

South Korea's Falling Population

Why in news?

For the first time in history, the number of deaths recorded in South Korea over the past year exceeded births, causing the country's population to decline.

What is the current scenario?

- In 2020, around 3.07 lakh people died in South Korea, and only 2.75 lakh babies were born.
- The number of new births fell by 10% from 2019.
- At the end of 2020, the country's population was less by 20,838 from the year before.
- The growth rate of South Korea's population declined from 1.49% in 2010 to 0.05% by 2019.
- If this trend continues, the government predicts that the population will drop from the current 5.18 crore to 3.9 crore by 2067. Consequently, 46% of people will be above 64 years of age.

Why is South Korea's population declining?

- In many parts of the world, greater economic development and lower fertility rates often go hand in hand.
- South Korea is a highly industrialised nation.
- It already has the world's lowest birth rate at 0.92 as of 2019; the number represents the average number of children a woman has.
- This figure is substantially lower than the fertility rate of 2.1 required for replacement of the existing population.
 - In India, the fertility rate is 2.2, as per 2019 figures.
- Some of the reasons believed to be behind the low birth rate include reluctance to opt for maternity leave.
- Another reason said is the high real estate prices, which dissuade young couples from buying a house and starting a family.

What is the government response?

- South Korea's government has said that it would bring in "fundamental changes" to address this trend.

- In December 2020, President Moon Jae-in announced policies such as giving cash incentives for families.
 - The scheme, which starts in 2022, will provide a one-off payment of 2 million won (around Rs 1.35 lakh) for each child born, to help cover parental costs.
- Until the baby turns one, the government will pay an additional 300,000 won (around Rs 20,000) every month.
- After 2025, the incentive will be raised to 500,000 won (around Rs 34,000).

Is a dwindling population always undesirable?

- Dwindling population has mixed effects.
- When the young population in a country declines, it creates labour shortages.
- This would have a major detrimental impact on the economy.
- More older people could also mean an increase in demands for healthcare and pensions.
- This further burdens the country's social spending system when fewer people are working and contributing to it.
- However, on the other hand, low birth rates can improve the standard of living in low-income countries.
- In such countries, fewer children being born would mean greater access to already deficient public services such as health and education.
- Also, many experts are dismissing the notion that more number of aged people would cause healthcare costs to shoot up.
- This is because, around the world, not just life expectancy, but "healthy life expectancy" has risen.
- This means that on average, people would be spending more years in good health than ever before.
- Another effect of a declining population is that it would provide an impetus to migration.
- With labour shortages in such countries, they would have to open up borders and allow more immigrants to come in and work.
- This, in turn, would cause their society to become more cosmopolitan.

What is the projection for world population?

- In July 2020, a Lancet analysis said that the world population will peak at 973 crore people in 2064.
- It is said to decline from this peak to 879 crore in 2100.
- In India, the population is expected to reach a peak of 160 crore in 2048, up from 138 crore in 2017. It will decline by 32% to 109 crore in 2100.
- In the study, the global total fertility rate (TFR) is predicted to steadily decline from 2.37 in 2017 to 1.66 in 2100.

- The TFR is projected to fall below 2.1 in 183 countries.
- In 23 countries including Japan, Thailand, Italy and Spain, it is projected to shrink by more than 50%.
- In India, the TFR is projected to continue a steep decline until about 2040, reaching 1.29 in 2100.

Source: The Indian Express

