

## Demographic Dividend and Creation of Human and Knowledge Capital in Liberal India: An Endogenous Growth Process

**Authors :** Arjun K., Arumugam Sankaran, Sanjay Kumar, Mousumi Das

**Abstract :** The paper analyses the existence of endogenous growth scenario emanating from the demographic dividend in India during the liberalization period starting from 1980. Demographic dividend creates a fertile ground for the cultivation of human and knowledge capitals contributing to technological progress which can be measured using total factor productivity. The relationship among total factor productivity, human and knowledge capitals are examined in an open endogenous framework for the period 1980-2016. The control variables such as foreign direct investment, trade openness, energy consumption are also employed. The data are sourced from Reserve Bank of India, World Bank, International Energy Agency and The National Science and Technology Management Information System. To understand the dynamic association among variables, ARDL bounds approach to cointegration followed by Toda-Yamamoto causality test are used. The results reveal a short run and long run relationship among the variables supported by the existence of causality. This calls for an integrated policy to build and augment human capital and research and development activities to sustain and pace up growth and development in the nation.

**Keywords :** demographic dividend, young population, open endogenous growth models, human and knowledge capital

**Conference Title :** ICPD 2019 : International Conference on Population and Development

**Conference Location :** London, United Kingdom

**Conference Dates :** May 23-24, 2019