Pronatalist Population Policy Options in South Korea's Sub-Replacement Fertility Transition

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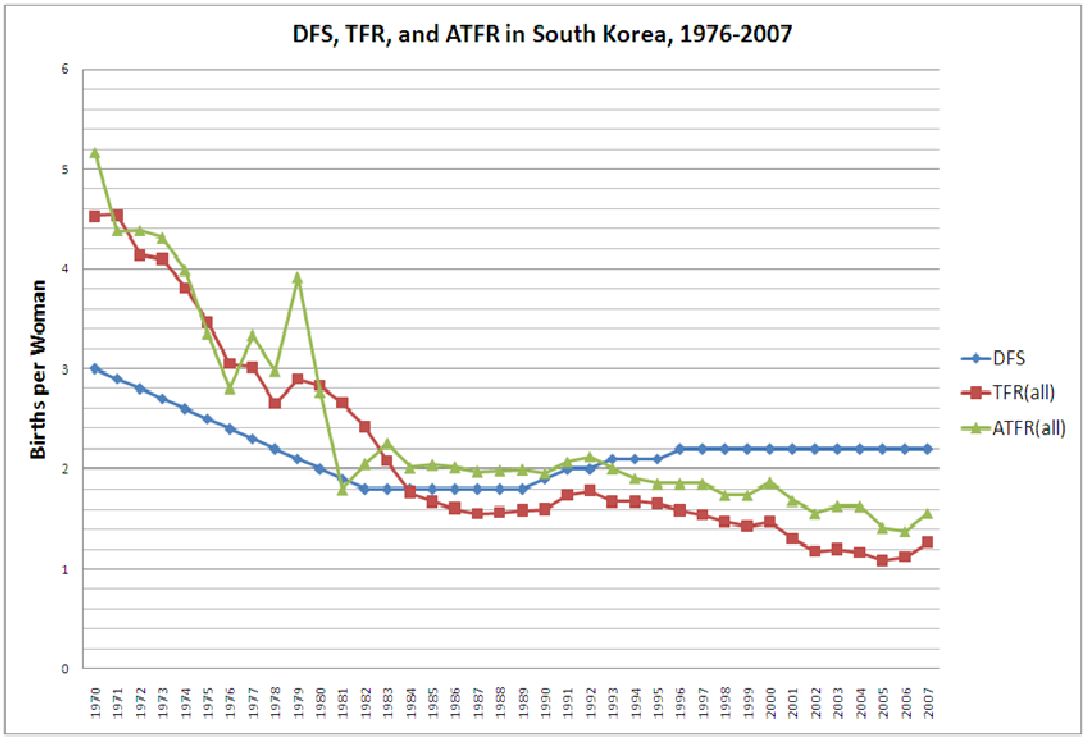
Extended Abstract

South Korea had experienced an exceptional, world-record fertility (TFR) decline from 4.5 births per woman in 1970 to 1.08 births per woman in 2005 (See Figure 1). It reached 2.08 births per woman, a bare replacement level of fertility, in 1983 and became a member of the lowest-low fertility countries with a TFR of less than 1.3 births per woman in 2001. Recent estimates of 1.12 births in 2006 and 1.26 births (provisional) in 2007 indicate that South Korea is still in trouble with a possible trap of the lowest-low fertility regime, but some policymakers and demographers have been optimistic about these numbers since these might refer to the onset of a mild recuperation of fertility beyond 1.08 births in 2005, and that this recuperation might gain its momentum in the future, more preferably together with an appropriate mix of pronatalist policy options feasible to the fiscal and administrative capacity of the national government.

The conception and implementation of pronatalist policies and programs are likely influenced by the ideological spectrum of a sitting government. In 2006, the administration, led by the former President Roh Moo-Hyun, issued its first five-year basic plan in the large-scale project called "Saeromaji 2010" ("Saero"=new, "maji"=rendezvous) whose long-term goal is to cope with the adverse effects of very low fertility and rapid population aging on the society as a whole. Over the first five years of 2006-2010, the plan was supposed to spend a total of 10.5 billion US dollars on the expansion of public childcare facilities, the promotion of parental leaves, and the balance between home and work. On the other hand, the new, but conservative administration, inaugurated under the leadership of President Lee Myung Bak, is expected to focus more on recovery of the national economy which they believe had lost its vitality over the past decade of 1998-2007. A bold project he has in mind is to achieve an economic growth rate of 7 percent along with the construction of a canal system on the peninsula. Unfortunately, however, he did not say anything in particular about the current population situation, except that he, as a presidential candidate, would consider helping newly married couples purchase their apartment houses at half the regular market price.

Figure 1. Desired Family Size, TFR, and Adjusted TFR in South Korea, 1970-2007



In this paper, I will begin my analysis with an overall description of four decades of the fertility transition between 1970 and 2007, separating it into three periods (1) the transition from moderately high to a bare replacement level (1970-1982) (2) the transition from a bare replacement to a lowest-low level (1983-2001) and (3) the continuation of a lowest-low fertility pattern (2002-2007). This part will represent a compressive review of the Korean literature which examines the contextual and tempo-spatial influences of fertility and its intermediate variables, such as marriage, contraception, and induced abortion. In this review, I will consider "uprooting" or disruption effects (caused by Chinese zodiac, the fall of dictatorship, oil energy crisis of the 1970s, and IMF financial crisis of the 1990s), economic boom and bust, the arrival of mass consumerism, and improvement in female status (signified by education and labor force participation).

In the second part, I will give a more detailed examination at the transition to below-replacement, using the Bongaarts model which explains how age at childbearing, unwanted fertility, gender preference, child replacement, and other competing preferences suppress or promote the desired family size (DSF) to influence the observed period TFRs, particularly during recent below-replacement transition of 1983-2007. In this part, I will try to extend his framework so that it can consider marriage delay, lifetime non-marriage propensities, contraceptive use, and induced abortion to help project future fertility scenario and sort out feasible pronatalist policy options (See attached Figures 2 and 3 in the Appendix),.

In the third part, this paper will attempt to sort out pronatalist policy options needed to cope with the adverse effects of lowest-low fertility in South Korea. For example, Bongaarts (2007) classifies policy options into two categories: (1) those which reduce obstacles and (2) those which eliminate or reverse tempo effects. The first categories include (1) economic

(childcare, maternity and paternal leave policies, childcare subsidies, etc.), (2) social, and (3) biological (subsidize infertility treatment and development of new biotechnology). The Italian demographer Golini and his associate (2007) are more specific in delineating the circumstances population policies and their efficiencies must be referred to: (1) contextual dimension and (2) tempo-spatial dimension. The contextual dimension is further divided into (1) the micro-level (individuals and families' expectation, beliefs, needs, and behaviors (2) the middle-level (behaviors, expectations, and needs among their peers and in their work environment and (3) the macro-level (the country's set of regulations, values, and needs affect political goals, including the expectations of voters). The tempo-spatial dimension includes (1) temporal (short, medium, and long term) and (2) spatial (local, national, supranational, and international level).

Finally, this paper attempts to summarize some feasible pronatalist policies and programs for the sitting Korean government, considering its ideological spectrum. I will argue that pronatalist policy must be based upon gradual, long-term, and multiple paradigms because the rationale for it is to repair the gap between desired family size and actual fertility. This paper will conclude that the transition of power between a liberal government and a conservative government must not signify the separation between past and current tools in policy implementation, and a sound, sustainable pronatalist population policy must be the core of human capital investment and a key to the future of population and economy in South Korea.

Figure 2. Distribution of Korean Women and Men by Marital Status: 1970-2005

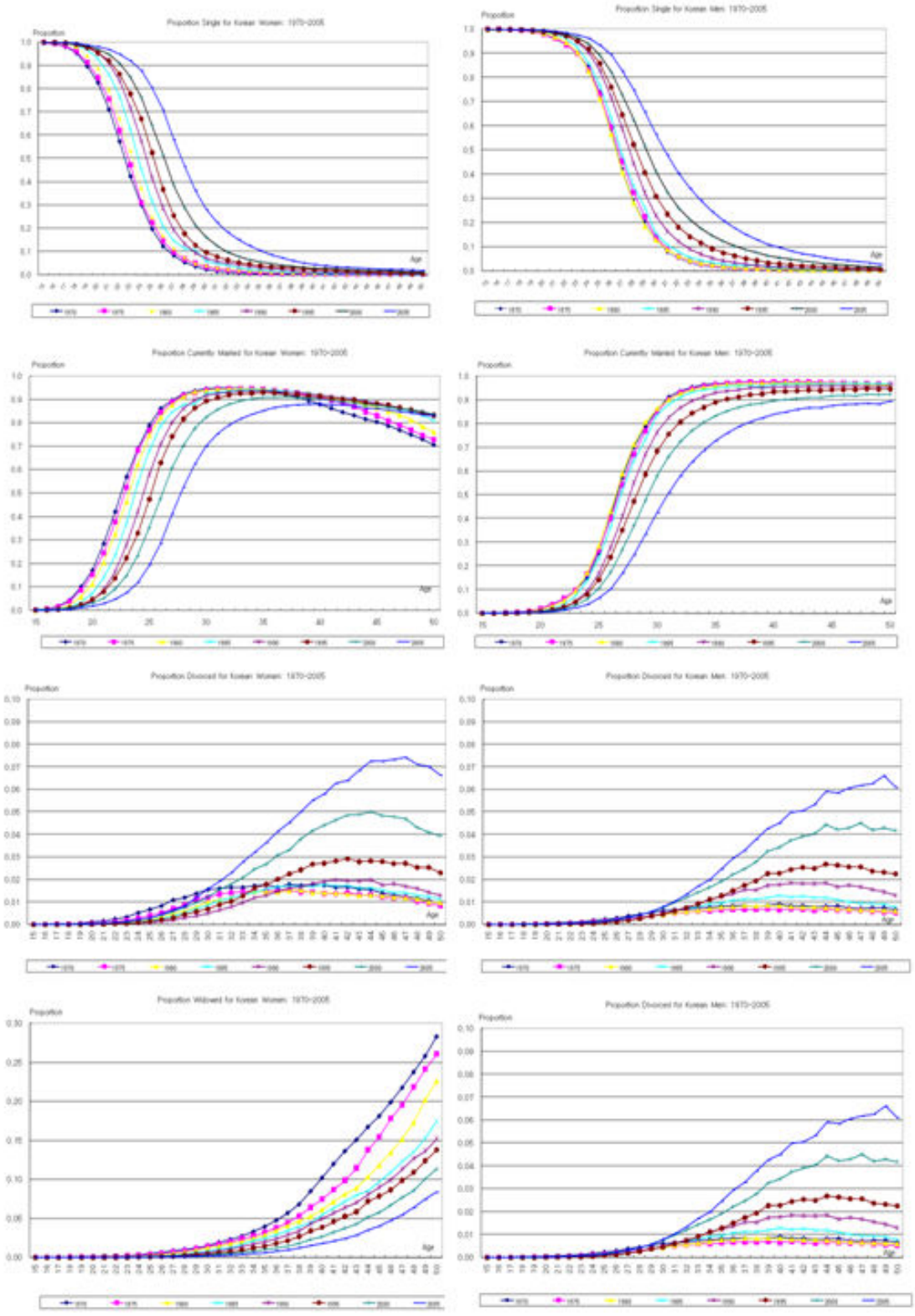


Figure 3. Trends in TFR, Use of Modern and Traditional Contraceptive Methods, and Total Induced Abortion, Korea, 1970-2007

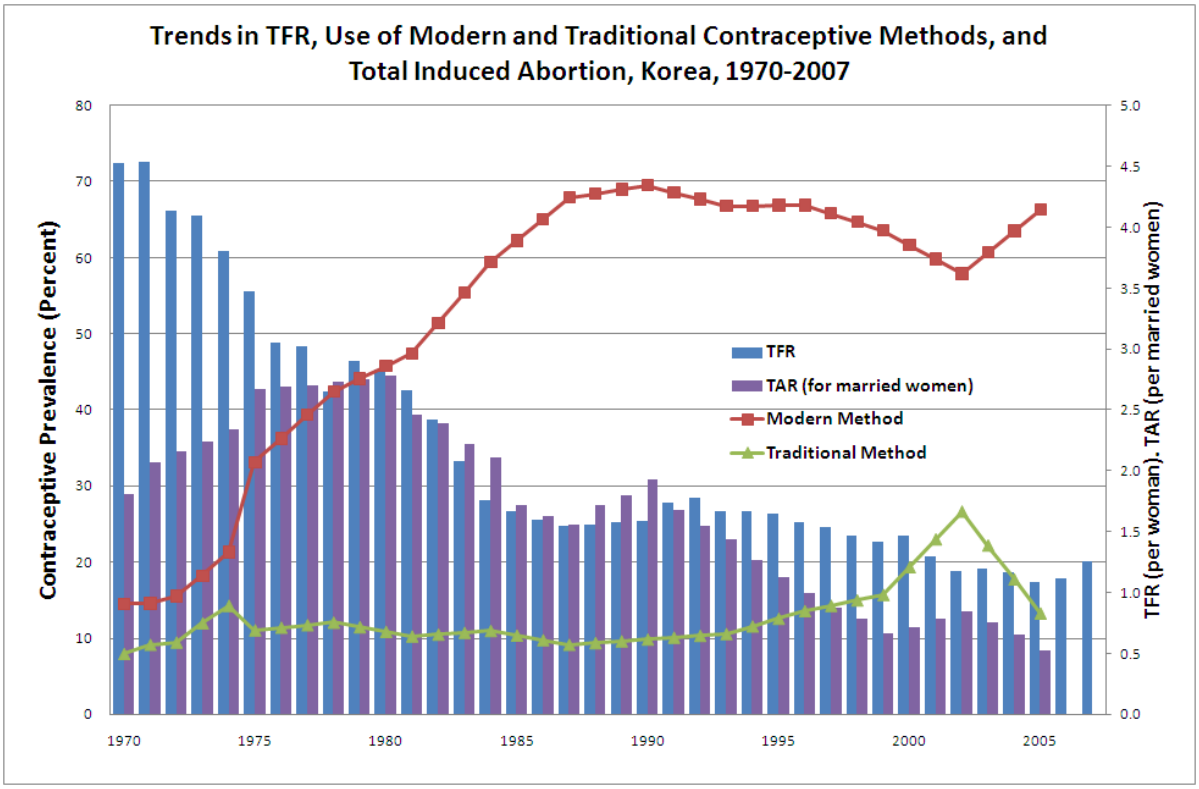


Figure 4. Structure of Factors which Raise or Even Lower, Fertility (from Golini et al, 2007)

Structure of factors which raise, or even lower, fertility

LL Level/ En Context	A – Cultural and psychological context	B – Economic context	C – Organizational context	D- Demographic context
1 – Micro - Individual partners of the couple *Female* *Male* - Couple	**A1 – 9 factors** Values, attitudes, and behavior of individual partners and of couple	**B1 – 4 factors** Family income and the cost of children	**C1 – 7 factors** Life cycle of individual partners	//
2 – Meso - Relatives, peers and friends environment - Work environment	**A2 – 4 factors** Values, attitudes, and behavior of relatives and milieu of the two partners	**B2 – 3 factors** Direct and indirect economic support by relatives	**C2 – 4 factors** Attitude and behavior of relatives and employers in supporting the family	//
3 – Macro - Society - Country - Living local area	**A3 – 7 factors** Children values and other values in the society	**B3 – 6 factors** Direct and indirect economic support by the society	**C3 – 6 factors** Structure of labor market and structure of services	**D3 – 6 factors** Positive or negative population structure and prospects

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