REVERSING DECLINING BIRTH RATES: STRATEGIES FOR POPULATION GROWTH





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ABSTRACT

Countries across the world are having increasingly lower birth rates. Specifically Korea and China are two countries that have seen low birth rates for various reasons, including former or current governmental policies. These lower birth rates have had impacts across other areas of society, including economic, cultural, and overall demographics. Without governmental intervention, this will continue to cause issues for these countries.



INTRODUCTION

Many countries, especially in Asia, are experiencing declines in their fertility rate. Fertility rates are percentages or decimals that represent the average number of children born to a woman in her reproductive years (Ahn, 2023). Currently, the top 10 places with the lowest fertility rates are **Taiwan, South Korea, Singapore, Hong Kong, Macau, Italy, Puerto Rico, Spain, Montserrat, and Mauritius** (O'neill, 2022). In most of the countries with low fertility rates, there are a few potential causes. Some of the causes include government intervention, lower marriage rates, and an increased number of women in the workforce with higher incomes.

Government intervention led to a decline in fertility rates through measures such as sterilization or limitations on the number of children per family. For example in China, the government implemented a one-child policy in the 1908s to keep the population down but alongside the policy came forced contraception, forced sterilization, and forced abortion which drove the number of births down by 400 million (The Effects of China's One-Child Policy, n.d.; Wang, 2023). But now with the low rates of fertility in the country, the Chinese government has lifted the policy. The intervention of the government in family planning has contributed to the low fertility rate. Another potential cause could be the lower marriage rates. According to Stone (2018), women are more likely to have children when they are married. But more people are delaying or avoiding marriage which leads to lower marriage rates (Cox, 2024). Fewer marriages equals fewer births per year. Additionally, the higher rates of employed women and higher income can contribute to lower fertility rates. According to Behrman and Gonalons-Pons (2020) and The New Economics of Fertility (2022), women's increased employment rates and wages lead to fewer children since parents prioritize quality over quantity, investing more in education and fertility declines as income rises (consistent negative correlation between fertility rates and GDP per capita). Sterilization or limitation on births can cause a lower fertility rate.

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INTRODUCTION CONT.

Each year that the birth rate decreases, the **severity of other issues increases such as the aging population, the need for more social welfare, and labor shortage**. With low birth rates, there is a higher portion of older adults which creates an aging population. The aging population is caused by the decrease in the fertility rate (Yang & Zhang, 2023). With an aging population and declining fertility rates, there's a dual challenge: slower GDP growth due to reduced labor force growth, and increased strain on social welfare systems as working-age individuals shoulder more financial responsibility for the elderly, further straining budget pressures on public services (Lee & Mason, 2017). **Low birth rates not only lead to labor shortages but also diminish productivity**, as highlighted in a report by the Center for Homeland Defense and Security since with fewer workers, there's a reduction in the output of goods and services (HSX Module: Major Economies Confront Shrinking Workforce, 2017).



Top 10 Lowest Fertility Rates In 2023



COUNTRIES WITH THE LOWEST FERTILITY RATES 2023 | STATISTA

ROLE FOR GOVERNMENT



Currently in Korea, there is a policy to help support the cost of treatment for infertile couples and child allowance. Additionally, other items for families are subsidized for low-income families, including diapers and formula. Voucher programs are also available and include a maternal health management support program. However, despite these programs designed to raise birth rates, there has not been evidence that this has been effective.

Some factors that have led to lower birth rates are socioeconomic, increasing education of women, rising housing prices, and changes in culture and values. While some of these economic factors can be addressed with governmental policies, the other factors would not be helped with this. The socioeconomic levels leading to this are two-fold. One, as countries progress and women become more educated and work more, they are less likely to have children. This relates to cultural values changing as in Korea with more women working the culture is naturally changing away from having kids and being family oriented.

ROLE FOR GOVERNMENT CONT.

In China, the main policy that has impacted birth rates is its historic One Child Act. This act had been unofficially in place for longer and was not enforced equally across the country. In 1980, this program was officially put into effect. While this policy is no longer active in China as it formally ended in 2016, its effect can still be seen. When it was in place, this policy was put in place through making different contraceptive methods available, financial incentives and other incentives. There were also other more controversial methods of enforcement, including forced abortions and sterilizations.

Some of the effects of this policy include the population skewing more toward male, as having men in China was deemed more desirable than women to be able to inherit the family name, property and more. Another consequence is a higher percentage of elderly people in the population and a large number of undocumented children, as their parents hid their births from the government. **The number of undocumented children range from hundreds of thousands to several million.** The change in 2016 to end this policy also has not yet led to an increase in birth rates, this is due to the fact that the government ingrained the fact that having one child was preferable. Some of the main reasons for this being preferable for families were mainly economic as China does not yet have in palace incentives for people to have more children and have not culturally changed anything to get people more interested in having children.





POTENTIAL POLICIES

To address declining fertility rates and promote family well-being, a balanced approach is important. A combination of increased paternal leave policies and more childcare subsidies is recommended as part of a comprehensive strategy. Parental leave is important because it reduces burnout in employees while providing a structured and approved period for employees to focus on their familial responsibilities instead of work (What Is Parental Leave?, 2023). With more time to focus on family, the policies can allow for more flexibility and drive up the birth rate (What Is Parental Leave?, 2023). Childcare subsidies can also prove to be beneficial since they help reduce the cost of daycare services and allow parents to have an easier time balancing responsibilities (Matteo Dimai, 2023). The more flexibility families have, the higher the potential of more births occurring. By providing families with greater flexibility and support, we can create an environment conducive to higher birth rates and enhanced family wellbeing.

COUNTER-ARGUMENTS AND CHALLENGES

Addressing the challenges surrounding the recommendation for more parental leave and childcare subsidies includes recognizing significant concerns. One such issue is the difficulty in determining the appropriate duration of parental leave, given the diverse needs of children. Different experts recommend different timelines ranging from 12 weeks for the mother to 52 combined weeks of paid leave for both parents (Carlson et al., 2023; Schulte et al., 2017). With ranging suggestions of the duration of paternal/maternal leave, an exact time frame can be tricky to define.



Another challenge is to identifying the source of funding for childcare subsidies. According to Chappelow (2022), a subsidy refers to a payment (either direct or indirect) provided to individuals or businesses, often through cash disbursements by the government or specific tax reductions to enhance overall economic efficiency. Funding subsidies require governments to either increase taxes or redistribute funds from current budgets (Tarver, 2024). The issue of higher taxes or relocated taxes from other budgets to fund childcare subsidies could cause concern among taxpayers. In conclusion, addressing the challenges surrounding the recommendation for more parental leave and childcare subsidies involves acknowledging significant obstacles.

CONCLUSION



Despite these potential issues and challenges, having governmental intervention in the form of a voucher or similar program will help address the economic issues leading to people having less children. Also, with more incentives given to families, this will begin to change more of the cultural standards of the place as well.

Having this balanced approach focused on parental leave, and flexibility for families will help lead to families being empowered to have children if they chose, eventually leading to the reversal of effects from policies such as the One Child Act in China.



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