

Demographic  
changes and  
business  
opportunities  
economics essay



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The Earth we've been living on will never be the same. Everything on the earth is changing time by time. The government, geographical, Economy, Social and cultures and Technology have been changing from the beginning of the every civilizations in different places around the earth since 4000 years up to now. And, it will keep changing until the world is end.

Some of these changes can be opportunities for some business organizations and some can be threats. Therefore, it is crucial that when we do business we must look after the changes and follow the trends of it.

Demographic Changes, Government control and Business opportunities.

In this project, I would like to discuss more into demographic changes.

First of all, Demographic is statistical of socio-economic data which is related to population. Therefore everything in demographic changes will be changing in people such as sex (numbers of males and females), age, occupations, marital status, religions, education level, birth rates, family size, death rate married age and so on

One of above changes can affect to the country, business organizations, even to the earth in either good or bad way. If the changes can be chaos or bad to the country in long run the government will try to control these changes. More, one of these changes can turn out to be an opportunity for the company if the top level management could think of it and even it could be an opportunity for an entrepreneur.

Changes in demographic directly affect the market size and the whole market. Therefore, if the organization can provide the product or services for them, it can turn out to be the opportunity for the organization.

## **Life Expectancy Changes in the U. S, A**

According to the U. S centres of Disease control, In U. S life expectancy is increasing up to 78 years, woman can live up to 80. 4 years and man can live up to 75. 3 years old. Because of life expectancy increased, dead rate is dropped to 760. 3 death per 100, 000 people which is all time low.

According to Arialdi M. Minino, CDC's Center for Health Statistics. In U. S death rates are going down because less people die from heart diseases, cancer which are the most people die with these diseases and it used to make the death rates to raised up before. According from U. S death certificates, In 2007 was 77. 9 years and it increased 1. 4 years from 2000.

Moreover, 64% of deaths are because of heart disease, stroke, cancer and chronic lower respiratory diseases and accidents. Nation number 1 killer is heart disease. Since less people are dying from heart disease, it is obvious that there is better treatment are coming out now and it can make increasing in the Life expectancy. However cancer is going to be number 1 killer in the future in the United States.

Death rates in U. S are different depends on region and state. The death rates are decreasing in Hawaii and death rate in Virginia is lower than before also. The life expectancy of white women is 80. 7 years and black women is 77 years. At age 65, since 2000 to 2007 the life expectancy was increased

up to 6%. And also, beginning from 1989 the death rate gap between whites to black is dropping 35% which is 4.6 years.

However, a lot of people in U. S said that the health care program is not good as before anymore. It is a great evidence to show that there health care system is actually improving compared with last 20 years ago.

However, longer life of people can have unexpected impact on the country also. If there are too many old people like 80 to 90 years old. It is a big challenge for U. S government to take care of these people. The U. S government need to rethink of the retirement planning for these people living 20 years or more than their predecessors. And also, there will be problem with the Medicare and Social Security things.. More, some of the programs were not made for people who can stay that long because not a lot of people usually can lived up to 5 to 10 years after they got pension. Therefore, the government increased the pension ages to 60 years to 65 years in 2004.

By 2030, In the U. S. A 20% of the population is going to be old people and the number will be increased up to 70 million. This growing number will force the demand to be higher on public health system, social services and medicare.

Opportunities:

The organization giving following services can be opportunities for them in now or in the future:

Residential and nursing care services

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Care and sheltered housing options

Homecare services

Services for adults with visual impairment

Services for adults with a hearing impairment

Services for adults with mental health and care needs

Help leaving hospital

Financial help for pensioners

The companies producing vitamins and medicines for old people have a good potential in the market because of the market is bigger and bigger time by time.

The government have a plan to raise up the expense to 25% by 2030 because of the life expectancy is longer and population of older people will be increased.

## **Population Changes in India**

In 2010 India population increased up to 1.2 billion. In March 2001, India population was only close to 1 billion. India is the first country to announced the population policy but they couldn't make it or achieved it to control it.

India population is second after china. If i compared to china and India, china got a bigger land which is 7% of the world and the population is 20%.

However India population is 16% of the whole world only land area is only 2.4 %. It will bring the problems in the future.

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Therefore, India is having the problem with limited resources. And it has a big impact on the forests, nature reserves, and ecology. So that, 70% of energy resources are imported from other country therefore, it is the constant pressure to export more to balance out the currency devaluation. Using too much resources will force to natural disasters also.

Moreover, there is lacking of healthy living habits in India also. However, the mortality rate has been decreasing over the years, strong diseases are continuing to claim lives that could be cured.

Basically, population growth is important for the country to be developed. However, in india population growth is way too much for normal developing. Therefore population is no longer resource for the country. It is only burden to society.

45 babies were born out of 1000 people every year. According to The National Population Policy 2000 notes there is no effective contraception in the age of reproductive group and it is not really effective. Only 44% out of 158 million people knows effective contraception. And also reproductive information, services and infrastructure couldn't reach to the urban area.

If there is not enough resources, over population growth will be a big problem in economic development also.

The government was asked by planning commission to give lessons on sterilization and contraceptive advices through current health services for limiting the size of family and also institute studies on population. The National Health Policy of 1983 focused on the thing for “ secure the small family norm through voluntary efforts and aiming for stabilizing the population. In 1991, the Report of the National Development Council Committee on Population proposed to formulate the National Population Policy for a long-run and holistic view in developing, population growth and protection of the environmental. In 1977, The Reproductive and Child Health Programme, was announced in India. NPP 2000’s stated goal is to get the net of replacement levels by 2010, by meeting people ‘ reproductive and child health needs.

### **Opportunities:**

Theoretically, population is directly related to the market size. If there is big population the market will be big also.. Therefore increasing in population can increased in demand on consumer products such as soaps, snacks and so on. And, cell phones, computers market will be bigger. It is also the good opportunities for new retails shops, super markets and shopping mall and so on.

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### **Urbanization Changes in China**

According to the U. N, half population of the world will live in urban areas soon. China is one of the cities of high urbanization, high in modernization also in high level of society. China population growth occurred in most of the

cities in china last 20 years. In 1952 the urbanization population was only 72 millions. However in 2004, it was increased up to 500 million.. One of the statisticians predicts that by 2020, 800 million of Chinese are going to move into the different cities. And urbanization rate is increasing in 1% annually.

Now, City planners are having problems with this huge transformation in china. Basically, urbanization is not just expanding the boundaries of municipal and it is also increase the number of residents in the cities. Therefore, human relationships, public life, new economic forms, and society-wide transitions are the cores of it. Early urban development started in west part of china. However, current urbanization growing has a unique character and also different challenges are going to be faced not like before.

Beijin and Shanghai and other small cities are booming in eastern and southern coasts of china. Therefore, the government planners are worrying about it. According to the the 21st Century Business Herald " City planning functions hard to follow up in the process of urbanization process" and " they need to seek to meet 20 year planning guideline in as little as five years. And According to the 21st Century Business Herald news, Land owners are make huge economic benefits for the governments, and many cities in china are ready for expansion, reconstructions and so on. Now, there are more than 6000 of development zones and total of 3. 6 hectares in the country.

Moreover, China will be facing problem in land resources because of aggressive urbanization. The country's arable land had going down by 6. 6 millions of hectares between 1996 to 2003. Only construction used 1. 5 million hectares. If the land utilization rates is keep going like this up to



2030, then experts are guessing that there will be only 10 million of hectares will be available for making constructions.. Urban population will be consumed about 26 million hectares.

Although land use is really high in urbanization, population growth is stagnant according to Chinese population officially registered because most rural migrants working in the cities do not stay for long. And, they don't stay for long because of low wages, no social security and labour insurance problems. Even though China policies for urbanization is forcing for expanding in towns and cities to be over large, there are less people living in agricultural areas.

About 110 million rural labourers left their farming area in 2003. 69.1 million Which is 61% went to cities and work over there. Therefore, Only a few people are left in urban area.

The municipal government will be of pressure if there is rapid influx of migrants because they do not have sufficient resources for health care, education, law enforcement and social security. And a lot of children got left in urban area from their parents. So, younger generations live there got fewer opportunities to interact and even didn't have chance to learn from their own parents which can affect in development of those generations. f

Opportunities:

Since urban cities are developing, all the business running in china has a lot of opportunity because of bigger market. Transportation is going to get better so that it might lower the cost of production for organization. Even,

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organization can do market development in new area for current product or even new products development if they have competitive advantages. There will be more retails shops. It is a good opportunities for construction companies. Moreover, the demand for both industrial products ( raw material and machineries) and consumers products will be higher because of construction and population growth.