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India and China: Demographic dividend

Why in news?

Last March, the World Population Review claimed India's and China's populations stood at 1.428 billion and 1.425 billion respectively and both are clueless as to how to solve soaring youth unemployment.

What is 'Demographic dividend'?

- Demographic dividend refers to the growth in an economy that is the result of a change in the age structure of a country's population.
- It occurs when the proportion of working people in the total population is high.
- India and China the most populous countries in the world with good demographic dividend is also facing unemployment issues.

A recent Pew survey estimates the current median Indian age at 28, as compared to China's 39, suggesting India will continue to enjoy its demographic advantage up to the end of this century.

Status of Unemployment in China

- The World Population Review announced China's youth population was declining and the ageing population was rising.
 - In China, a high level of youth joblessness has generated a great deal of attention and discontent.
 - China is facing a new kind of epidemic: joblessness.
- As per the report in a popular Chinese online journal, 'one out of every five young urbanites are without work'.*

Reasons

- Supply-demand contradiction due to pandemic hit years.
- China's education sector.
- China's economic growth focus shifting from quantitative to qualitative growth.
- China's vocational education stream is perceived as unattractive, compared with regular schools that lead to academic careers.

What is the scene in India?

- India too face the problem of unemployment similar to China and has reasons different from China.
- India face a shortage of skilled personnel and many hands-on specialties.

- India's challenges range from numbers of school leavers to liberal arts graduates from universities and engineers from low-grade colleges who cannot find jobs.

What are the issues in skilling in India?

- **Short term courses** - Entities such as the National Skill Development Corporation (NSDC) focused on short courses which is insufficient for real skill acquisition.
- **Autonomy** - Industrial Training Institutes (ITIs) established after the 1960s are run by state governments and they resist transferring full control to their industrial partners.
- **Inadequate training** - Many engineering colleges give inadequate training and the mushrooming private skilling institutes partly fill the gap.
- Segmenting the school stream in the 'middle school' level requires for the real shift to skilling.
- **Lack of vocation focused schools** - NEP 2020 aims to introduce vocational training in middle school but there are no vocation-focused schools to continue at secondary level.

What are the differences between Indian and China?

- **Similarities** - Both the countries consider vocational courses as secondary and focus on academic careers.
- **Differences** - The Indian youth do nothing remotely resembling China's 'lie flat' phenomenon.

'Lying flat' (tang ping in Chinese) means taking a break from relentless work, a movement that took off during 2021 in China.

- Indian youth chase varied options like pursuing the dream of prosperous foreign lands.
- Their targets range from the US, the UK, the Gulf region, Europe, Africa and unexpected places like Malta and Japan.

What are the solutions?

- **Job creation** has to be the topmost priority in both the countries.
- **Skilling**, to effective outcome levels, should be our constant goal.
- **MSMEs** the major employment creators should be boosted enough.
- **IT capabilities** which are India's innate asset must be valorised.
- **Manufacturing sector** should also be given focus at the same time without any neglect.

Reference

[The Indian Express | Demographic dividend and unemployment](#)



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