

From baby boom to bust

John Parker

Crashing fertility will transform the Asian family

Over the past half-century the most profound influence upon the great majority of humankind has been the vast and gentle decline in the size of families. In 2014 (or thereabouts—such things are approximate) this huge change will reach a milestone. In the world's most populous continent, Asia, the total fertility rate will fall to 2.1. The rate is the number of children a woman can expect to bear during her lifetime and 2.1 is a magic number because, if sustained, it produces long-term equilibrium in the population (it is known as the replacement rate). In 1960 Asia's average fertility was 5.8.

China is already experiencing a dwindling labour supply

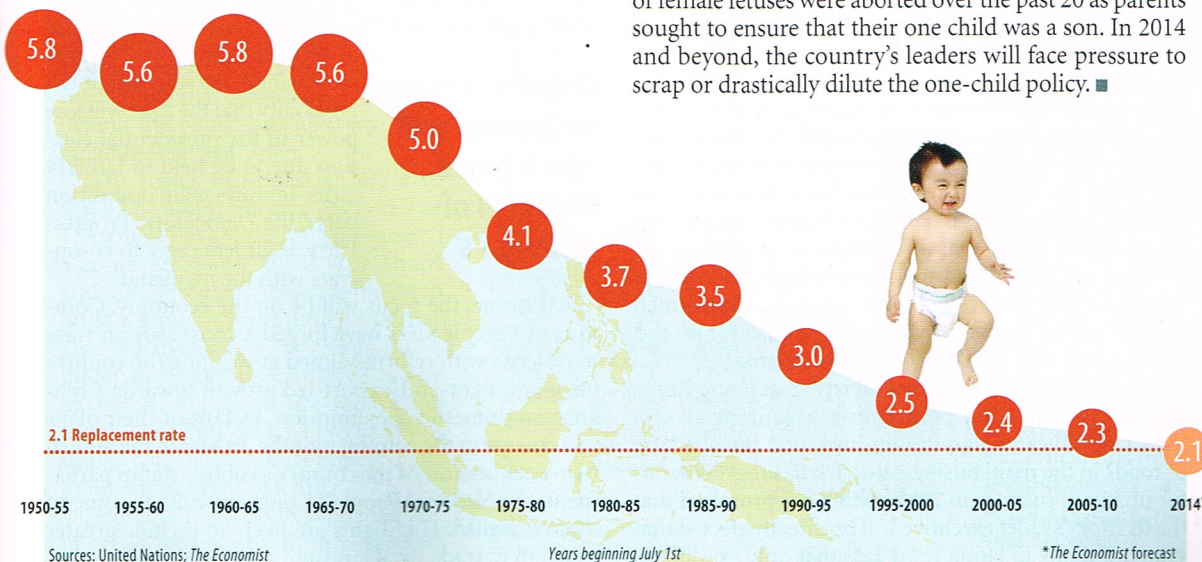
The exact point at which fertility reaches replacement cannot be known for sure. The United Nations Population Division thinks it will happen at some point during 2015-20. But Chinese demographers think the UN is significantly overestimating China's fertility rate, so 2014 is a reasonable guess.

The fall in fertility has taken place worldwide. Latin America has experienced a decline almost exactly as great as Asia's. But Asia is special for two reasons. First, with a population of 4.3 billion it is home to over half the world's people. Latin America's population is only one-seventh that of Asia.

Second, the fall in Asia has been greater than it might appear because the continental average has been buoyed by relatively high fertility in the Middle East.

A welcome descent of man

Asian total fertility rate



The fertility decline in the heavily populated areas of Asia has been greater. East Asian fertility has fallen to just 1.7, well below replacement. The decline in some places has been as sharp as any country has ever experienced. Bangladesh's rate fell from 6.9 to 2.9 in the 30 years after 1970. Iran (a Middle Eastern outlier) saw its rate crash from 6.5 in 1980 to 1.9 in 2005. Social transformations do not get more dramatic.

Falling fertility matters because it is associated with higher standards of education (since parents can more easily afford to educate children when there are fewer of them); higher living standards (since workers are better educated); and somewhat greater female autonomy (women can go to work rather than spend all their time nurturing children). As fertility falls, countries reap what is called a "demographic dividend", the potential economic advantage that comes from having relatively fewer children and old people, and a bulge of working-age adults. On some estimates, a quarter of Asia's economic growth over the past 50 years has come from its favourable demographic pattern.

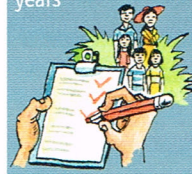
Missing the children already

But as fertility falls below the replacement rate, two problems emerge, and Asia is facing both of them. One is that the economic advantages of favourable demography begin to dwindle. Between 2010 and 2020, according to the Chinese, the number of people aged between 15 and 59 in the country can be expected to decline by 30m. This is the core working-age population, so China is already experiencing a diminishing labour supply and upward pressure on wages.

The other problem is that some countries (not all) slip into a pattern of very low fertility in which the rate falls towards 1.5 or less, and stays there for generations as social norms shift and people abandon the common ideal of a two-child family. This happened in Germany, is happening in Japan and Russia, and could well happen in China, where the fertility rate has been below replacement for over 20 years and the one-child policy has long assailed traditional ideas about family size. Sex-selective abortions mean there will be fewer Chinese women of child-bearing age over the next 20 years, because millions of female fetuses were aborted over the past 20 as parents sought to ensure that their one child was a son. In 2014 and beyond, the country's leaders will face pressure to scrap or drastically dilute the one-child policy. ■

2014 IN BRIEF

Myanmar carries out its first census in more than 30 years



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