Youth and Absence of Growth: Recipe of Ruin

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Abstract
This paper expresses objectively the detrimental impact a large young population, in the absence of economic growth, on the socio-economic development of a developing country i.e. India. Key economic indicators, namely: Unemployment Rate, Per Capita Income, Consumer Price Index, Crime Rate, Human Development Index, Poverty Rate, Malaria cases and GINI co-efficient, have been analysed. The conclusion derived clearly demonstrates in absolute quantities the lack of development in India, especially in contrast to a similarly populated China, is a function of lack of economic growth.

I.   Introduction

What is population- something which has already incremented by 100 by thetime you finish reading this line. The aforementioned statement only emancipates the enormity of population rise and sets up context for the upcoming statements. Population is the number of organisms of the same species that live in a particular *geographic area* at the same time, with the capability of *interbreeding*. With respect to humans, this statistic is bound to make a substantial difference in all aspects of life- especially socio-economic conditions and their modification. A large young population is widely as a key ingredient in dish, that is, economic development. However, it is imperative for economic growth to increment in accordance with increase in young population for economicdevelopment to occur.

Sustained economic growth is essential to the economic and social development of all countries, in particular developing countries. Through such growth, which should be broadly based so as to benefit all people, countries will be able to improve the standards of living of their people through the eradication of poverty, hunger, disease and illiteracy, the provision of adequate shelter and secure employment for all and the preservation of the integrity of the environment.[1]

As such economic growth becomes exceedingly essential for countries with a large youth population, specifically India. The purpose of this paper is to objectively present setbacks to economic development, in terms of key developmental indicators, in abundance of youth and lack of economic growth.

II.   Literature Review

This article[2] by Dr. Manmohan Singh, two-term Prime Minister of India is quite recent and sheds light on the conditions plaguing the Indian Markets currently. Although Dr. Singh is a part of the Indian opposition, data enforces his views and such data-backed views are difficult to override. Dr. Singh states how fear in India's wealth-generation mechanisms has led to an absence of growth and development. He further postulates the occurrence of stagflation-an economic condition which results as a combination of high unemployment, inflation and stagnant demand. He also drives home a crucial point that- India stands at a crossroads of sports where it has an opportunity to fill the gaps created by economic slowdown in China and global political opposition, however subtle it may be, that China faces.

This paper[3] very clearly elucidates the factors leading to low economic growth in India. This is specially supportive for this paper considering the fact it considers almost the same time period. It also delves

[1]"Introduction - UN Documentation: Development - Research Guides at United Nations Dag Hammarskjöld Library." *United Nations*, United Nations, research.un.org/en/docs/dev

[2] Singh, Manmohan. "The Fountainhead of India's Economic Malaise." *The Hindu*, The Hindu, 18 Nov. 2019, www.thehindu.com/opinion/lead/the-fountainhead-of-indias-economic-malaise/article30000546.ece.

[3] Subramanian, Arvind, and Josh Felman .Center for International Development, 2019, *India's Great Slowdown: What Happened? What's the Way Out?* .

into the complexities of the Indian economy as well as the limiting factors influencing change in policy. However, it prepares a ground for change in fiscal policy by stating the scope the current government possesses by virtue of its political capital. It also provides some do's and don'ts to boost economic growth.However it ends with a pressing point which is that in absence of change the Indian economy is bound to enter a downward spiral straight to the bottom.

In this paper[4] Dr. Rajan clearly expresses economic challenges and decisions that face the Indian Government. This paper is of a particular significance because it was written in 2007, not only our first data point but also just before the Global Financial Crisis. It explains how foreign investment is both advantageous and harmful to developing economies. However he doesn't propose a complete boycott of foreign investment but only a more moderate form of it. This paper provided me valuable insight into the economic conditions of the time, which enabled me to choose a data point.

This paper[5] was one of the bases which helped to model this research paper. It poses the question whether population will be a booster or a drag for the Indian and Chinese economies.

It clearly states that China based on a number of factors will be able to take better advantage of its population. It also reaffirmed my belief that comparing India with China would be fair and accurate considering their geographical and demographic conditions.

It[6] provides a magnificent summary of China's commercial success through the ages while placing considerable emphasis that China as a nation was not without its own set of challenges but it overcame them using one of its major weaknesses i.e. its population as an asset. This is where I received a complete understanding of China's success, its causes and challenges. It also gave me a good idea of China's position in the global economy.

This paper[7] allowed me to understand the several factors that I must keep in mind before comparing the two countries. It provided somewhat of a blueprint in regards to the format of this paper and how I made my points.

It is evidently clear from this paper[8] that China has proved that its success depends upon its investment in health and education, gender equality and equal and equitable distribution of wealth even through non democratic influences. On the other hand India's low literacy rates and poor health outcomes as compared to China's may explain a big part of the disparity in development between the two countries. The fact that in India, people friendly and higher quality education and health policy could make a difference, not only to people's lives but also to the economic growth of the country. For India to match china it needs a better-educated and healthier labour force at all levels of society.

This paper[9] takes into consideration the Indian economy and states that it is presently gripped by the dual phenomenon of an unprecedented slowdown as well as financial fragility. What has triggered this? Is thissimply a random exogenous shock to an otherwise

well-functioning economy? Or, is there anythingstructural about the present slowdown? What are thebinding constraints for recovery? These questions areaddressed in the context of India's overall growthtrajectory and policy regime in the last two decades. This paper provided me with further insight into the current financial conditions and what role growth rate played in bringing about its current state. This paper concludes that the Indian economy needs a change in its policy regime and growth trajectory, because what presently remains operational is a regime of financial fragility and vulnerability.

It is very clear from the literature review that there exists a gap in research into the lack of development as a function of low economic growth and a large young population. This gap is what I sought to fill. My paper also provides sufficient insight into the effects of absence of adequate economic growth and voluminous youth demography on socio-economic development while pushing the idea that immediate reform

[4]Subramanian, Arvind, et al. National Bureau of Economic Research, 2007, *FOREIGN CAPITAL AND ECONOMIC GROWTH*, www.nber.org/papers/w13619.pdf.

[5]Wolf, Charles, et al. National Defence Research Institute, 2011, *India and China: A Comparative Assessment*.

[6]"China's Economic Rise: History, Trends, Challenges, and Implications for the United States." *EveryCRSReport.com*, Congressional Research Service, 25 June 2019, www.everycrsreport.com/reports/RL33534.html.

[7]Salami, Reza, and Javad Soltanzadeh. "Comparative Analysis for Science,Technology and Innovation Policy; Lessons Learned from Some Selected Countries (Brazil, India, China, South Korea and South Africa) for Other LdCs Like Iran." *Journal of Technology Management & Innovation*, vol. 7, no. 1, 2012, doi:0718-2724.

[8]Naseem, Sana. "Economies of Two Asian Giants India and China: A Comparative Study." *International Journal of Social Science and Business*, vol. 8, no. 9, 21 Sept. 2017, doi:10.23887/ijssb.v1i4.

[9]Dasgupta, Zico. "Economic Slowdown and Financial Fragility:The Structural Malaise of India's Growth Process." EPW (2020): n. pag. Print.

is required otherwise India is bound to slip into a downward spiral. The literature review provides several ideas that are key to this paper the primary being India's comparableness with China which provides a satisfactory source of comparison. This is of much importance considering that present conditions of India and mainly its demography is hard to imitate and is almost absent in history.

III. Research Methodology

This paper aims to analyse the ill-effects of inadequate economic growth in view of a large young population. In order to quantify the same, key socio-economic indicators have been taken into consideration, in accordance with the World Bank guidelines[10]. The indicators-in no particular order are-

Unemployment Rate, Per Capita Income, Consumer Price Index, Crime Rate, Human Development Index and Poverty Rate. Besides the aforementioned indicators even Malaria cases[11] and GINI co-efficient[12] have been considered.

To make such a comparison accurate and fair to the parties in question, a majority of the said comparisons are made between India, China and other countries with a sizable population, of the order of the population of India. To adequately demonstrate the age of the population and emphasize on its youth component median age has been considered. For the purposes of this study young has been defined between 14 and 34 in accordance with India and China's official definition for statistical purposes.[13]

In order to emphasize the long-term implications, the data points in question have been established to be the year 2007 and the most recent data. There are several reasons for this methodology. Firstly, it serves to avoid abrupt data fluctuations which occurred as a consequence of the Global Financial Crisis of 2008 whose implications are still being felt world over.[14] Secondly, it is a time frame i.e. from 2007-2008 to 2018-2019, which fits comfortably in most conventional definitions of the term 'long-term'. Lastly, it also provides a sufficient time-interval from any major economic crisis that may have had a global impact.

Analysis

To begin with we consider the median ages in both India and China in 2007-2008 to set-up context for the upcoming analysis. China's median age in 2007 was about 33.8 considering the nearest available data intervals of 2005 which was 32.57 and 2010 which was 35.03 (in years).[15]Considering their average, the figure comes to 33.8 years.India's median age in 2007 was about 24.445 considering the nearest available data intervals of 2005 which was 23.79 and 2010 which was 25.10 (in years).[16]Considering their average, the figure comes to 24.45 years, rounding up from 24.445 years.To provide some global context the USA's median age in the same time period was 36.49 years and Japan's median age was 43.825 years.

From the aforementioned data it is accurate to conclude both China and India had median age of population within the pre-defined youth bracket. It is also important to note the still greater difference between the median ages of India and China i.e. 9.35 years.

Let us now consider the economic growth rate of both India and China in 2007.

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[10]

Malpass, David. "Economy." *WDI - Economy*, World Bank, 2020, datatopics.worldbank.org/world-development-indicators/themes/economy.html.
[11]

Grey, Ben, et al. "Diseases and the Links to Poverty: Health." *RESET.to*, Jan. 2015, en.reset.org/knowledge/diseases-and-links-poverty.
[12]

Ceriani, L., Verme, P. The origins of the Gini index: extracts from Variabilità e Mutabilità (1912) by Corrado Gini. *J Econ Inequal* **10,** 421–443 (2012). https://doi.org/10.1007/s10888-011-9188-x

[13]Verma, Davendra, et al. *Youth in India*. Government of India, Social Statistics Division, 2017.

Zhihao, Zhang. "China Unveils Youth Development Plan." *China*, China Daily, Apr. 2017, 7:57, www.chinadaily.com.cn/china/2017-04/15/content_28939946.htm#:~:text=In%20the%20Middle%20and%20Long,14%20to%2035%20years%20old.

[14]

Chen, Wenjie, et al. "Lasting Effects: The Global Economic Recovery 10 Years After the Crisis." *IMF Blog*, International Monetary Fund, 13 Oct. 2018, blogs.imf.org/2018/10/03/lasting-effects-the-global-economic-recovery-10-years-after-the-crisis/.

[15] "China Median Age of Population, 1950-2018." *Knoema*, United Nation Department of Economic and Social Affairs, 4 June 2019, knoema.com/atlas/China/topics/Demographics/Age/Median-age-of-population.

[16] "India Median Age of Population, 1950-2018." *Knoema*, United Nations Department of Economic and Social Affairs, 4 June 2019, knoema.com/atlas/India/topics/Demographics/Age/Median-age-of-population.

India's growth rate in 2007 was 7.7%[17] while that of China was 14.2%[18], a little less than double that of India. If a young population in isolation i.e. irrespective of economic growth, was to be the only determining factor in National Development India should have far surpassed China in current time.

To verify such inference, we shall consider the following factors, as mentioned earlier, Unemployment Rate, Per Capita Income, Consumer Price Index, Crime Rate, Human Development Index, Poverty Rate, Malaria cases and GINI co-efficient.

Unemployment

Unemployment rate is the number of unemployed people as a percentage of the labour force, where the latter consists of the unemployed plus those in paid or self-employment. Unemployed people are those who report that they are without work, that they are available for work and that they have taken active steps to find work in the last four weeks. When unemployment is high, some people become discouraged and stop looking for work; they are then excluded from the labour force. This implies that the unemployment rate may fall, or stop rising, even though there has been no underlying improvement in the labour market[19].

Looking at unemployment rate is important because it is an amalgamation of various factors and hiccups within the economic framework, making it an effective tool to gauge the economic state of a nation. It holds special meaning in analysis as it conveys the message that there is insufficient growth leading to inadequate provision of employment corresponding to population rise. It is also reflected in the crime rate of India which is discussed in a later section of the paper.

"Numerous factors are the reason of this result like unequal income distribution, improper utilization of foreign investment, poverty, and growing population, worsening economic conditions, political instability, low growth and many others."[20]

China's unemployment rate in 2018 was 3.8%[21] (Figure 1) and India's unemployment rate was 5.3%.[22] (Figure 2) Not only is India's unemployment rate higher than that of China but this statistic also gains substantial gravitas in view of the fact that China's growth rate of population has been decreasing year-on-year and has been lower than the rate of population growth for India since 1973, even reaching half that of India in 2018 when China's growth rate of population was 0.5% as opposed to India's 1%.[23] Therefore, if only young population was paramount for development then not only should the unemployment rate for India be lower but also continuously decrease in view of its increasing young population.

Per Capita Income

Per Capita Income provides a summative analysis for various conventional and non-conventional factors determining the magnitude of development; furthermore, it provides a more equitable measure for developing countries like India wherein a substantial part of wealth creation is function of foreign investment and the likes.[24]

The only hindrance with use of Gross National Income as a measure surfaces for countries with substantial economic gaps between economic groups within the population. To avoid such an error in the next section GINI coefficients have been considered in order to analyse wealth distribution as well.[25]

[17] "GDP Growth (Annual %) - India." *Data*, World Bank, 2018, data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=IN.

[18] "GDP Growth (Annual %) - China." *Data*, World Bank, 2018, data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=CN.

[19] "Unemployment - Unemployment Rate - OECD Data." *TheOECD*, data.oecd.org/unemp/unemployment-rate.htm.

[20]

Aurangzeb, and Asif Kholi. "Factors Effecting Unemployment: A Cross Country Analysis." *International Journal of Academic Research in Business and Social Sciences*, Jan. 2013, doi:2222-6990.

[21]IMF: World Economic Outlook (WEO), October 2019https://knoema.com/atlas/China/Unemployment-rate

[22]World Development Indicators (WDI)https://knoema.com/atlas/India/Unemployment-rate#:~:text=India%20%2D%20Unemployment%20rate&text=India%20unemployment%20rate%20was%20at,down%20from%205.4%20%25%25previous%20year.

[23] "Population Growth Rate." *Google*, World Bank, 2018, www.google.com/publicdata/explore?ds=d5bncppjof8f9_&met_y=sp_pop_grow&idim=country%3ACHN%3AIND%3AUSA&hl=en&dl=en.

[24] Mishra, Punit. (2014). Is Per Capita Income a True Indicator of Development?. The International Journal of Humanities and Social Studies. 2. 179-187.

[25] "Why Use GNI per Capita to Classify Economies into Income Groupings?" *Why Use GNI per Capita to Classify Economies into Income Groupings? – World Bank Data Help Desk*, World Bank Group, 2010, datahelpdesk.worldbank.org/knowledgebase/articles/378831-why-use-gni-per-capita-to-classify-economies-into#:~:text=There%20are%20some%20limitations%20associated,reflect%20inequalities%20in%20income%20distribution.

China's Gross National Income per Capita in 2018 was $ 9,460 by the Atlas method.[26](Figure 3)

Whereas, India's Gross National Income per Capita in 2018 was $ 2,020 by the Atlas method.[27](Figure 4)

This further demonstrates that despite there being such a substantial gap between the median ages, and implicitly young population, of the two countries in 2007-08 the difference in GNI per Capita is equally if not more substantial. This only goes on to prove that in absence of economic growth, a large youth population is only detrimental. To further emancipate this let us consider Japan. Japan's median age in 2007 was 43.825 years and its growth rate was a measly 1.7%; however, in 2018 Japan's Gross National Income per Capita was $41,310. This substantiates the fact that a low economic growth in absence of a large young population is a viable option for economic progress and even exponential growth. However, if there is a presence of substantial young population economic growth is a must.

Gini Coefficient

The Gini index measures the extent to which the distribution of income (or, in some cases, consumption expenditure) among individuals or households within an economy deviates from a perfectly equal distribution.The Gini index measures the area between the Lorenz curve and the hypothetical line of absolute equality, expressed as a percentage of the maximum area under the line. A Gini index of zero represents perfect equality and 100, perfect inequality.[28]

In connection to the previous analysis I analysed the GINI Coefficient of wealth distribution for India and China.

The Gini Coefficient for China in 2011 was 0.477 and in 2019 0.465. Thus, there was an absolute decrease of 0.012 points further magnified by the fall in growth rate of population.[29]

The Gini coefficient for India in 2011 was 0.378[30] and for 2019[31] it was about 0.50. This was an absolute increase of about 0.122.

This goes on to prove that income inequality in India has only increased. This demonstrates that economic development in India has been insufficient in relation to its population growth leading to concentration of wealth. On the other hand income inequality in China has been decreasing. Implying that economic development sufficiently copes with increase in population. This also adds to my point that only young population without economic growth is detrimental. Moreover, Gini coefficient and the distribution of wealth as a whole bears direct semblance to youth and economic development. In ideal conditions as young population increases with increase in economic growth due to greater opportunities for socio-economic progress more of the youth should make such progress, and in the process increase the equity in income and its distribution. An increase in the Gini coefficient is testament to the fact that the number of young people making progress does not sufficiently increment with increase in population.

Crime Rate

Crime rate is a sufficiently accurate indicator of unrest within a country in general and the grievances of the, usually unemployed and struggling, youth of the country. Crime, especially among youth is a combined function of biology, physical and social environment. An increase in a country's crime rate denotes that the youth is considerably counter-productive, in view of the fact that majority of the crime is executed by the young

[26]China GNI Per Capita 1962-2020. www.macrotrends.net. Retrieved 2020-06-04.

[27]India GNI Per Capita 1962-2020. www.macrotrends.net. Retrieved 2020-06-04.

[28] OECD Statistics Directorate. *OECD Glossary of Statistical Terms - Gini Index Definition*, Key Indicators of the Labour Market (KILM): 2001-2002, International Labour Organisation, Geneva, 2002, Page 704., 9 Aug. 2002, stats.oecd.org/glossary/detail.asp?ID=4842.

[29] "China: Gini Coefficient: Economic Indicators: CEIC." *China | Gini Coefficient | Economic Indicators*, Government of China, 1 Jan. 1970, www.ceicdata.com/en/china/resident-income-distribution/gini-coefficient#:~:text=China's%20Gini%20Coefficient%20data%20was,to%202019%2C%20with%2017%20observations.

[30] "GINI Index (World Bank Estimate) - India." *Data*, data.worldbank.org/indicator/SI.POV.GINI?locations=IN.

[31]Iasparliament. "UPSC Current Affairs: Monthly Hindu Review: Top 50 Current Affairs Download PDF." *Recent Current Affairs*, Iasparliament, 10 Oct. 2017, www.iasparliament.com/current-affairs/gini-coefficient-and-india#:~:text=The%20prevalent%20trend%20indicates%20that,be%20an%20all%2Dtime%20high.

population of a country.[32] It shows that the socio-economic conditions of the youth are not facilitative of development in any regard.

The crime rate for China in 2018 was 0.60 per 100,000 people of population[33] (Figure 5) whereas for India the crime rate was 3.20 per 100,000 people of population.[34] (Figure 6)

China's crime rate decreased by 50% from the last data point of 2007 whereas the decrease in India's crime rate was 18.75%.

In context, Japan's crime rate in 2018 was 0.20 per 100,000 people of population a 50% decrease from 0.40 per 100,000 people of population in 2007.[35]

This only emphasizes that crime rate is not simply a consequence of low growth rate, considering that Japan's annual growth rate was 1.7% in 2007. It means that for developing countries with flourishing young population economic growth is a must for development as seen in China.

Poverty Rate

The poverty rate is the ratio of the number of people (in a given age group) whose income falls below the poverty line; taken as half the median household income of the total population. It is also available by broad age group: child poverty (0-17 years old), working-age poverty and elderly poverty (66 year-olds or more). However, two countries with the same poverty rates may differ in terms of the relative income-level of the poor.[36]The poverty rate is the most superior indicator when economic development is under consideration.

This is because it is a very specific statistic that is generally uninfluenced by global political and social factors which may affect factors such as GNI per Capita.

Events that are likely to lead to poverty are as follows: No High School Degree, Loss of a Job and Decline in earnings.[37]Causes of the above mentioned events are: Growth in Low-Wage work, violence and discrimination.

This means that a poverty rate is a direct reflection on the socio-economic conditions of a country.

However, this statistic is not a one-to-one comparison considering that the last available data point of official data for India is 2011. (Figure 8) Notwithstanding, official data China is available-"China has lifted 82.39 million rural poor out of poverty over the past six years, and its poverty rate — the proportion of people living below the poverty line — dropped from 10.2 to 1.7 percent in the same period, recent data from the National Bureau of Statistics showed." [38]

This demonstrates that a young population is an invaluable asset and to effectively utilize it to the country's advantage as a vehicle for development is possible only by high growth rate as displayed by China in 2007-08.

Consumer Price Index and Consumer Durables

Consumer Durables are defined as products that are expected to last three years or more, such as an automobile or a home appliance.The Consumer Price Index (CPI) is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food, and medical care. It is calculated by taking price changes for each item in the predetermined basket of goods and averaging them. Changes in the CPI are used to assess price changes associated with the cost of living. The CPI is one of the most frequently used statistics for identifying periods of inflation or deflation.[39]

[32] Ulmer, Jeffrey T, and Darrell Steffensmeier. "The Age and Crime Relationship." *The Nurture versus Biosocial Debate in Criminology on the Origins of Criminal Behavior and Criminality*, by Kevin M. Beaver et al., The Nurture Versus Biosocial Debate in Criminology: On the Origins of Criminal Behavior and Criminality, SAGE Publications, Inc., 2015, pp. 377–396.

[33]China Crime Rate & Statistics 1995-2020. www.macrotrends.net. Retrieved 2020-06-05.

[34]India Crime Rate & Statistics 1990-2020. www.macrotrends.net. Retrieved 2020-06-05.

[35]Japan Crime Rate & Statistics 1990-2020. www.macrotrends.net. Retrieved 2020-06-05.
[36] "Inequality - Poverty Rate - OECD Data." *TheOECD*, data.oecd.org/inequality/poverty-rate.htm.

[37]Rynell, Amy. *Causes of Poverty*. The Heartland Alliance Mid-America Institute on Poverty , 2008, pp. 1–29, *Causes of Poverty*, www.issuelab.org/resources/5393/5393.pdf.

[38]于小明 . "War on Poverty Continues in 2019." *War on Poverty Continues in 2019 - Chinadaily.com.cn*, China Daily, 2019, www.chinadaily.com.cn/a/201902/22/WS5c6f86a5a3106c65c34ead2a.html#:~:text=China%20has%20lifted%2082.39%20million,National%20Bureau%20of%20Statistics%20showed.

[39] Chen, James. "Consumer Price Index (CPI) Definition." *Investopedia*, Investopedia, 23 Apr. 2020, www.investopedia.com/terms/c/consumerpriceindex.asp.

"Current income level and dynamics is the most relevant determinant of consumption. Income comes from labour (employment and wages), capital (e.g. profits leading to dividends, rents, etc.), remittances from abroad. Income from consumer's cumulative bundle (including dividends and interests on wealth) provides an additional flow to available income.

Cumulated savings in the past can be squeezed in case of necessity and give rise to a jump in consumption, similarly with what happens with **wealth increase**, due for instance to stock exchange boom or house prices boom. Family debt can be boosted to fund consumption, while repayments brake its dynamics.

Expectations on future income, especially if concerning short-term credible events, may also play an important role.

At household level, there are many possible rules set to control monthly, weekly or even daily consumption expenditure, resulting from empirical and theoretical approaches to consumers. These routines relate not only to income but also to the following factors among others:
 General lifestyles, in particular attitudes toward savings or consumption and shopping as "values" in itself;
 A standard level of consumption the family tries to maintain over time;
Decisions regarding active saving strategies, like an investment scheme for pension aims;
The relative success of past investment in shares or other financial instruments; in fact, a housing, a real estate or a stock-exchange boom are likely to promote an euphoria tide with growing consumption;
Opportunities of consumer credit, depending in turn by interest rates and marketing strategies by banks and special consumer credit institutions;
Past decisions on durables. For instance, a family having bought a car will reduce expenditure on public transport in favour e.g. of fuel;
 Status symbols diffusion - "social musts" - that can be favoured by a pro-diffusion-of-innovation tax ;
New employment perspectives, also as far as the corresponding investments in human and physical capital are concerned;
Family debt management, with repayments tightening consumption;
Fiscal conditions, with particular tax and subsidies impacting the timing and the amount devoted to purchases;
VAT expected increases, for instances, might lead to anticipation to purchases."[40]

Consumption and size of consumer durables market in a country thus demonstrates the penetration of socio-economic benefits in the said country. It accurately represents the consumer sentiment within the country and implicitly previous experiences with private consumption. It is also a powerful indicator of the standard of "Social Essentials" or items that, while not existentially essential, are significant in terms of Social belonging. It is obviously also a direct indicator of income levels and employment situation but more importantly it also indicates substantially consumerism and consumer habits which reflect the financial and mental willingness and ability to buy common goods.

The CPI for China in 2018 was 121.6 while in India it was 167.6.[41] This indicates an increase in the cost of living considering the fact that the CPI is calculated on the basis of a basket of basic essential goods from all sectors. This is indicative of a country's development as well considering the fact that development allows for greater efficiency and even subsidies for essential goods, as the state can afford it and thus a corresponding decrease in price of essential items such as food grains, medicines for minor ailments and even education and communication.

Moreover the size of the consumer durables market in China was $ 114.18 billion [42]while for India it was only $15.5 billion[43]. In addition to the aforementioned indicators the size of the consumer durables market indicates one extremely noteworthy factor-disposable income or income that is highly liquid and non-significant to the point of abstinence. Developed countries by a function of their development create conditions conducive to non-essential spending.

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[40]Piana, Valentino. "Consumption." *Consumption: a Key Concept in Economics*, Economics Institute of the Web, 2001, www.economicswebinstitute.org/glossary/cons.htm.

[41]International Monetary Fund, International Financial Statistics and data files.https://databank.worldbank.org/reports.aspx?source=2&series=FP.CPI.TOTL&country=WLD

[42]Research, Goldstein. "China Consumer Durables Industry Set to Grow at a CAGR of 13.1% (2017-2025)." *Express Press Release Distribution*, 18 May 2018, express-press-release.net/news/2018/05/18/262306.

[43] Consumer Guidance Society of India, et al. 1st ed., vol. 1, ser. 1, Indian Brand Equity Foundation, 2018.

This pushes the nail further into the wall, another indicator demonstrating China's developmental superiority which was a function largely of its greater growth rate as a virtue of which it was able to effectively utilise its young population.

Malaria Cases

Now this point is quite unconventional. However, it is imperative that vector-borne diseases which are transmitted by easily eradicated vector i.e. mosquitoes are actually convenient to treat and eradicate completely in presence of sufficient socio-economic development. Malaria is one of the prominent diseases which are a consequence of a lack of development especially in countries with high density of population. For example, Malaria can be treated by the use of a combination of spraying dwellings with DDT, using insecticide treated mosquito nets and taking prophylactic medicines such as mefloquine, doxyclycline and malorone. Malaria can also be treated with artemisinin combination therapy. Education can also play an important role in reducing the incidence of insect-borne diseases, for example by encouraging people to remove sources of stagnant water (insect breeding sites) from near their dwellings.[44]Implicitly, such measures require social development such that sufficient subsidization and medical technology is available to implement the above mentioned measures. Indirectly, even social development in terms of education clearly furthers the cause.

It is widely postulated that lack of development, specifically economic, is a cause of communicable diseases. The World Health Organization has stated the following- A large proportion of illnesses in low-income countries are entirely avoidable or treatable with existing medicines or interventions. Most of the disease burden in low-income countries finds its roots in the consequences of poverty, such as poor nutrition, indoor air pollution and lack of access to proper sanitation and health education. The WHO estimates that diseases associated with poverty account for 45 per cent of the disease burden in the poorest countries. However, nearly all of these deaths are either treatable with existing medicines or preventable in the first place.[45]

In 2017, 2018 and 2019 China had 0 indigenous cases of malaria.[46] In contrast India had 9.7 million cases in 2017[47].

This astronomical difference in numbers is not a function of environmental and geographical conditions, considering the fact that China had 30 million cases of malaria in 2010.[48]

Human Development Index

The Human Development Index is in a sense an amalgamation of the aforementioned factors, however it is limited largely to social development. It is inarguably, an accurate measure of the social and, partially, the economic development of a country.

The HDI was created to emphasize that people and their capabilities should be the ultimate criteria for assessing the development of a country, not economic growth alone. The HDI can also be used to question national policy choices, asking how two countries with the same level of GNI per capita can end up with different human development outcomes. These contrasts can stimulate debate about government policy priorities.

The Human Development Index (HDI) is a summary measure of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and have a decent standard of living. The HDI is the geometric mean of normalized indices for each of the three dimensions.

The health dimension is assessed by life expectancy at birth, the education dimension is measured by mean of years of schooling for adults aged 25 years and more and expected years of schooling for children of school entering age. The standard of living dimension is measured by gross national income per capita. The HDI uses the logarithm of income, to reflect the diminishing importance of income with increasing GNI. The scores for the three HDI dimension indices are then aggregated into a composite index using geometric mean.

The HDI for China was 0.758[49] for 2018 ranking 85th among 189 countries.

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[44]Stevens, Philip. "Most Disease in Lower-Income Countries Is Caused by Poverty ." *Diseases of Poverty and the 10/90 Gap*, International Policy Network, 2004, pp. 4–4.

[46] "From 30 Million to Zero: China Creates a Malaria-Free Future." *World Health Organization*, World Health Organization, 18 June 2019, www.who.int/malaria/news/2019/china-from-30-million-to-zero/en/#:~:text=Setting%20the%20elimination%20goal,disease%20by%20the%20year%202015.

[47]"Malaria Profile: India." *World Health Organization*, United Nations, 2018, www.who.int/malaria/publications/country-profiles/en/.

[48] "From 30 Million to Zero: China Creates a Malaria-Free Future." *World Health Organization*, World Health Organization, 18 June 2019, www.who.int/malaria/news/2019/china-from-30-million-to-zero/en/#:~:text=Setting%20the%20elimination%20goal,disease%20by%20the%20year%202015.
[49] United Nations, 2019, *Human Development Report 2019*, hdr.undp.org/sites/all/themes/hdr_theme/country-notes/CHN.pdf.

The HDI for India was 0.647[50] for 2018 ranking 120th among 189 countries.

Although the difference seems insignificant it is important to note that the growth rate of population in China is half that of India and their growth rate continues to be higher.However, the HDI simplifies and captures only part of what human development entails. It does not reflect on inequalities, poverty, human security, empowerment, etc. The HDRO offers the other composite indices as broader proxy on some of the key issues of human development, inequality, gender disparity and poverty. This necessitates the analysis of the other data considered by us.

IV.   Conclusion

The above analysis leads us to infer that a lack of economic growth in India around 2007-2008 has cause a setback to its socio-economic development which is a function of an under-facilitated, under-privileged and highly under-utilised young population. Although, equally, if not more populated China was able to successfully harness its youth and use them as an instrument of development, India lagged behind in all the data-fields. This mainly a function of insufficient growth rate, economically. It is essential to understand that while India may have a so-called 'decent' growth rate, it is inadequate in correlation to its population. Considering the fact that India is bound to overtake China in terms of population at a scientifically undefined time in the near future, its growth rate should be exponential to accommodate this growing population. Moreover, in my opinion history is an accurate reflection of the future if the same conditions persist. That is, if India doesn't accelerate growth soon enough it may find itself in the same, if not worse position in 10 years' time. It is imperative to note that not only is a lack of development burdensome but it also gradually decreases even the economic growth rate. This locks countries in a vicious cycle at the beginning of which India is now. As this cycle progresses it becomes proportionately more difficult to exit it. For illustration, if crime rates, unemployment, illiteracy and malaria cases (just to name a few) it impacts greatly both the labour market as well as the capitalist market of wealth-generation. This further leads to a lag in development which in turn causes growth rate to deteriorate further. Thus, it is inarguably necessary and conducive to development for India to exit this vicious cycle of lack of growth and consequently impediment to development. As we concur from the analysis stated above this is impossible, unimaginable and unattainable without an increase in economic growth.

Figure 1
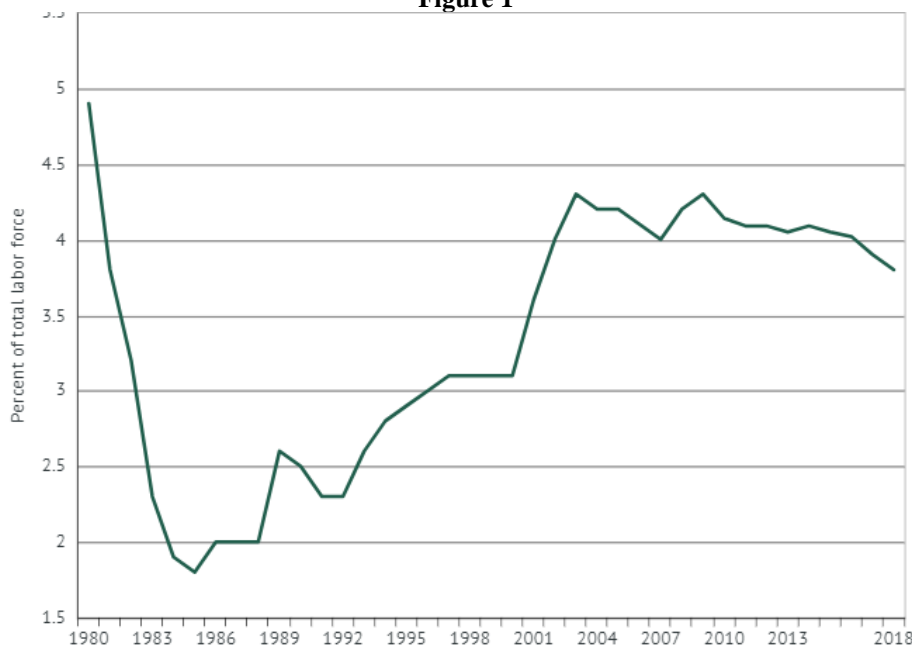
Source: IMF: World Economic Outlook (WEO), October 2019

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[50] 2019, *Human Development Report 2019*, hdr.undp.org/sites/all/themes/hdr_theme/country-notes/IND.pdf.

Figure 2
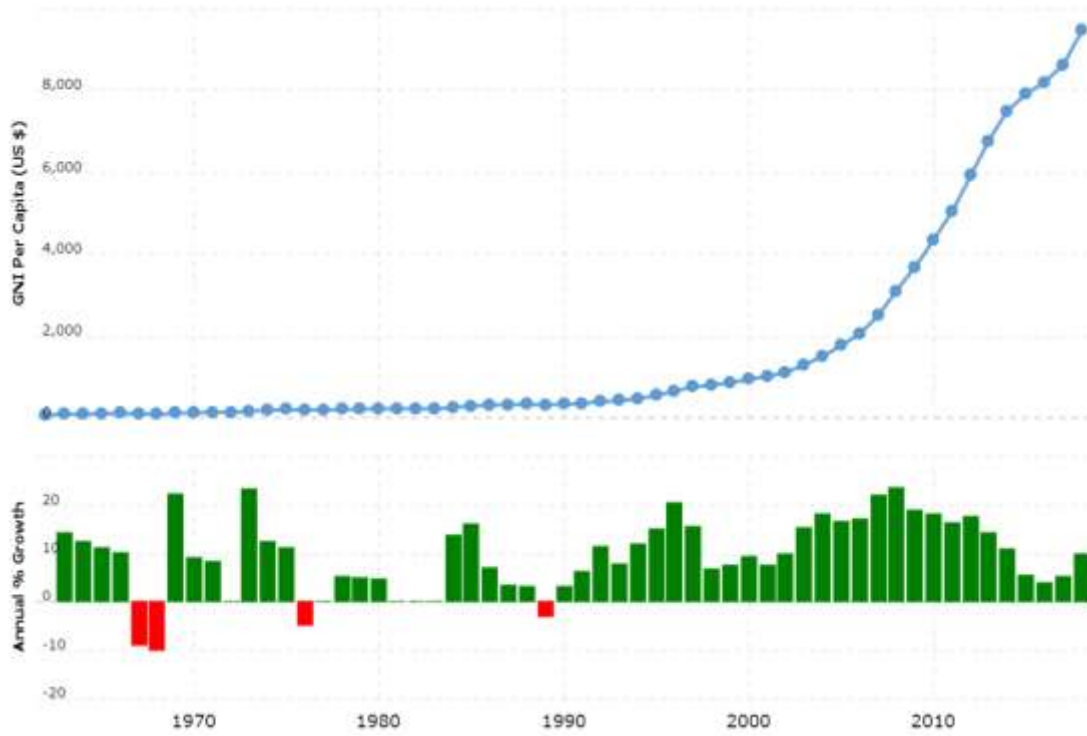

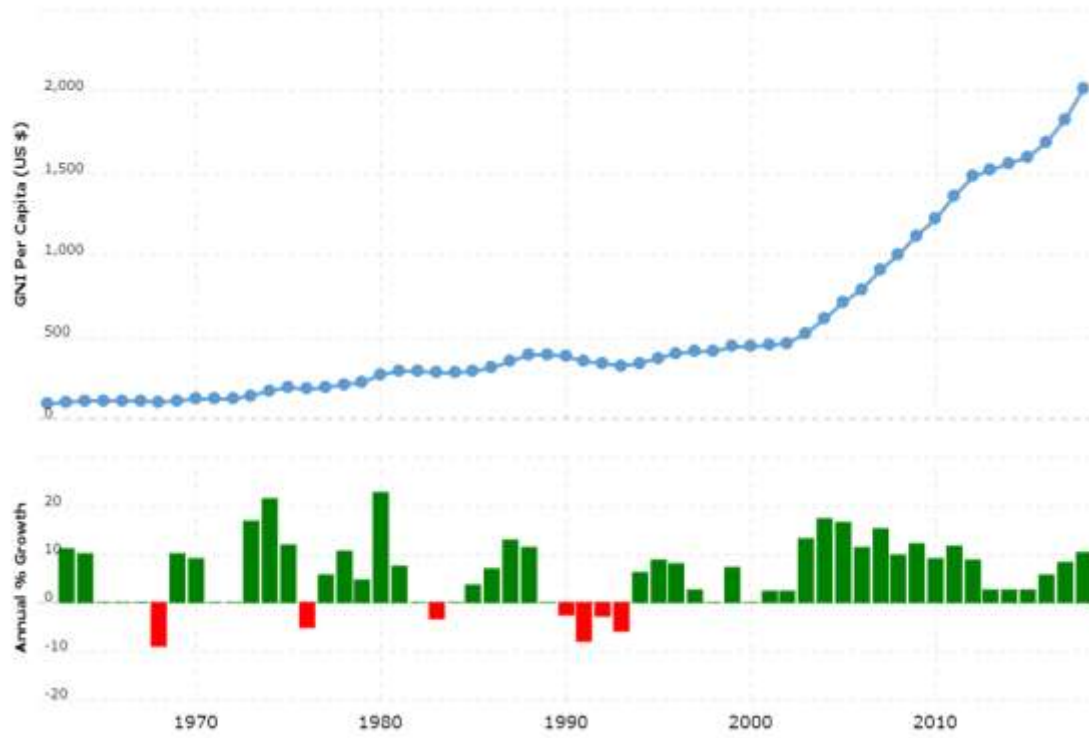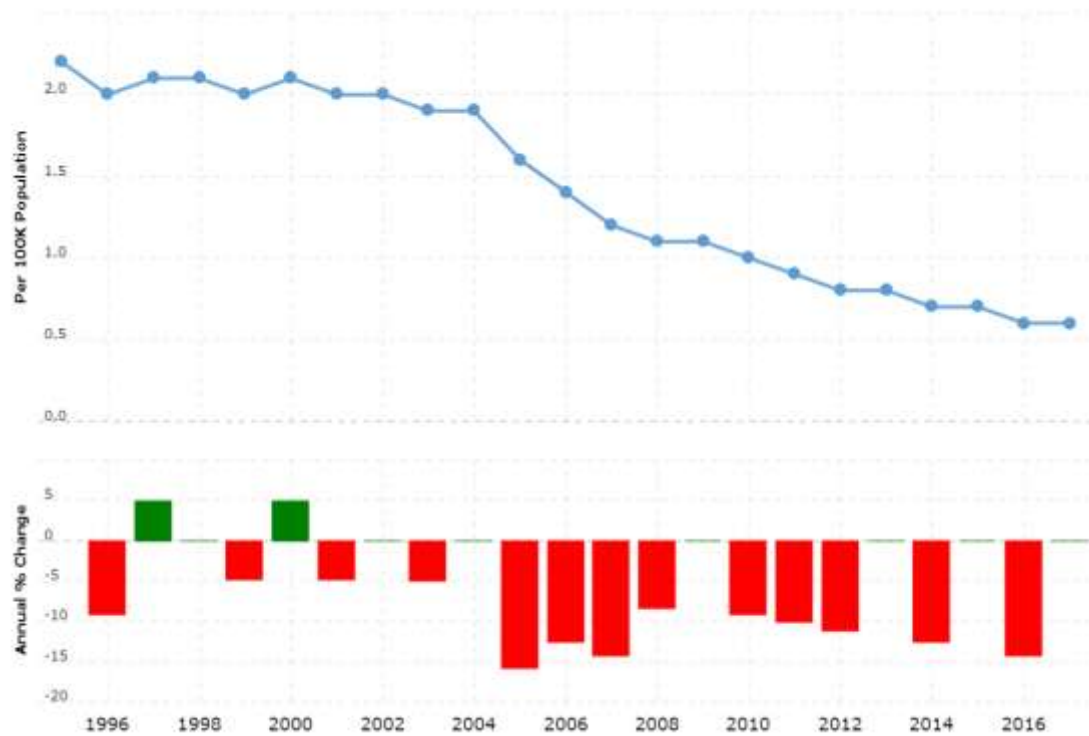Source: World Development Indicators (WDI)
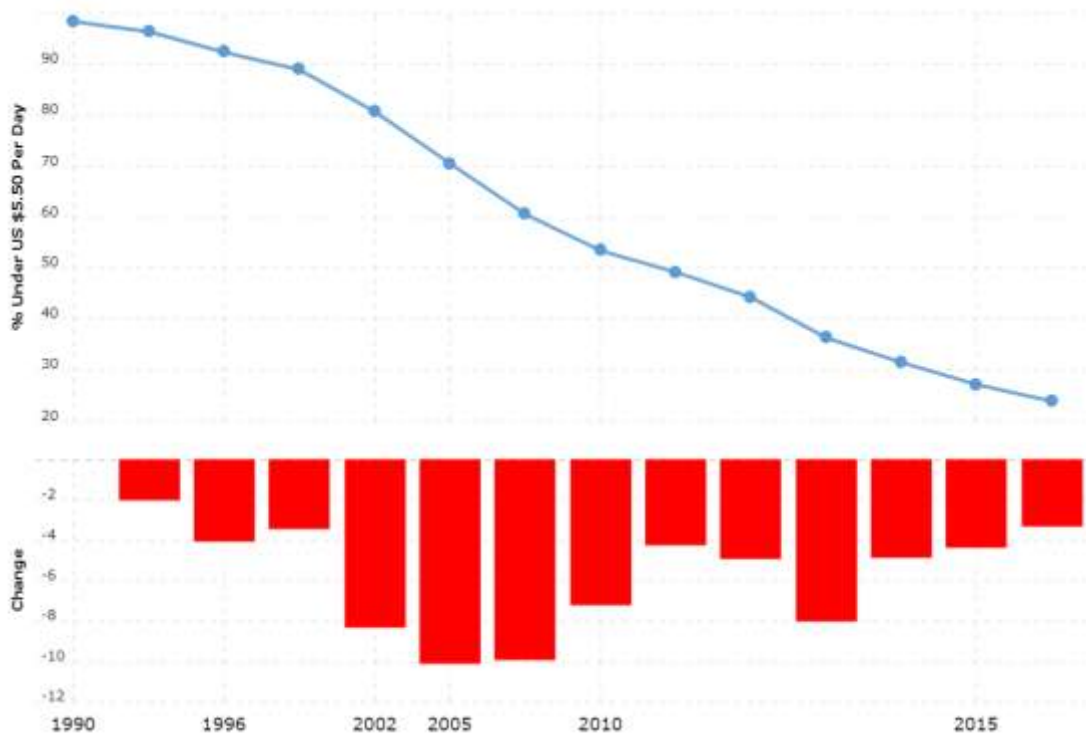
Figure 3

Figure 4

Figure 5

Figure 6

Figure 7

Figure 8