assistance with multilateral organisations are some of the matters in which the government has to look deliberately to achieve demographic dividend [14].

10.10. Rule of Law: Rule of Law is connected with poverty reduction, development of human capital, in rendering gender equality, decentralization and economic development is the key element for good governance and peace building. In India, we find that the justice demanding takes a long governmental procedure. People are denied of security. Law and order, fairness in effective application should be on the top priority list of Indian government. Peace in the state and the country develop confidence in the citizens. Effective, timely and impartiality in the justice adds to their confidence. Decisive, strategic and holistic rule of law will help in the development of democratic governance [15].

11. Conclusion

It can be concluded that the developing country like India, is blessed with the opportunity of using its growing population for increasing the economic growth and development of the country. But, recent employment figures indicate that the absorption of the Indian youth into the labour force is not as high as one would expect. This is perhaps due to the poor employability of the workforce, which is severely affected by a deficit in educational attainment and health. This needs to be remedied in order to take advantage of the opportunity for growth that the demographic dividend is supposed to give India. There is a strategic urgency to put in place policies which take advantage of the demographic dividend for most countries. During this short opportunity, countries traditionally try to promote investments which will help these young people to be more productive during their working years. India's ability to seize the opportunities available to our young population in the 21st century will depend on the success of its efforts to address the key challenges plaguing Indian education and vocational training. If we succeed, we ensure the prosperity of our own people and become the workhorse of the world, as other countries' ageing populations turn to us for the

provision of goods and services. If we fail, our demographic dividend risks become a demographic disaster, since unemployed, frustrated and unemployable young men become prey to the blandishments of extremists and fanatics, as we have already seen in a number of insurgencies, particularly in our educationally under-served tribal areas. This makes good, effective and relevant education and skill development not only a social and economic necessity but a natural security imperative for India.

Therefore, the demographic dividend is considered as an advantage that will accrue to India for being blessed with a young population in the first half of the 21st century provided, they are given adequate educational opportunities and vocational training so as to take the advantage of the opportunities that the 21st century world would offer to our country.

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