## Fertility Decline from a Perspective of Megatrends in South Korean Context

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#### Introduction

The declining birth rate is a global megatrend, and Asian countries are no exception. Over the past few decades, the birth rates in most Asian countries have been decreasing. According to OECD and World Bank data, between 1970 and 2019, the total fertility rate in the Asia-Pacific region has declined by about 3 births to reach an average of 2.3 births per woman (OECD Society at a Glance: Asia/Pacific 2022). While the average total fertility rate in Asia-Pacific countries is still higher than the OECD average of 1.6 births per woman, the rapid rate of decline warrants attention.

The decline in birth rates is a product of overall modernization as explained in the Second Demographic Transition theory. With modernization, urbanization, and economic development, changes in family values and behaviors occur, resulting in weakening traditional family formations and leading to the emergence of diverse family structures. Declining fertility is an inevitable trend of Asian countries undergoing economic development.

Fertility decline in Korea is not fundamentally different from the global megatrend. Urbanization has occurred due to economic development and modernization since the 1970s. This has led to increasing age at first marriage, declining marriage rates, declining birth rates, and increasing divorce rates. Up to this point, it is similar to other Asian countries. The problem lies in the fact that while the birth rates in other countries have stabilized at a certain level, Korea's birth rate continues to decline endlessly. The total fertility rate, which began to decline in the 1970s and seemed to stabilize around 1.5 births per woman in the 2000s. Yet, it started to decline again from 2016. Korea finds itself in the worst global situation, with the lowest total fertility rate of 0.78 in 2023.

Due to the declining birth rate, it is predicted that the working-age population will decrease by about 20% by 2040, leading to economic problems such as a reduction in the labor force, GDP

decline, and pension shortages, as well as social issues such as regional disparities and local extinction. These issues are not only specific to Korea but are also likely to arise in Asian countries experiencing population decline.

### **Factors related to Fertility Decline**

In demographic terms, a birth rate can be broadly decomposed into two main factors: changes in marriage rates and changes in fertility rates within marriage. In Korea, the majority of births occur within marriage. While in Western societies such as Europe and the United States, there is a high and increasing proportion of births occurring outside of marriage, this is not the case in Asian countries. The proportion of live birth outside of marriage in the EU is 42% in 2018 (Eurostat, 2020, https://ec.europa.eu/eurostat/web/products-eurostat-news/-/ddn-20200717-1). According to recent research by Bongaarts & Casterline (2022), the average extramarital birth rate in 63 low- and middle-income countries surveyed under the Demographic and Health Survey is 11.3%. In contrast, the average extramarital birth rate in the surveyed Asian countries is less than 2%. In Korea, the extramarital birth rate is only about 4% as of 2022, indicating that most births occur within legal marital relationships. The marriage rate in Korea has been declining since the late 1990s, especially sharply since the 2010s, with the crude marriage rate dropping from 6.5 in 2012 to 3.7 in 2022. As marriage rates decline, birth rates also decline.

C. Lee (2023) conducted a decomposition analysis of the decline in birth rates from 1991 to 2021, attributing it to three demographic factors: the number of married women, the fertility rate within marriage, and the number of women of childbearing age. According to this study, 84.9% of the decline in birth rates from 1991 to 2021 can be attributed to a decrease in the number of married women, 14.3% to a decrease in the fertility rate within marriage, and the remaining 4% to a decrease in the number of women of childbearing age. Thus, the largest cause of the decline in birth rates in Korea over the past 30 years is the decrease in the number of married women. As of 2020, 20.5% of men and 9.8% of women aged 45-49 had never been married (Lee, 2020). Therefore, understanding why Koreans choose not to marry is important in understanding the decline in birth rates.

Previous studies have broadly categorized the reasons for the decline in marriage and birth rates into two main factors: economic and socio-cultural factors. In economic terms, factors such as high housing prices, high childcare costs, and concentration of population in the Seoul

Metropolitan Area are mentioned as major causes. About 50% of the entire population in Korea lives concentrated in the Seoul Metropolitan Area, and young people living in other regions want to migrate to this area where there are more job opportunities (Chung, 2023). High population concentration leads to increased housing costs and intensified competition. High costs of raising children are also a significant factor. Among the costs of raising children, the burden of private education expenses is particularly important. The trend of starting to receive more education at an earlier age due to high competition is one of the main reasons why the younger generation postpones or avoids marriage and childbirth.

Secondly, socio-cultural factors include gender inequality, patriarchal family norms, and imbalance between work and family. Although Korea has low gender inequality in aspects such as education and health, it is a country with high gender inequality in aspects such as labor force participation, wage gap, and political leadership (105th out of 146 countries according to the 2023 Global Gender Gap Report). Moreover, the Confucian patriarchal tradition persists, leading to a separation of work and family roles by gender. Despite the increasing participation of women in economic activities, family care is still perceived as the role of women, making it difficult to balance work and family. Long working hours and rigid workplace cultures become structural barriers that make it difficult for all young people, especially young women, to choose marriage and family.

To mitigate these structural constraints caused by the economic and socio-cultural factors, many family policies and population policies have been introduced in the past 20 years. Free childcare services have been provided to all children aged 0-5, and home-visit childcare providers have been dispatched to households based on income criteria. Fully paid maternity leave of 90 days and paternity leave of 10 days are provided, and parents can take partially paid parental leave for one year each until their child reaches the age of 7. Reduced worktime can be applied during pregnancy and childrearing period for both father and mother. Various cash benefits have also been introduced, providing USD 2,000 worth of vouchers to all newborns. In addition, a monthly allowance of USD 100 worth is provided to all children until they reach the age of 7, with an additional USD 1,000 worth per month for the first two years. Despite the introduction of these generous family policies and population policies, marriage and birth rates continue to decline.

### **New Factors Related to Fertility Decline**

Now is the time to consider whether there are other factors besides economic and socio-cultural factors. It is necessary to examine whether mega-trends such as democratic changes, climate change, and technological innovation affect marriage and birth rates, as the theme of this meeting suggests. Specifically, if young people's prospects for the future are positive, they may be more proactive in family formation, whereas if young people are pessimistic about the future of society, they may be more passive in family formation. Unlike the parents' generation, who came of age during the high-growth economic period, the younger generation in the low-growth era has low expectations for social upward mobility.

Furthermore, the younger generation is critical of authoritarian social orders and demands higher levels of distributive and procedural justice. In Korean society, for example, youth are quite negative about the current state of democracy and distributive justice (Kim, 2018). According to a study by Chin et al. (2019), as the younger generation evaluates social fairness and the level of democracy negatively, they tend to have negative attitudes toward traditional family formation. They prefer alternative relationships, such as cohabitation, or maintain indifference toward romantic relationships altogether. This study suggests that marriage and childbirth are social institutions that are chosen when individuals can optimistically envision their future.

What is the relationship between environmental changes, climate anxiety, and family formation? There has been no empirical research on this topic in Korea. For this presentation, I conducted a simple correlation analysis using data from the 2012 and 2022 wave of Korean Social Survey to examine the attitudes of young people aged 20-39 toward environmental changes, climate anxiety, and marriage. Respondents were asked to rate how the environmental quality, including air, rivers, soil, and noise, would change in the next five years ranging from "very good" (1) to "very bad" (5). As shown in Table 1, the proportion of respondents who said that the environmental quality would be "very good" or "good" increased from 34.11% in 2012 to 45.54% in 2022, while the proportion who said it would be "bad" or "very bad" decreased from 29.08% in 2012 to 14.00% in 2022. Similarly, respondents were asked about their anxiety about climate change, with responses ranging from "not anxious at all" (1) to "very anxious" (5). The proportion of respondents who were anxious about climate change decreased from 62.10% in 2012 to 44.94% in 2022. Contrary to expectations, Korean young adults' perceptions of specific environmental changes and climate change have become more positive over the past 10 years.

The Table 2 shows that there was a weak negative correlation between prospect for environmental changes and negative attitudes toward marriage (r = .14 in 2012, r = .15 in 2022). Similarly, there was a weak positive correlation between climate anxiety and negative attitudes toward marriage (r = .05 in 2012, r = .10 in 2022). These correlations are statistically significant. These results suggest that perceptions about environmental issues and climate change may influence the attitudes of young people toward dating, marriage, and childbirth. As they have concerns on the future environmental changes, they tend to have less interests in romantic relationship or family formation. However, these results are not from sophisticated measurements and analyses, so more rigorous research is needed in the future.

### **Conclusion**

The decline in birth rates is related to the development process of Asian countries. Rapid economic development, urbanization, intense investment and competition in education, differences between traditional norms and current lifestyles, environmental problems, and climate crises are common phenomena in some Asian countries. In this development process, young people prioritize individual life tasks such as educational achievement and employment over family formation, resulting in lower marriage and birth rates. Korea is the country most representative of experiencing these problems. While the decline in birth rates has been explained from economic and socio-cultural perspectives so far, it is now necessary to examine it from the new perspectives of global megatrends. The more negatively young people view the future, the more they will avoid family formation and relationships, which will act as factor threatening the sustainability of society and reinforcing vicious cycles. We need to make greater efforts to provide young adults with better visions for the future.

### **Policy Recommendations**

Raise awareness of the significance of fertility decline as a future threat in Asian countries.

Consider that family formation of young adults is related to the prospect for the future as well as economic and socio-cultural factors.

Promote social fairness and democracy, and implement preventive measures for environmental changes and the climate crisis to help young adults envision a better future.

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Table 1

Proportions of Responses on Perceptions of Future Environmental Change and Climate Anxiety among Korean Young Adults in 2012 and 2022

(Unit: %)

	2012	2022
General Environments		
Would be improving	3.66	8.88
Would be somewhat improving	30.45	36.66
Would be no change	35.81	40.46
Would be somewhat deteriorating	25.32	11.63
Would be very deteriorating	3.76	2.37
Climate anxiety		
Not anxious at all	1.42	4.05
Somewhat not anxious	9.85	19.57
Neither	26.63	31.43
Somewhat anxious	49.92	36.33
Very anxious	12.18	8.61

Note: Data are drawn from 2012 and 2022 Social Survey in Statistics Korea

Table 2

Correlations between Perceptions of Future Environment Change, Climate Anxiety, and Marriage Attitude among Korean Young Adults in 2012 and 2022

	2012	2022
Negative marriage attitude and perception on environment changes	.14***	.15***
Negative marriage attitude and climate anxiety	.05**	.10***

Note: Data are drawn from 2012 and 2022 Social Survey in Statistics Korea

<sup>\*\*</sup> *p* < .01, \*\*\* *p* < .001