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Southward Ho! Demographic Change, the North-South Divide and Internal Migration in India

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There are indeed demographic and development differences between the North and the South, but concerns about labour migration to the South are not warranted since the movement of labour is an important channel for reaping the demographic dividend as well as achieving regionally balanced development.

The dynamics of work migration in India within the larger context of demographic change and a North-South divide in economic growth has inspired much discussion in recent years. The current stage of country's demographic transition has created a youth bulge which provides the country a 'demographic window of opportunity' to accelerate economic growth. But widespread joblessness amongst youth has also raised apprehensions about losing this opportunity and transforming the youth population into an obligation which will have far-reaching social consequences.

India's demography lies at the heart of a trend of a growing North-South divide. A significant proportion of India's population resides in a few economically backward states in the country's north, while the income and employment opportunities have come to be concentrated in the demographically advanced southern states. Recent patterns of work migration show that young workers from the employment-scarce north are moving to the economically dynamic south for work. But these dynamics have also prompted resurgent regionalism in the political rhetoric. Southern states have increasingly questioned the current demographic basis to determine political representation and the sharing of the country's tax resources that they say currently favours the north, despite their own greater contributions to the country's finances and superior track record of governance. These regional tensions have begun to be manifested in a resentment against inter-state migration in some southern states.

This article seeks to provide an evidence-based perspective on these issues.

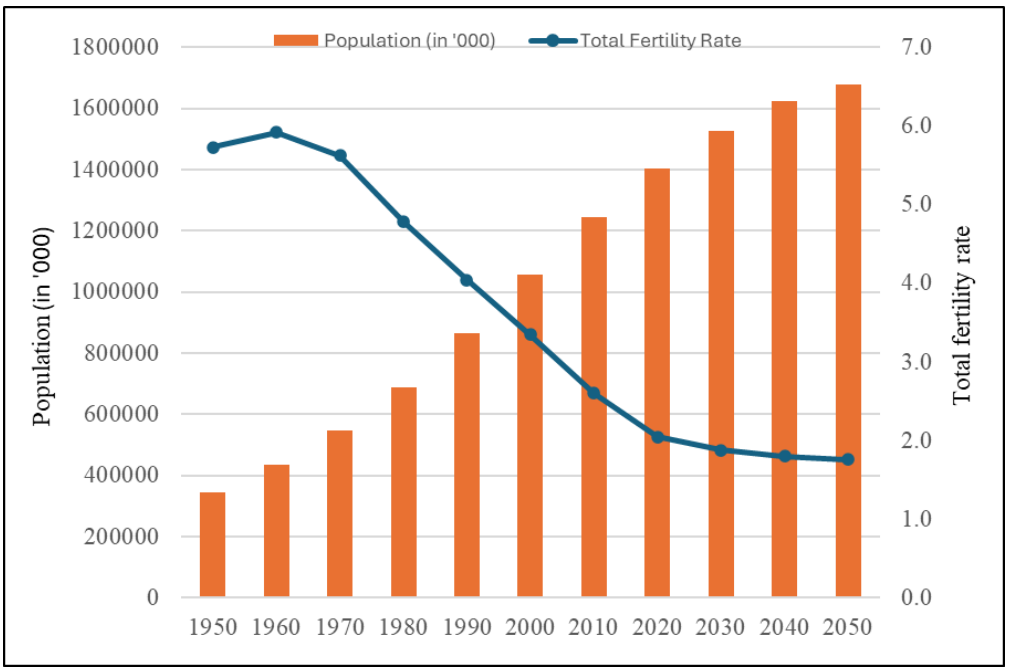
Fertility decline and age-structural changes

India has now overtaken China to become the most populous country in the world. India's current population of 1.45 billion exceeds China's 1.42 billion, and the projections show India's continued demographic dominance in the foreseeable future (UN-DESA 2024). This change in the demographic ranking has led to the revival of alarmist views that posit high population growth as resulting in a grim future for India. Poor and marginalised communities, particularly those belonging to country's religious minorities, are the target of these ill-informed views.

> A significant proportion of India's population resides in a few economically backward states in the country's North, while the income and employment opportunities have come to be concentrated in the demographically advanced Southern states.

The evidence, on the contrary, show that India has completed its fertility transition and achieved the replacement level fertility of 2 children per couple. Moreover, India has experienced one of the fastest fertility declines in the world, and birth rates have been converging across socio-economic groups with most women desiring less than two children. But there is a significant net addition to the country's population because of the population momentum stemming from its young age-structure. The current trajectory of replacement-level fertility means that India's population is growing but at a slower pace (Figure 1).

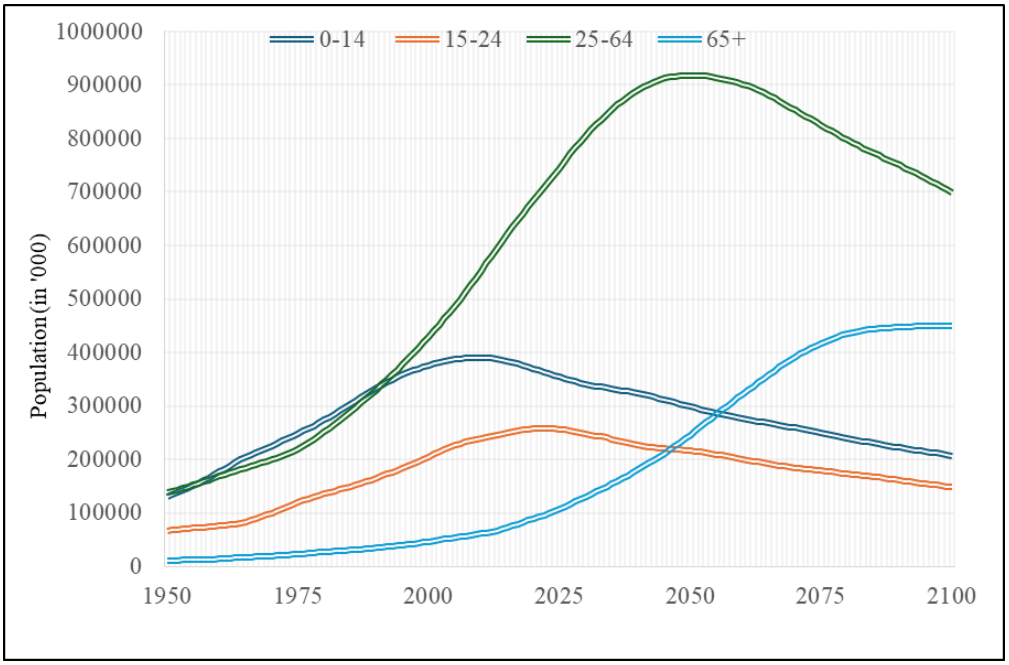
Figure 1: India's population and total fertility rate, 1950-2050



The present demographic regime of falling fertility (and reduced mortality) also offers India a demographic dividend. Currently, half of India's population is aged 25-64 years, and this figure increases to nearly 70% when we consider the population in the age group of 15-64 years. This demographic advantage will prevail over the next few decades with the share of those in the ages of 25-64 years reaching over 900 million around 2050 (Figure 2).

There is some evidence that the demographic dividend has contributed to India's economic growth, and the future of country's economy is also predicated on availability of a large pool of workers (Aiyar and Mody 2011, Government of India 2024). However, significant concerns remain on whether the country will be able to tap this opportunity fully due to past policy neglect of human development. As P. M. Kulkarni has recently noted, harnessing the demographic dividend remains one of the major policy challenges in India.

Figure 2: Population by broad age-group, India, 1950-2100



Growing North, ageing South

A defining feature of India's demography is the wide regional heterogeneity. Although different states vary in terms of population size, age structure, fertility rates and mortality regimes, a distinct broad regional pattern of demographic behaviour is the North-South divide (Bose 2000, Dyson and Moore 1983). This divide has increasingly defined country's politics in recent years.

Southern Indian states that include Kerala, Tamil Nadu, Karnataka, Andhra Pradesh and Telangana led the country's demographic transition to reach a low-mortality-low-fertility regime, while northern states have fallen behind. Data provided by the National Commission on Population (2020) show that in Rajasthan 44 newborns die before reaching their first birthday, compared with 10 children in Kerala. Similarly, while fertility has fallen below replacement level in all the southern states, with Kerala achieving replacement fertility way back in 1988, the four large northern states of Bihar, Madhya Pradesh, Rajasthan, and Uttar Pradesh are yet to reach the two-children-per-couple birth rates.

It is important to note that birth rates in these large northern states have seen significant reductions in recent years with the overall trend pointing to fertility convergence across states. In fact, the recent National Family Health Survey (2019-21) shows that Madhya Pradesh and Rajasthan have achieved replacement fertility (IIPS and ICF 2022). At the same time, the effect of high population growth in the past means that these four large northern states account for nearly 40% of India's population, almost twice the share of the five southern states.

This North-South demographic divide will deepen further in the future. The north will continue to add significant numbers to India's population while the south's share will decline. For example, between 2011 and 2036, Kerala's population will increase from 33 million to 37 million, whereas Bihar will add nearly 45 million people during the same period - an addition higher than the total population of Kerala (National Commission on Population 2020).

Population growth in the north also accompanies ageing in the south. In 2011, the median age in Bihar was 19.9 years whereas this was 29.9 years in Tamil Nadu, a gap of 10 years that will increase to 12.4 years by 2036 (Table 1). Similarly, in 2036 nearly 23% of Kerala's population will be aged 60 years and older where the corresponding share for Bihar will be 11% (Figure 3).

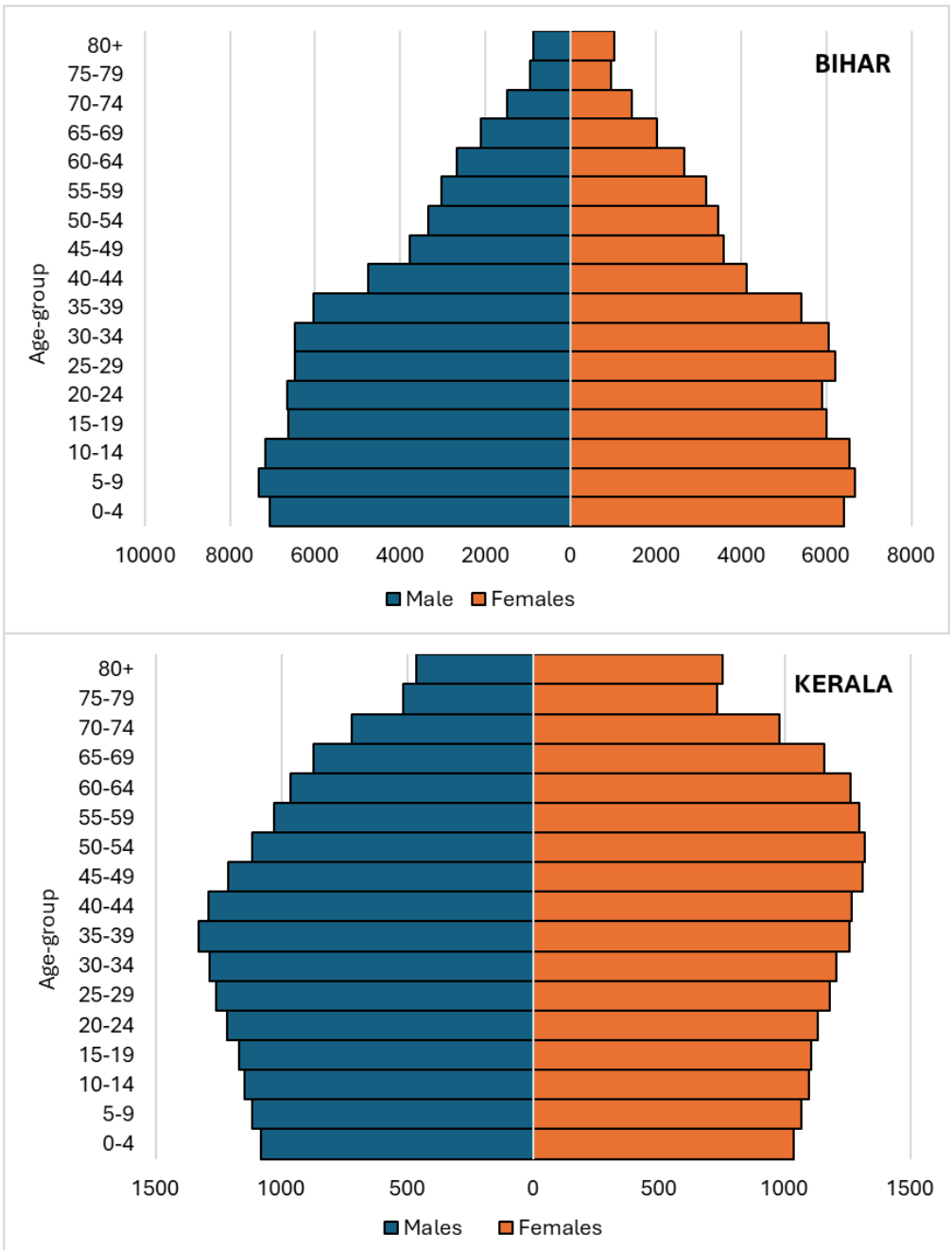
Table 1: Median age of population for selected Indian states, 2011-2036

	2011	2036
South		
Kerala	31.9	39.6
Tamil Nadu	29.9	40.5
Andhra Pradesh	27.6	38.5
Karnataka	27.4	37.8
Telangana	26.7	38.6
North		
Bihar	19.9	28.1
Jharkhand	22.1	31.4
Madhya Pradesh	23.3	31.7
Chhattisgarh	24.2	32.5
Uttar Pradesh	21.5	31.7
Uttarakhand	21.5	30.7
Rajasthan	22.4	32.1
Source: National Population Commission (2020)		

Early public investment in human development, particularly education, fuelled the demographic transition in the south. In particular, female education played a crucial role in fertility decline in the south (Drèze and Murthi 2001; Dyson and Moore 1983; James 2011). This favourable social policy environment that prompted the early onset of demographic transition in the south also produced development dividends for the region.

Better governance and the availability of an educated workforce meant that when India opened its economy in the early 1990s, private investment favoured the southern states (along with some other regions in the country's west with long entrepreneurial history, such as Gujarat and Maharashtra) via-a-vis its northern counterparts. To cite just one statistic, in 2011-12 the fresh Foreign Direct Investment (FDI) in Karnataka amounted to $1.53 billion which was nearly 2.5 times than the total FDI investment of $619 million received by the four large northern states of Bihar, Madhya Pradesh, Rajasthan, and Uttar Pradesh combined (Mukherjee 2011, 108).

Figure 3: Projected age-sex pyramid of Bihar and Kerala, 2036



India's post-1990 services export boom is distinctly concentrated in the south. The information technology (IT) sector, which contributes substantially to export revenues and defines the country's global image, is a leading example. And while India's recent economic growth has favoured capital and skill-intensive industries such as IT and finance and has benefitted a small section of educated and skilled workers, there has also been employment growth in labour-intensive sectors, such as construction which now provides jobs to over 70 million low-skilled workers (Government of India 2024, 274).

The region's competitive edge means that the southern states are also favourable destinations for growing global investment in manufacturing, leading to a greater concentration of income and employment growth in the south while the northern states languish. These dynamics are visibly manifested in growing spatial economic inequalities. In 2022-23, per capita income in Karnataka was Rs. 3.04 lakh, compared with Rs. 54,000 in Bihar (Government of India 2024).

Economic growth within the rich southern states is highly uneven too, concentrated in a few large urban centres, resulting in massive within-state disparities. For instance, Karnataka's capital of Bengaluru in the state's south boasts of being the global IT city, while over 75% of families in Bidar district in the north do not even have a toilet facility within their house premise (Census of India, 2011a).

This growing North-South divide has increasingly begun to redefine India's federalism. The economic might of the south means that the region contributes a greater portion of the country's tax resources. But the demands of promoting regionally balanced development mandate that the laggard northern states receive a larger share of developmental grants. The rich south has increasingly shown discontent about what they see as subsidising the north.

Demographic drift, southward shift?

The widening North-South demographic and economic split also underpins recent shifts in work migration which is now moving southward. In broad terms, post-Independence India has seen two major work migration streams involving low-skilled workers who constitute a large majority of migrants: rural-rural migration in the 1970s and 1980s following the Green Revolution, and rural-urban migration beginning in the 1990s since the advent of economic reforms.

Of course, rural-urban migration was also not insignificant prior to the 1990s. In fact, large-scale migration from rural areas fuelled the growth of India's large metropolitan centres of Mumbai, Delhi, Kolkata and Chennai. Similarly, rural-rural migration for farm work in the Green Revolution belt states of Punjab and Haryana still continues. But the growing stress on farm-dependent livelihoods and an urban-centric economic growth trajectory post-1990s means cities now attract an increasing number of migrants in India (Choithani 2022).

> Most labour migration involves movement by low-/semi-skilled workers for informal jobs. This migration is predominantly circular and largely involves men.

Official statistics on migration severely underestimate work mobility. The Census 2011 enumerated 45 million economic migrants, and the numbers from the more recent Periodic Labour Force Survey 2020-21 showed that of the estimated 317 million migrants in India, only 34 million (11%) moved for work-related reasons (Census of India 2011bm National Statistical Office 2022). Alternative estimates suggest that there are over 100 million labour migrants in India comprising nearly 20% of the country's workforce (Deshingkar and Akter 2009; Government of India 2017).

Most labour migration involves movement by low-/semi-skilled workers for informal jobs. This migration is predominantly circular and largely involves men. But agrarian decline means that migration is becoming 'permanent circular', in that male migrants now spend a large part of year away from origin villages for non-farm work. This contrast with earlier patterns of seasonal migration that occurred in agriculturally lean periods (Choithani, van Duijne, and Nijman 2021, 5).

The underdeveloped states of Bihar, Jharkhand, Madhya Pradesh, Chhattisgarh, Rajasthan and Uttar Pradesh in country's north along with backward eastern states of Odisha and West Bengal are the key outmigration hotspots. Some of these states, such as Bihar and Uttar Pradesh, have a long history of high labour migration and continue to be leading migrant-sending regions. Work destinations vary widely and depend on networks, work availability and wages. India's mega cities of Delhi, Kolkata and Mumbai remain popular age-old work destinations for low-skilled rural migrants from Bihar and Uttar Pradesh. And there are other established migration corridors such as Odisha's Ganjam district that sends a million migrants to Surat in Gujarat for work in diamond industry and textile powerlooms.

> The growing North-South migration stems from spatial disparities. But migration also provides a means to address these inequalities.

Recent research also shows a distinct southward shift in migration. Southern cities such as Bangalore, Hyderabad, Chennai, and Kochi are emerging as important migration destinations as they provide more regular employment, better incomes and stronger labour protections (Choithani, van Duijne, and Nijman 2021). An insightful analysis of return migration during the two waves of Covid-19 using mobile visitor location registers and roaming data show that a significant chunk of migrants who left Mumbai, Kolkata and industrial cities in Gujarat during the pandemic did not return due to their harsh experience, and they seemed to be moving to Karnataka, Tamil Nadu and Kerala. Tamil Nadu and Kerala each receive over 2.5 million migrants from eastern Indian states. And while Karnataka is widely known for in-migration of skilled IT workers, it also is now home to a growing share of less-skilled workers (Nizam, Sivakumar, and Rajan 2022). Our own recent study involving nearly 600 migrant workers living in informal settlements of Bengaluru with the sample divided equally between within and outside Karnataka migrants showed that nearly 85% of inter-state study respondents (249 migrants) came from just six states: Bihar, Jharkhand, Madhya Pradesh, Odisha, Uttar Pradesh and West Bengal.

These large migrant inflows seem to be stirring nativism with concerns of 'North-taking-over-South'. Demographers use the term 'replacement migration' to define these population movements which denotes the number of people needed to make up for population decline, improve the ratio of working age people and offset population ageing effects (Zachariah and Rajan 2004: 5). The wide spatial and socio-economic disparities within the Southern states have added to the nativist sentiments. Governance failures to curb growing income equalities means that parochialism increasingly defines political rhetoric. Karnataka provides an example which recently (2024) tabled a bill to reserve 50% of management jobs and 75% of non-management jobs for locals in the private sector. Although this bill faced severe criticism and was subsequently put on hold, the political compulsion to cater to local constituencies means that politics around migration will likely gather more steam.

Concerns around replacement migration are ill-founded. This is because most migration involves remittance-based, circular moves and not permanent settlement, as noted earlier (Tumbe 2018). And while migrants now spend most of the year at their work destinations, most identify their villages as their home to which they eventually return.

The growing North-South migration stems from spatial disparities. Migration also provides a means to address these inequalities. Domestic remittances are now an important source of income for poor rural households: they also contribute substantially to many northern states' incomes. In Bihar, for instance, remittances account for over 35% of the state's domestic product (Nayyar and Kim 2018).

> Migrants can help fill the labour vacuum [in the South] created by the greying of the local population and help the region to maintain its economic edge.

Remittances enable households to meet their education, health, and food security needs. These investments, in turn, provide important means to promote equitable human development and help build human capital to accelerate future economic growth. Recent field-based research also shows that circular migration and remittances are fuelling incipient urbanisation and growth of the non-farm economy in source regions in India's north and east (Van Duijne, Nijman, and Choithani 2023). Rising urbanisation can enhance economic wellbeing and promote gendered social change.

There are important gains for destinations regions in the south, too. Early onset of fertility transition means that the southern states now account for a growing share of India's old. Population greying in the south is occurring when the Indian economy offers enormous growth potential. Migrants can help fill the labour vacuum created by the greying of the local population and help the region to maintain its economic edge. Migration also offers social benefits. Population ageing means that care requirements in the south will grow and migration can help meet the care needs of older populations. Migrants also contribute to destinations' economies through their taxes.

There is a recognition of the importance of migration in some quarters. To welcome outside migrants, Kerala, for example, has introduced various benefits for low-skilled inter-state migrants, such as health insurance, allowance for children's education, and shared housing. Kerala has benefitted enormously from remittances from the Gulf countries but there also seems to be a realisation amongst political and policy circles that its migrant workers also enriched the Middle East. Kerala's policy initiatives for low-skilled migrant

communities appear to also encourage more permanent, family-based migration, driven in many ways by poor communities' desire to take advantage of free and superior public education for their children. The success of the Roshni scheme that bridges language barriers to encourage greater school enrolment among migrant children is a good illustration. Migrant children have counterbalanced Kerala's dwindling school-age population and rejuvenated Kerala's schools, and they provide potential human resource for the state's future economic development.

Conclusions

We have analysed three broad and interrelated themes relating to India's demographic trajectory that include i) population change, ii) the North-South divide and iii) migration, and debunked the prevalent myths around these issues. First, Malthusian worries around unchecked population growth are unwarranted. Not only has India now achieved the replacement level birthrate, but fertility decline in the country has been amongst the fastest in the world. True, population size in India continues to increase but this is the effect of population momentum emanating from India's young demography. This youthful age structure, if managed well, can also supercharge the country's future economic growth. Past policy neglect will take its toll on the extent to which the demographic advantage can be reaped but continued disregard will come with huge economic and social costs.

Second and relatedly, while the demographically and economically laggard northern states account for a significant share of India's population and continue to grow at a faster rate vis-à-vis the south, they have also witnessed significant population change in recent years. In fact, a key demographic puzzle is rapid fertility decline in these states despite low socio-economic development.

Lastly, while concentration of economic opportunities in the South is leading to migration moving southward, the concerns around replacement migration are unfounded. A bulk of labour mobility is circular and not permanent. If anything, the southern states need to encourage replacement migration to offset population decline. Given the demographic and development differences between the north and the south, migration provides an important means to reap the demographic dividend as well as achieve regionally balanced development. The remittances can fuel development in the poorer north, while the ageing south will need young workers to maintain its economic lead and care needs.

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