

Demographic characteristics of countries essay sample



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(a) A Shrinking Labour Pool and Old Age Dependency

This situation occurs when there are both low birth and death rates (this mainly occurs in MEDC's). Because there are low birth rates there are less people of a working age (economically active), as the generation of low birth rates move up the age groups of the population pyramid, the labour pool begins to shrink. In MEDC's there is longer life expectancy so there are low death rates this results in high old age dependency, because there is an increasing number of people over the age of 60 (non-economically active).

These factors provide a challenge to countries that face them as they result in a dependency ratio imbalance meaning that more people will be dependant than economically active (a high dependency ratio). Therefore this will provide a challenge for the countries government, as they will have to find a way to provide for the dependant. The elderly are sometimes considered to be a social and economic burden on a country as numerous services such as:

- * Pensions – Will have to be provided by the state so that the over 60's will have a source of income
- * Accommodation and specialist accommodation – ordinary council flats and specialised old peoples homes will need to be constructed in cities so that the old dependants will be much closer to hospitals in their time of need.
- * Free Health Care – Hospital, Dental, and Eye Care will have to be provided free of with a discounts as their only source of income is a pension.

* Home Care – Such as Meals On Wheels Will be provided by charities that rely on government funding to keep them afloat.

* Concessions – because the elderly have limited mobility easy access to places need to be provided such as free bus passes access ramps etc.

This will have to be provided for the dependant by the economically active this is paid for via taxes if there are more dependant people than economically active this may mean that there is a tax hike this will cause many then problems for the economically active group so in solving another one is created. Some of these services may also have to be provided for people below 60, as they are unable to find work due to discriminatory factors in their line of work, which puts them out of a job.

Not only will high old dependency change almost every dimension of public and private life it may also slow down the overall economic growth of the country this can also be said for a shrinking labour pool. If countries fail to act upon this problem of growing old age dependency there could be serious consequences: there could be a debt crisis, destabilising swings in interest and exchange rates, steep tax hikes, deep benefits cuts and a collapse of civic trust countries where this critical situation is in danger of occurring are Japan, Italy, France etc.

A shrinking Labour pool will also provide a challenge for countries as it provides many of the some of the same problems above such as increased government spending on healthcare and cause a slow down of overall economic growth it also provides problems of its own:

- * Less qualified people to perform skilled jobs such as doctors nurses and technicians.
- * Higher Taxes because less people are economically active there will be a greater strain on benefits.
- * An increase in wage demand because there are high taxes workers will need a higher wage also because there will be less workers the employers will have to pay more to recruit them to their business
- * Many businesses will be forced to close down, as they are unable to find or afford workers.

(b) An Expanding Labour Pool And Youth Dependency.

An expanding population can provide many opportunities for countries presently LEDC's such as Brazil and India are in this situation however we have seen how current MEDC's have used utilised these opportunities in the these countries include economic powerhouses like Japan, USA and Germany.

In these countries the work ethic is very strong (because the population is young and energetic), so because more and more people were willing to work and more people were of a working age there was a wide range of workers for employers to choose from, and because there were so many workers to choose from employers could pay them minimum wage because they were not in such great demand, This meant that there were in greater profits made by the business which meant that businesses were able to

expand and even open new businesses. All this resulted in a rapid economic
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growth of the country and also more money could be provided for the non-economically active.

Youth dependency is not such a great problem as Old age dependency because the young will soon become economically and they do not require much to do this just an education. However some LEDC's such as Nepal Exploit this to their own advantage, Because children need to provide for their families they are sent out to work at an early age so by employing children below the age of 16 employers can pay them below minimum wage employ them for longer working hours get away with it this increases both profit and efficiency. This may reduce youth dependency but it robs children of their education and the ability to progress further in the working environment they will probably stuck in a manual labour job for the rest of their life.