

# DECCAN Chronicle *On The Web*

Published on Deccan Chronicle (<http://www.deccanchronicle.com>)

## 45% Indians will live in cities by 2050: NCAER

Aug 02 2010

About 45 per cent of the country's population will be residing in urban cities and towns by 2050, up from 30 per cent now, nullifying the 'India lives in villages' concept, says a study by thinktank NCAER.

"On a conservative estimate, 45 per cent of Indians would be living in towns and cities by 2050. This means that 379 million people may be added to the urban space over the next 40 years," the National Council of Applied Economic Research (NCAER) said in its report 'How India Earns Spends and Saves'.

"It is often said that India lives in villages. With nearly 70 per cent of the country's population residing in over 6.20 lakh villages, rural India continues to wield a huge influence over the country's policy makers," it added.

The study estimates reveal that the size of rural India is shrinking and 379 million people will be added over the next 40 years, indicating a rapid shift from rural to urban living.

Urban areas include all places with a municipality or a corporation, besides having a minimum population of 5,000 and about 75 per cent of the male working population engaged in non-agricultural pursuits.

"India simply cannot afford urban development to languish... India needs to place urban development — particularly infrastructure — squarely alongside rural priorities, recognising in part that both are interdependent," the NCAER report said.

India's top 20 cities account for just 10 per cent of the country's population, but earn 31 per cent of its income, spend 21 per cent and are responsible for 60 per cent of the surplus income, it said.

The study said that there has been an increase in the concentration of population in cities during the last century. While nearly 25 per cent of urban population lived in cities with a population of one lakh in 1901, the number increased to 45 per cent in 1951 and 69 per cent in 2001.

The NCAER noted that the country's savings would grow only with further urbanisation.

While the urban population accounts for 67 per cent of the country's surplus income, rural India accounts for only a third.

"India's savings can grow only as the country's urbanisation progresses... the promise of creating more urban centres would be a more effective way to progress rural India," it said.

---

### Source URL:

<http://www.deccanchronicle.com/business/45-indians-will-live-cities-2050-ncaer-028>