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HUMAN CAPITAL AND SUSTAINABLE DEVELOPMENT IN INDIA: A SOCIOLOGICAL ANALYSIS

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Abstract

India with a population of about 1087 million (in 2004) accounts for 16 per cent of the world population. The scale at which India's population is increasing is simply mind boggling. The growth of population has a direct effect on the living standards of the people. This is why, despite our spectacular progress in the agricultural and Industrial spheres since independence, our per capital income has not risen appreciably. It is estimated that 25 million people are homeless, 171 million people have no access to safe drinking water, 290 million adults are illiterate, 20 per cent of the population are undernourished; 49 per cent children below five years are under weight and country as a whole has 126th position in the World Human Development Index. In view of this situation, there is an urgent need to stabilize the population growth at a level consistent with the productive capacity of the ecosystem. Sustained economic growth within the context of sustainable development is essential to eradicate the poverty and other problems. The quality of life of the people could be raised through appropriate population and development policies and programmes aimed at sustained economic growth and human resource development. Human capital formation through education, training and proper healthcare facilities is essential for the optimum utilization of resources and sustainable development. We have to fully integrate population into development strategies, planning, and resource allocation at all levels and in all regions with the goal of meeting the needs and improving the quality of life of present and future generations.

Introduction

Population growth is considered as a constraint on the economic development of the country. The rising population has serious implications for food and water security, healthcare, quality education, basic services and sustainability of ecosystem. High amount of pressure by the growing population on ecosystem and destructive and indiscriminate exploitation of natural resources leading to ecological degradation, inequitable distribution of resources such as water, air, erosion of biodiversity, inadequate basic services etc. But if the population is considered as an asset we need to take some measures and adopt a pragmatic strategy for the optimum utilization of Human Resources and Physical and Natural resources. Firstly, stabilizing population is an essential requirement for promoting sustainable development. Secondly, there is an urgent need to improve the mental capability, skills and physical capacity of the people by providing education, training and proper healthcare services. Human population when nurtured by enhancing mental faculties, building skills and physical capacity of the people turns into the most useful Human capital for Sustainable development.

There is a close relationship between population change, patterns and levels of use of natural resources, the state of environment and the pace and quality of economic and social development. Meeting the basic human needs of the growing population is dependent on a healthy environment. These human dimensions need to be given attention in developing comprehensive policies for sustainable development in the context of population growth. Keeping the above aspects in view the

present paper tries to analyze the linkages between population, quality of life and sustainable development.

Population Situation in India

India's Population stood at about 350 million at the time of Independence in 1947. According to the census of2001 the country's population has become 1027 million and it is growing rapidly. The annual growth rate of population since 1951 has been above 2 per cent. It was particularly high at about 2.5 per cent during the two decades (1961-71 and 1971-81). Between 1981- 91 the growth rate works out to 2.1 per cent per annum. Between 1991- 2001 the annual growth rate was around 1.98 per cent. Though there was a significant reduction in growth rate of population, the size of the population has been increasing year after the year. This fast rise in population has been caused by a slowly falling birth-rate and rapidly declining death-rate. The crude birth-rate has increased from 43 per 1000 population in 1941-51 to 47 in 1951 -61 and then slowly began to fall from 31 per 1000 population in 1991, and 25 per 1000 population in 2001. The crude death rate in India declined from about 30 per thousand population during 1941-51 to 15 in 1971-81 and l0 in 1981-91 and 8.1 in 2001. Life expectancy at birth in India in 1951 was 32-34 years, whereas it rose to 62 years in 2001. The total fertility rate is estimated to fall from 3.4 in 2001 to 2.8 in 2010, and reach very close to the replacement level only by 2025. To reach the replacement level of fertility, the total fertility rate must reach 2.1 and if maintained would ensure a zero growth rate of population in the long run. Similarly, the life expectancy at birth has been estimated to rise to 67 years for males and 71 for females by 2025.

The density of population in India has been rising since 1951. The density of population is 307 persons per sq. km in 2001, it was 274 in 1991, 216in 1981,177in 1971,142in 1961 and 117 in 1951. The density of population is expected to rise to 357 by 2010, 382 by 2015, 405 by 2020, and 427 by 2025 (Sinha 2004: 26).

The sex ratio of population (female per 1000 males) was 929 in 1991 and 932 in 2001. The sex ratio is expected to marginally increase from 932 in 2001 to 954 in 2025. The population in the age group of 0-14 years constitute of 35.7 per cent in 2001, whereas the population in the age group of 15-64 years constitute of 59.8 per cent and those who are in the age group of 65 and above constitute of 4.5 per cent in 2001. The population in the age group of 0-14 years is expected to decrease 31.5% by 2010, 28.0% by 2020 and 26.05% by 2025. Similarly the population in the age group of 15-64 years would increase from 59.08% in 2001 to 63.6% in 2010, 66.3% in 2020 and 67.2% in 2025. The population in the age group of 65 and above would increase from 4.5% in 2001 to 4.9% in 2010,5.7% in 2020 and 6.4% in 2025 (ibid: 26).

The literacy rate has been on the increase with a sharp step-up in the latest 1991-2001 decade. As per 2001 census, the literacy rate is 65.4 per cent, whereas it was 52.2 per cent in 1991 and 43.6 per cent in 1981.

Literacy rate among females, both in rural and urban areas, is lower than that among males.

The rapid growth of population in India is certainly having adverse effect on economic development. Much of the current production is used for the maintenance of population through the provision of consumption goods, leaving little for saving me investment. Little can also be spared for the skill-formation of the labour force. With the national income growth at 4 per cent in 1951 to around 6.9 per cent in 2005, the per capita income has grown slowly at around 1.5 per cent thus affecting adversely the welfare of the people. But if the population is considered and moulded as human capital, it will be much helpful for the healthy and faster development of Indian Society.

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Human Capital and **sustainable Development**

Human Capital plays a very important role in sustainable development and also in furthering the growth of the economy. As an economic concept, human capital defines people as a capital asset which yields a stream of economic benefits over their working life. As improvement in the mental capability, skill and physical capacity of the people constitutes an increase in human capital because this enables the human factor to produce more. As such use of resources for this purpose is equivalent to investment in the formation of physical capital Son Ung Kim et al. 2002: 38).

Human development paradigm envisages full empowerment of the people. According to Mahbub ul Haq (1996: 16-20) there are four essential components in the human development paradigm - equity, sustainability, productivity and empowerment. .An essential part of this paradigm is productivity, which requires investments in people and enabling macroeconomic environment for them to achieve their maximum potential. In fact, most of the development literature has focused on the productivity of human endeavour. Many recent models of development are based primarily on human capital. Tit; empowerment of people requires action on various fronts:

It requires investing in the education and health of the people so that they can take advantage of market opportunities;
it requires ensuring an enabling environment that gives everyone access to credit and productive assets so that the playing-fields of life are more even; and
it implies empowering both women and men so that they can compete on an equal footing.

In fact, many East Asian economies like Japan and the Republic of Korea have accelerated their growth through tremendous investments in human capital. (Mahbub ul Haq 1996: 20).

There are a number of ways in which human capital can be increased. However, by general consensus, the investment in human capital is restricted to two types of expenditure. One is education which includes general education and technical education and naming. While general education improves the mental faculties, technical training adds to the capacity of the people to produce more. Second is expenditure on the provision of health facilities. This includes healthcare services like hospitals, medicines etc., and medical education to provide personnel for the creation and maintenance of health facilities. The services and facilities provided under health increases directly the physical capacity of the human beings. Both types of investment thus result in the up gradation of the quality of human being as a producing factor. While this concept concerns the capital aspect of the quality of human beings, the individuals seek an improvement in education, training and health also as consumption good. Thus the format ion of human capital has dual function it is a producer good as well as a consumer good.

The formation of human capital takes on two forms. One is skill of the labour. The recent theories of growth include skill as an explicit or direct factor of production. This skill may have been acquired through education and training or it may be thrum: die process of learning new technologies on the job or what is called learning by doing. The distinguishing feature of this form of human capital is trim me capital (or improved productive-capacity) is embodied in the person of the worker.

Another form in which human capital is formed is an increase in the knowledge related to various professions. This includes, for example, the basic scientific knowledge, designs and modes of efficient production etc. Human Capital contributes a lot in raising the mummy of country to produce in a number of ways. An important way it does so is by upgrading the technologies scenario of a country. In the first place, it improves upon the existing indigenous technologist

through learning by doing. Through the use of his/her knowledge and skill, these technologies can also be modernized with little extra cost of physical inputs. The knowledgeable workers can also augment the productive capacity by adopting and adapting to superior imported technologies.

Muthayya (2006: 31-32) has rightly pointed that adoption of modem technology and technological innovation can facilitate the process of development much faster. New technologies will lead to healthier lives, greater social freedom, increased knowledge and more productive livelihood. Technology is a tool and not just a reward for growth and development. Technology is created in response to market pressures. Technology has a multiplier effect creating a vicious circle, increasing people's knowledge, health and productivity and raising income and building capacity for future invention, all leading to human development. Education and skills are required to use technology effectively.
In order to make the people capable of becoming the active participants in the productive process of absorbing new technological innovations, it is essential to have minimum education coupled with the knowledge and skills as these have a premium in the development technology. Our educational system needs to augment the learning process by identifying, processing and disseminating the required information and skills to the people in order to create a knowledge base that facilitates the development process *{ibid:* 32).

Human Capital formation is not only required for the economic growth, but also required for the improvement in the Quality of life of the people. The education and training, which are part of the human capital formation, impart the vocational skills which ultimately enable people to contribute for the expansion of livelihood opportunities. Apart from this, these skills are immensely useful in varied professions such as farming, horticulture, manufacturing, cottage industries, constructions, business and marketing etc. Apart from this, the availability of adequate health facilities is another component of human capital formation which raises the capacities of the people. Thus, the knowledgeable, skilled and physically fit people are a powerful instrument of change in the society and also for sustainable development. Attitudes of the people no longer remain traditional and custom- bound. People start making rational choices in respect of places and jobs.

This will promote mobility of workers both geographically and professionally. A big change also takes place in the personal qualities of the people. These changes are conducive to the development of individualism and entrepreneurship, which motivate people to work, to take risks, and to earn. The capacity to innovate also gets strengthened. This makes for an upsurge in the realm of various activities like research and application of new ways of doing things and creating new resources, new products and new processes.

Thus, human capital formation is essential for the sustainable development and improvement in the quality of life of people. In order to ensure that human capital makes its positive contributions to the development of the economy, it is necessary to improve it along several lines. The first essential prerequisite of a sound policy towards human capital formation is that it should treat expenditure on education and health as investments. In order to ensure the human capital formation educational, health and training facilities have to be provided for all sections of the society especially backward castes, weaker sections, women and destitutes etc. Their development can raise the human capital both in quality and quantity.

Quality of Life and Development
'There is a close linkage between the human capital formation, quality of life and development. That is why the population have to be molded as human capital for the improvement of their quality of life. This is possible only by increasing investments in the field of social sector especially education,

health, training and infrastructure. In relation to quality of life of people Human Development Report focuses on four important capabilities: to lead a long and healthy life, to be knowledgeable, to have access to resources needed for a decent standard of living and to participate in the life of the community (Human Development Report 2004: 127).

The educational and health status of a population is a reflection of the socio-economic development of the country and is shaped by a variety of factors - the level of income and standard of living, housing, sanitation, water supply, education, employment, health consciousness, personal hygiene and by the coverage, availability, accessibility and affordability of health care delivery services. The relationship between health and development is complex, multifaceted and multidirectional. Poverty in its various dimensions could be a manifestation, as well as a determinant, of an individual's health. In its most basic form as a state of food deprivation and nutritional inadequacy - poverty has a direct bearing on the morbidity and longevity of people. Deprivation such as lack of access to critical amenities including safe water, sanitation, non-polluting domestic fuels, connectivity of life support services and most importantly to education and general awareness contribute to reinforcing ill-health and morbidity and higher mortality levels.

Attainments on other dimensions of human development, especially educational and economic well-being, reinforce the transition towards better health and longevity. Better purchasing power through a more equitable distribution of employment opportunities and resources can help bring about nutritional adequacy and food security for the poor. This, coupled with public provisioning of basic amenities including water, sanitation, shelter and access to education and services can ensure significant improvement in health and longevity of the population (Nanda and Ali 2006: 18).

In terms of availability of health infrastructure and its utilization, the situation is not that encouraging even if we compare India with low-income countries. Moreover, the overall disease burden in India is very high. The number of Physicians per 1000 population for the world is 1.5, while the figure for India is 1, which is at par with the average of low-income countries. For the public health sector, the figure is a low 0.2. The number of hospital beds per 1000 population for India is 0.7, which is much lower than the world average of 3.3 and the average of 1.5 in low-income countries. Per capita per year in-patient admissions for India is 1.7 per cent as compared to 9 per cent for the world and 5 per cent in low-income countries. Of the total of around 12 lakh practitioners registered with the authorized bodies of various systems, about 85 per cent are estimated to be in the private sector. The number of unqualified practitioners of various systems is also large and their number practically equals that of registered practitioners. The public health expenditure in India is at around 1.2 per cent of GDP, which is below the low-income countries average (2 per cent). Public health expenditure as a proportion of total government expenditure has declined over the years. It is widely acknowledged that the quality of health services is generally poor. Besides, the private sector being almost entirely unregulated, there are serious complaints of poor quality, irrational drug use, overcharging and unethical behaviour (ibid: 25-29).

There are 2935 community health centres (CHCs), 22,975 primary health centers (PHCs) and 1,37,271 sub-centres in India. The PHC has facilities mainly for primary out-patient care with minimal arrangements for in-patients, while the CHC has facilities for secondary care with specialists and in-patients beds (Bulletin in Rural Health Statistics in India, June, 2000). However, in spite of the vast expansion in infrastructure it remained grossly underutilized because of poor facilities, inadequate supplies, insufficient effective manpower, the lack of proper monitoring and evaluating mechanisms, poor managerial skills among doctors etc.

As discussed earlier, apart from health, education plays an important role in the economic development of the country and improvement of quality of life of the people. Keeping this in view,

the government has accorded special importance to education not only in the country's constitution but also in the five year plans. From the very first five year plan onwards, the attempt was made to make education as an integral part of economic planning. Kothari commission on Education (1966) has stressed the relationship between education and productivity and the critical role of education in national development. The National Policy on Education, 1968, 1986 and 1992 laid special emphasis on the role of education as an important means of development, viewing education as a crucial area of investment for national development and survival (Tilak 2006: 33).

During the post-Independence period efforts have been made to provide educational facilities to all socio-economic groups in the country by the Government of India, state Governments and Non-Governmental organizations. Due to their efforts, enrolments in all educational institutions have increased eight times from about 2.4 crore in 1950-51 to above 21 crore in 2002-2003, as per the official statistics. There are 10.4 lakh schools, and about 17,000 colleges and about 329 Universities including institutions deemed to be Universities, according to the draft Tenth Five Year Plan. Schooling facilities at primary level are accessible to the population living in 83 per cent of the habitations within a distance of 1 km. Despite the expansion of the system, the progress achieved has not been satisfactory, both in terms of quantity and quality *(ibid:* 33).

Public expenditure on education is an important policy instrument for realizing the education goals. The proportion of GDP invested in education by the Government was 3.5 per cent in 2004-2005. But it is felt that the current proportion is less than the requirements of the education system to provide reasonable levels of quality education to all the students enrolled presently. National policy on education (1986) and the revised policy (1992) reiterated to invest six per cent of GDP in Education for the qualitative development of education system in the country. But the educationists in the country feel that the provision of appropriate education to all might require resources of at least 8 per cent of GDP.

Apart from education and health, water, sanitation and nutritional status of the people also play an important role in the quality of life of the people. Only 33 per cent of the population in India have sustainable access to improved sanitation; 86 per cent have sustainable access to an improved water resources; 20 per cent are undernourished; 49 per cent of the children under the age of 5 years are underweight; 30 per cent of the infants are have low birth weight (Human Development Report 2006: 307).

In view of the above facts, there is an urgent need to strengthen the education and health sectors. Apart from this the sanitary conditions, nutritional status of the people and access to protective drinking water have to be improved by allocating required amount of budget.

Policy Priorities and Development Strategy

Development is fundamentally a learning task. People at the community level need to acquire new skills required for development, not just to receive information. The ultimate aim of human development is to develop peoples' competence (knowledge and skills) and commitment (confidence and motivation) and positive attitudes to change. The purpose of information giving process should be to convince them about the need for change, effect the change, get them to commit to the change and finally to convert those in to new ways of thinking, feeling and doing oriented tqiurther development (Muthayya 2006: 35).

Research undertaken in developed and developing countries of the world reveals that for an increase in output, quality of labour is more important than the quantity. A clear picture emerges if

one looks at the experience of different countries. No country with an educated, untrained trained labour force is rich. In general, the quality of the labour force is much more critical in economic development than is the availability of natural resources. Japan is a country which has almost no mineral or energy resources but has high economic productivity because of highly literate, trained and efficient working population (Katar Singh 1999: 100).

In view of the above facts we need to adopt a 'Growth oriented Human Capital Strategy' for the sustainable development in India. This strategy is basically based on the philosophy that people are rational decision makers, who, when given adequate opportunity and proper environment, will try to maximize their incomes. For this the state need to concentrate on two things-one is infrastructure building, and second is Human Capital formation. First, the role of state in this strategy is to build the required infrastructure with people's participation and maintain a favourable climate to stimulate the growth of rural and urban enterprises. Secondly, this strategy emphasizes the importance of human capital investment in the process of economic and social development. By human capital, we mean acquired mental and physical ability, skills and capabilities through the investment of human effort and higher budgetary allocations for education and health sectors.

Thus, this strategy emphasizes physical capital formation and human capital formation for overall development. But, here the stress is more on human capital formation. This strategy seems most appropriate for labour-surplus developing countries like India, where a lot of under developed human resources having potential for development exist.

The development policies and strategies must consist of the following aspects for the sustainable development of the country:

The highest priority should to be given to the human resource development through appropriate education, training, healthcare, and nutrition.
Population growth has to be stabilized through the creation of awareness with regard to family planning and family welfare.
Quality education and quality healthcare services and facilities have to
be provided for all the people in the country. To meet this goal the minimum public investment on education and health sector must be 6 per cent and 5 per cent of GDP respectively.
All the people in the country must be provided with safe drinking water.
Awareness among the people has to be created with regard to the importance of maintenance of good and clean sanitary conditions and nutrition.
All the children of the country must be provided with free and compulsory education up to 10th class with some kind of technical and professional training as part of their curriculum.
All the adults of the country must be provided minimum education through literacy programmes and all of them must be provided with some technical training related to various professions which will enable them to create livelihood opportunities.
Optimum utilization of natural resources and fullest utilization of man power.
Health insurance must be made compulsory for all the citizens of the country.
Rational outlook and positive attitude have to be developed among the people by organizing personality development programmes at community level or at school level.
Training camps in relation to various types of professions have to be organized for all the adults at village level or cluster of villages' level.

All the citizens have to be trained in natural and physical resource management to maximize the production and productivity.

Conclusion

Education, health, sanitation and management of resources have a direct bearing on the development of rural and urban areas. Since a majority of the people in India especially in rural areas are illiterate and. poverty stricken, their quality of life is also very low. In order to improve the quality of life of the people and for the economic development of Indian society there is a need for strengthening education and health sectors with sincerity and commitment by providing high investment in these sectors. Every person in the society must be provided an opportunity to lead a long, healthy and creative life and to enjoy a decent standard of living, freedom, dignity and self-respect. Serious efforts have to be made by the Central and State Governments in this direction.

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