

# Development implications of Asia's changing demography

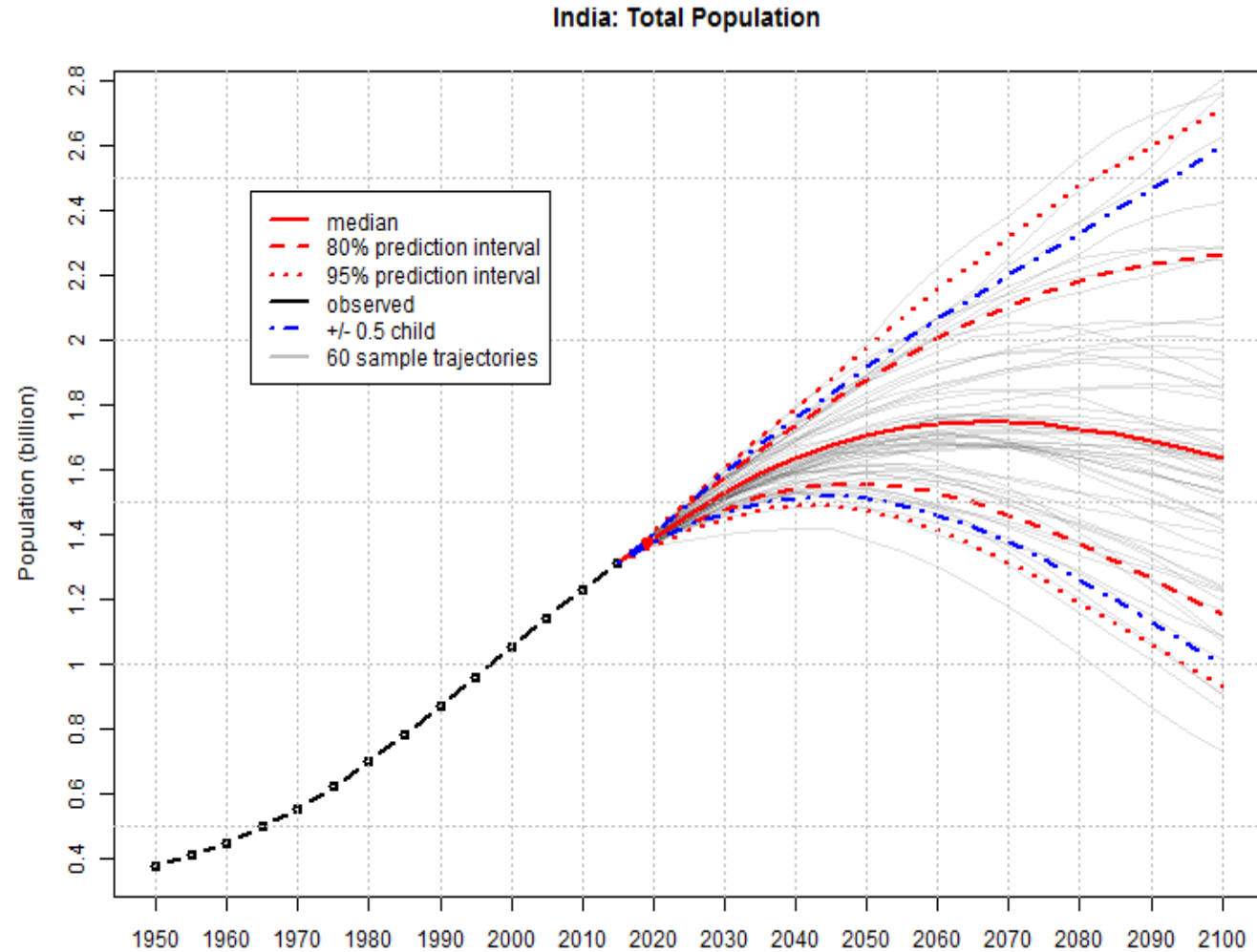
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Presentation at Centre for Family and Population Research, NUS, Singapore,  
3 October 2017

# Outline

- Considerable further population growth expected in Asia – mostly in South Asia, almost none in East Asia. Southeast Asia in between.
- Projections are uncertain – elderly population easier to project than child and young adult population
- How to divide Asia-Pacific countries into meaningful groups?
  - Focus on fertility level as the key variable
- Emphasis on trends in dependency ratios
- Developmental headwinds and tailwinds
- Emphasis on (1) macro and societal-level impacts; (2) family and micro-level impacts of demographic mega-trends

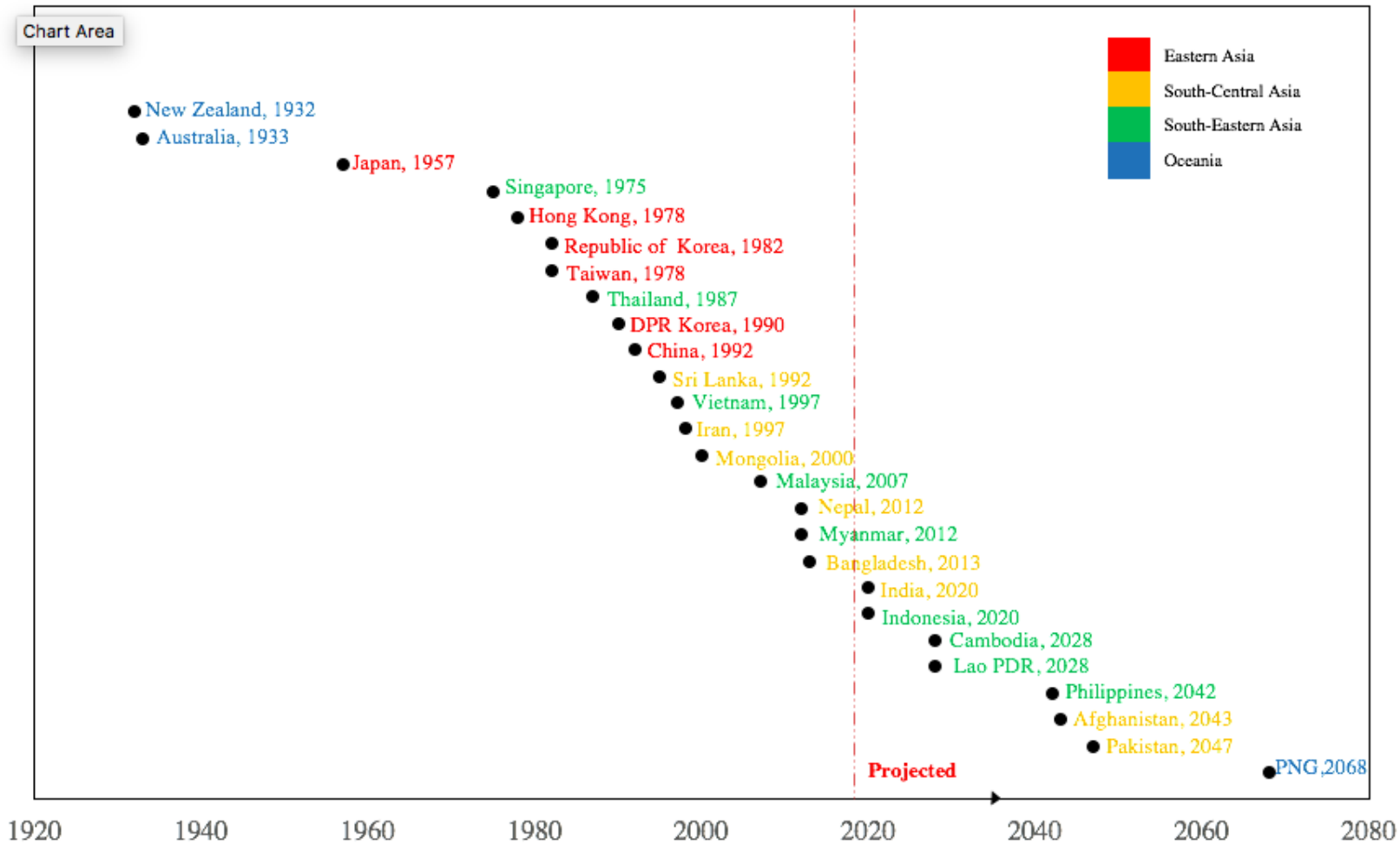
# United Nations probabilistic projection of India's population



# Grouping of Asia-Pacific countries

- In grouping countries to investigate population-development relationships, countries could be grouped by
  - Region (East Asia, Southeast Asia, South Asia)
  - Level of economic development
  - Level of human development
  - A demographic indicator
- Choice was to use fertility levels
  - Group 1: High fertility (TFR above 2.5)
  - Group 2: Near-replacement fertility (TFR 2.5-1.7)
  - Group 3: Very low fertility (TFR below 1.7)

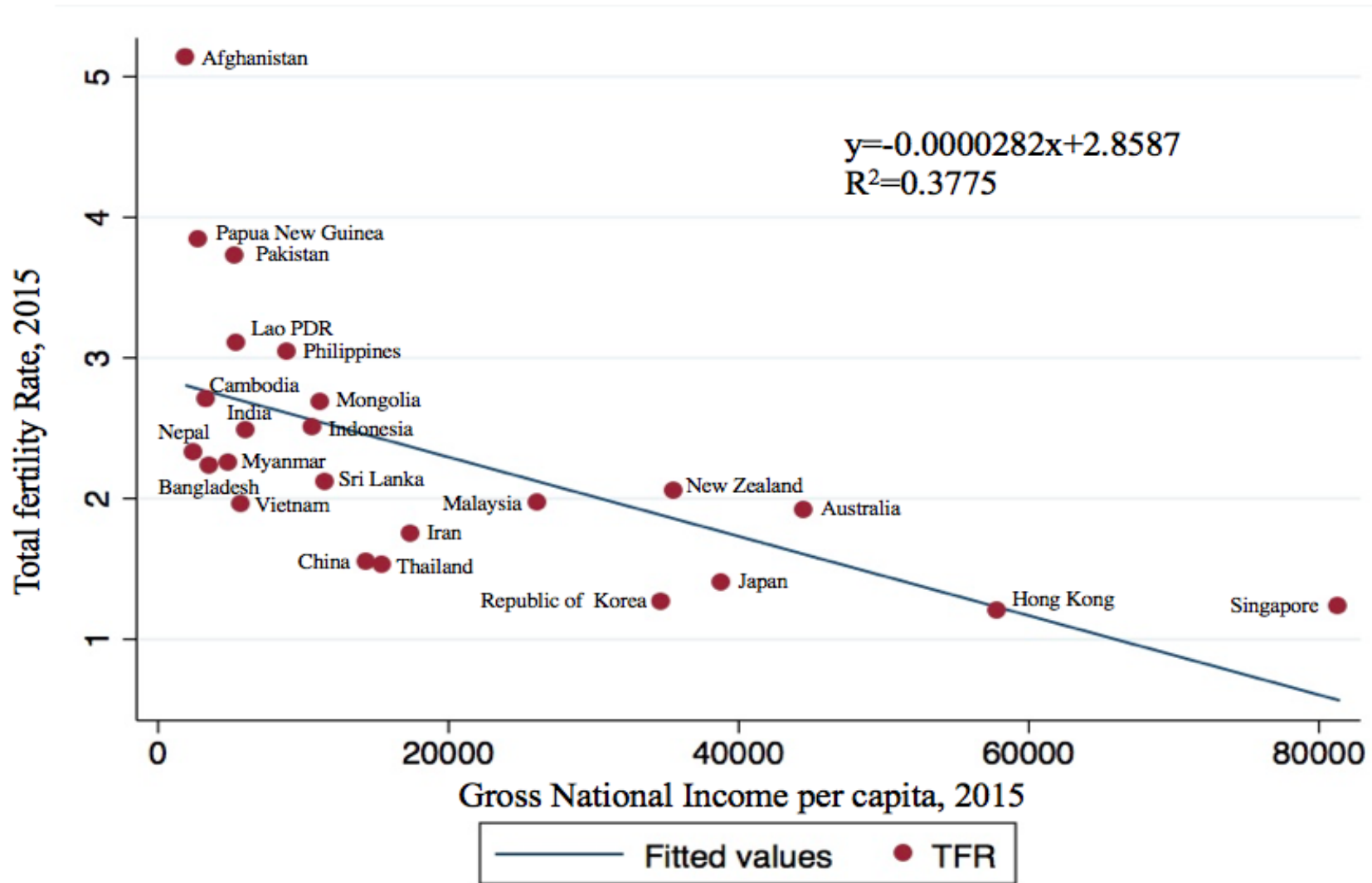
# Asia-Pacific countries and areas: year in which TFR first fell below 2.3



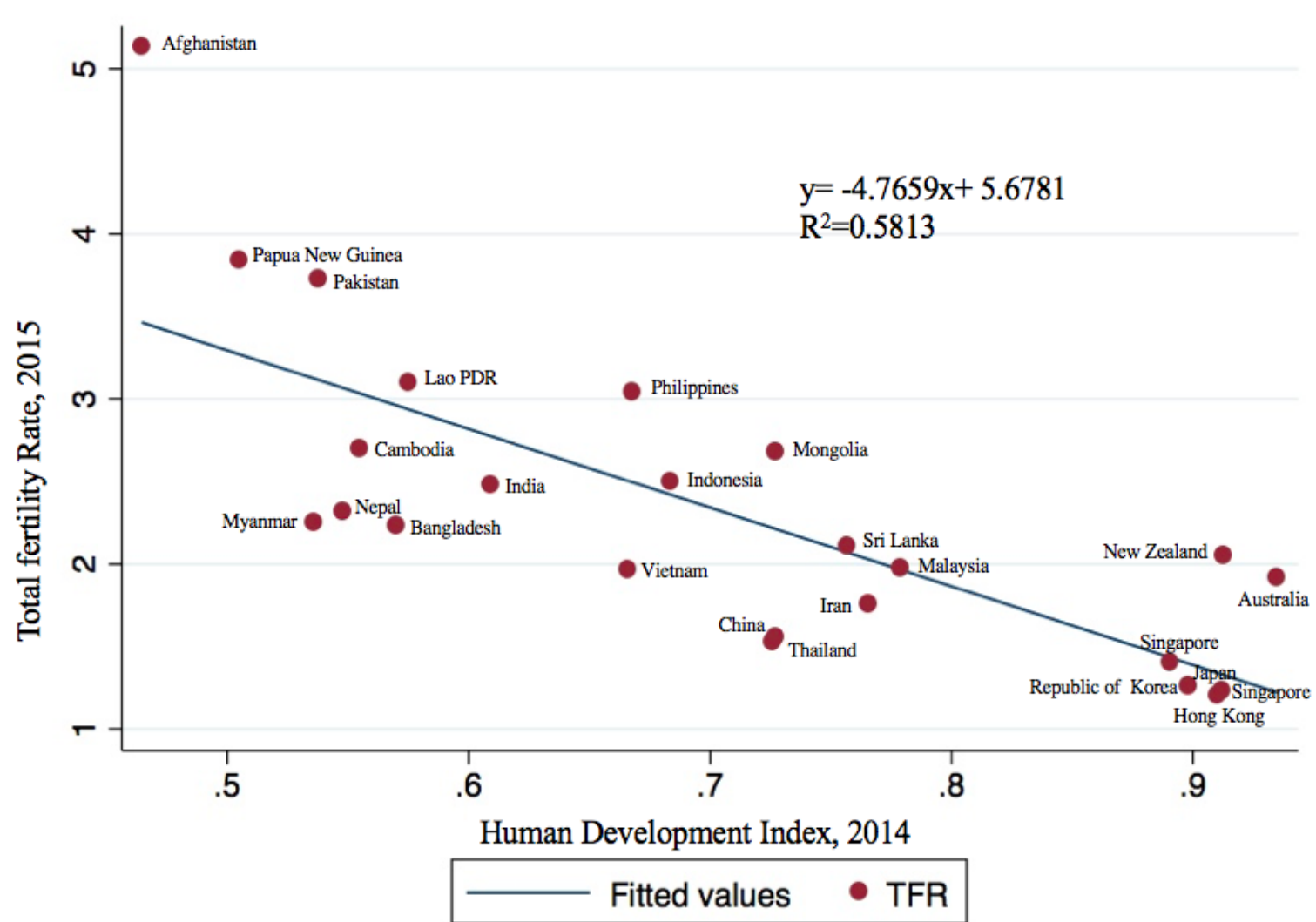
# Correlations

- Group 1 countries are mainly located in South Asia
- Group 2 countries are in South and Southeast Asia
- Group 3 countries are in East Asia plus Singapore and Thailand
  
- Correlations between fertility levels, income levels, human development and gender equality

# Relationship between TFR and Gross National Income per capita (PPP), Asia-Pacific countries and areas, 2015

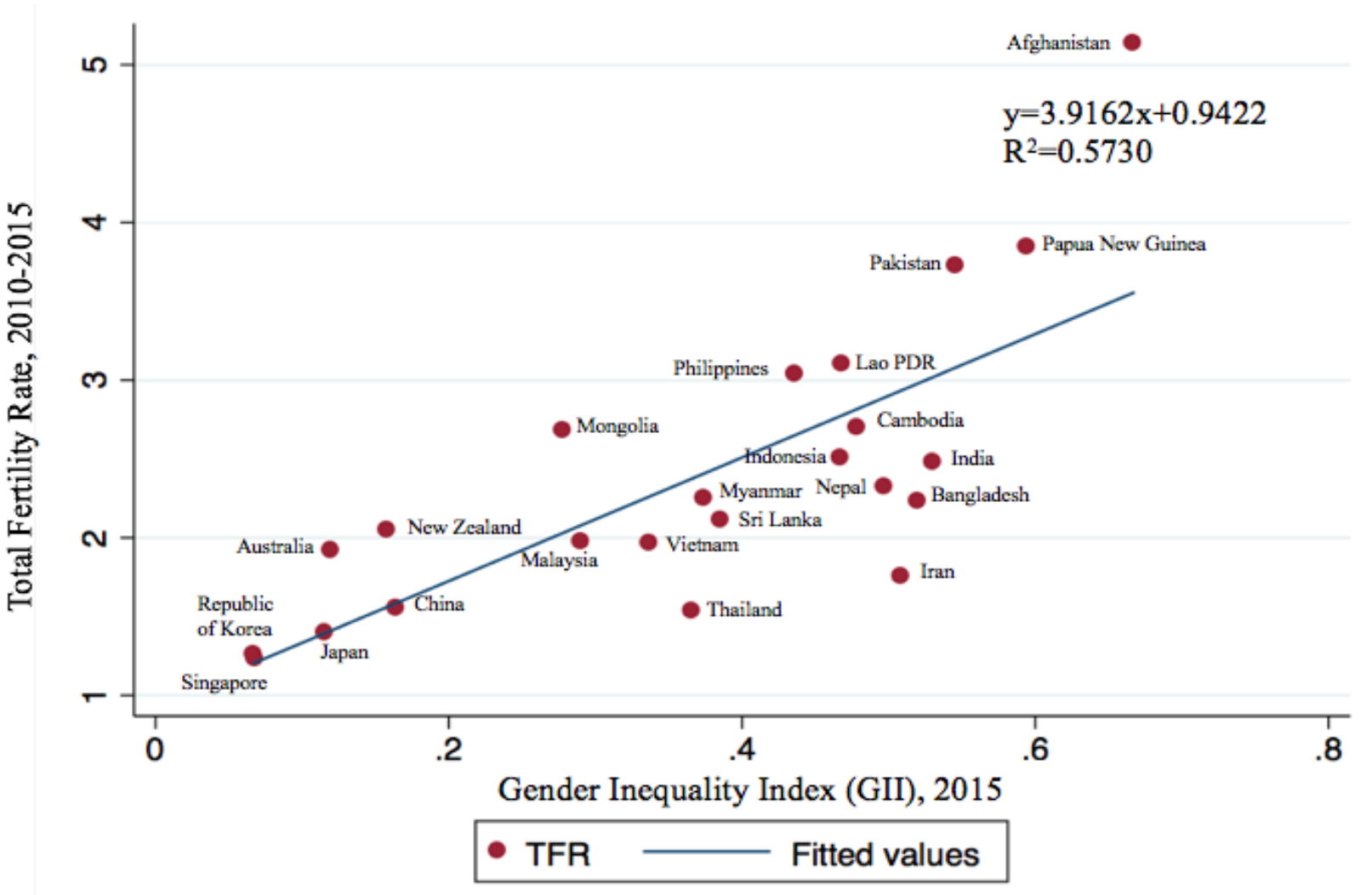


# Relationship between TFR and Human Development Index, Asia-Pacific countries and areas, 2015





# Relationship between TFR and Gender Inequality Index, Asia-Pacific countries and areas, 2015

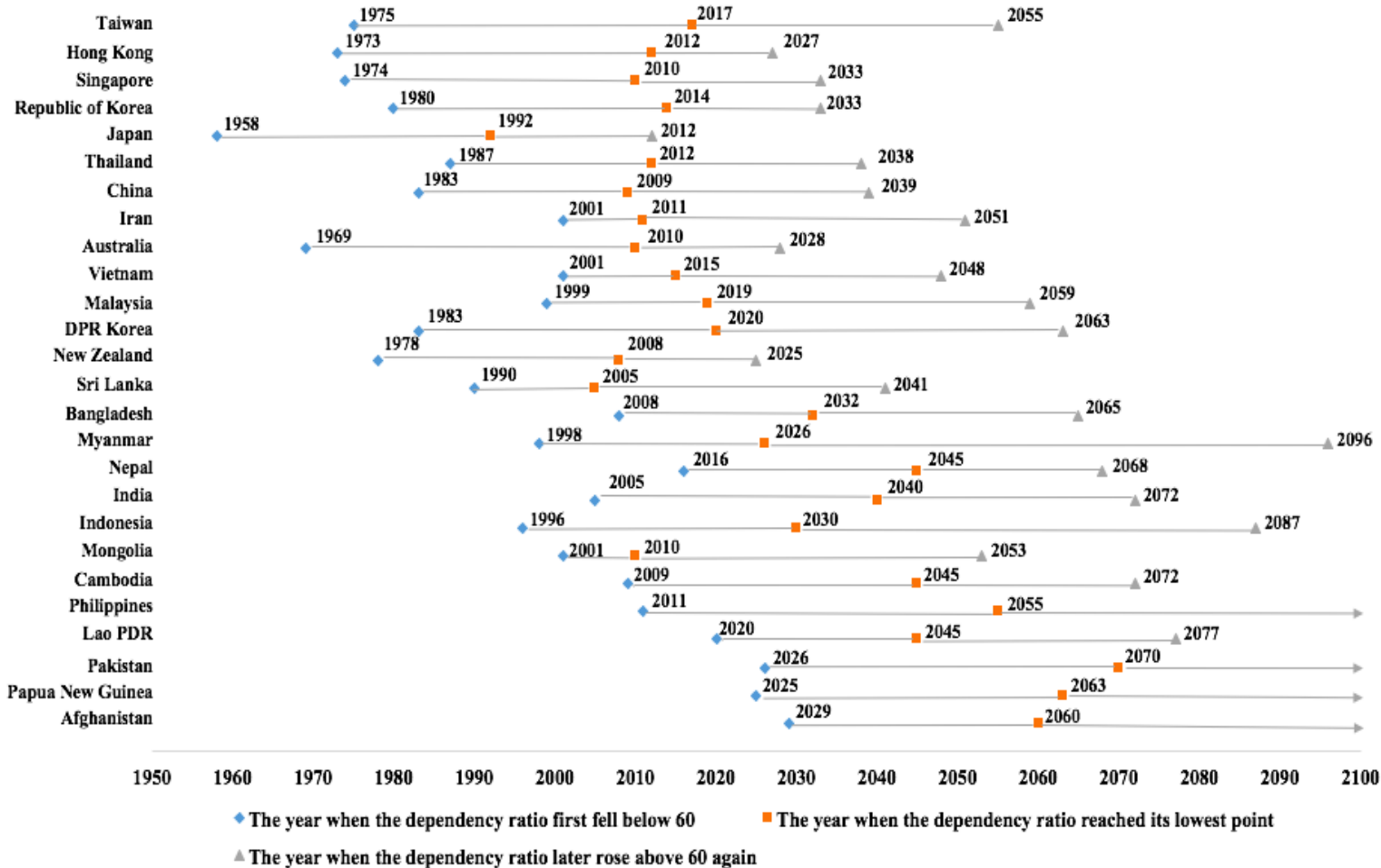


# Other correlations

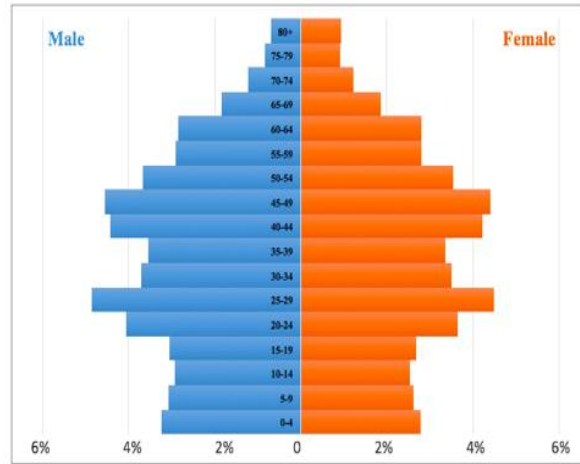
- Projected population growth is strongly influenced by present fertility level.
- Since fertility levels are closely related to human development index, projected population growth is also closely related to the level of human development currently reached.
- Following figure shows this relationship by region.



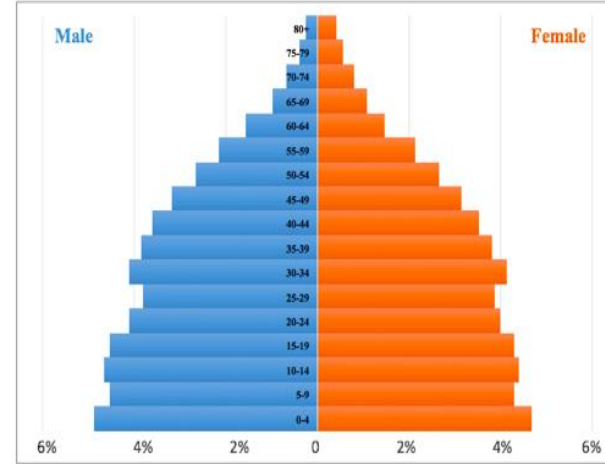
# Period during which dependency ratio is below 60, Asia-Pacific countries



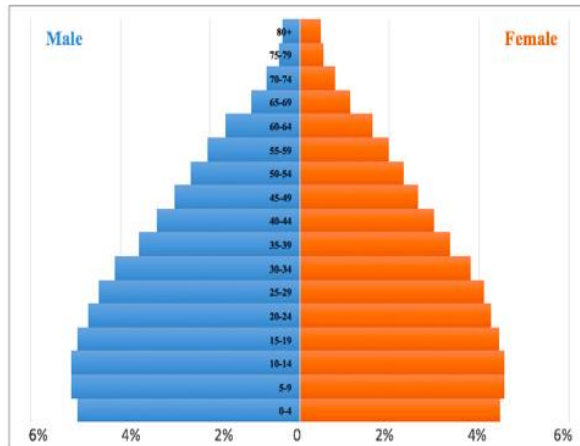
# Age pyramids, selected Asian countries, 2015



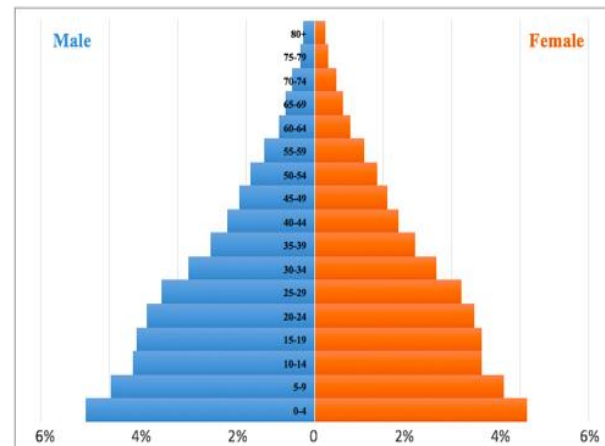
CHINA



INDONESIA

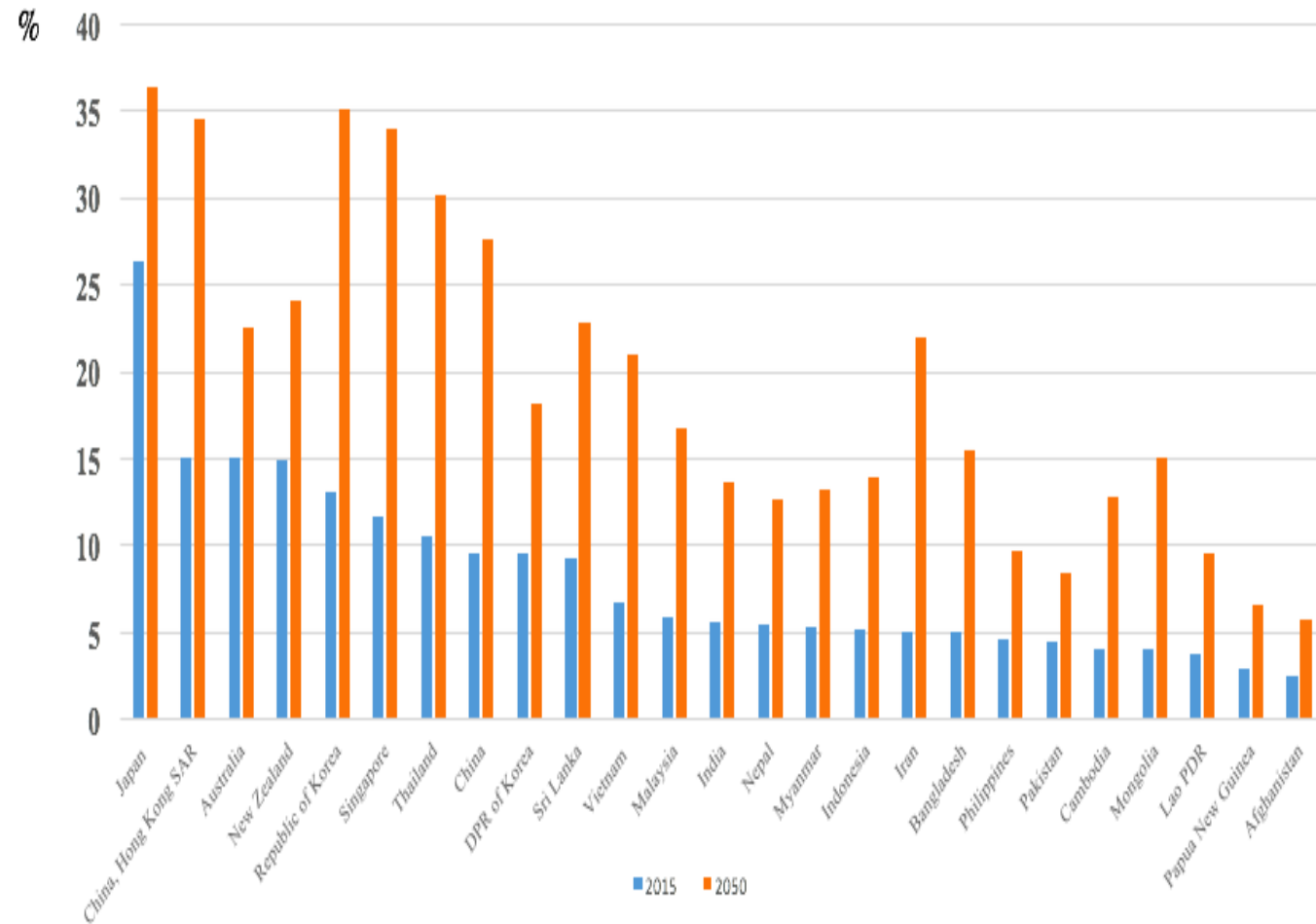


INDIA



PAKISTAN

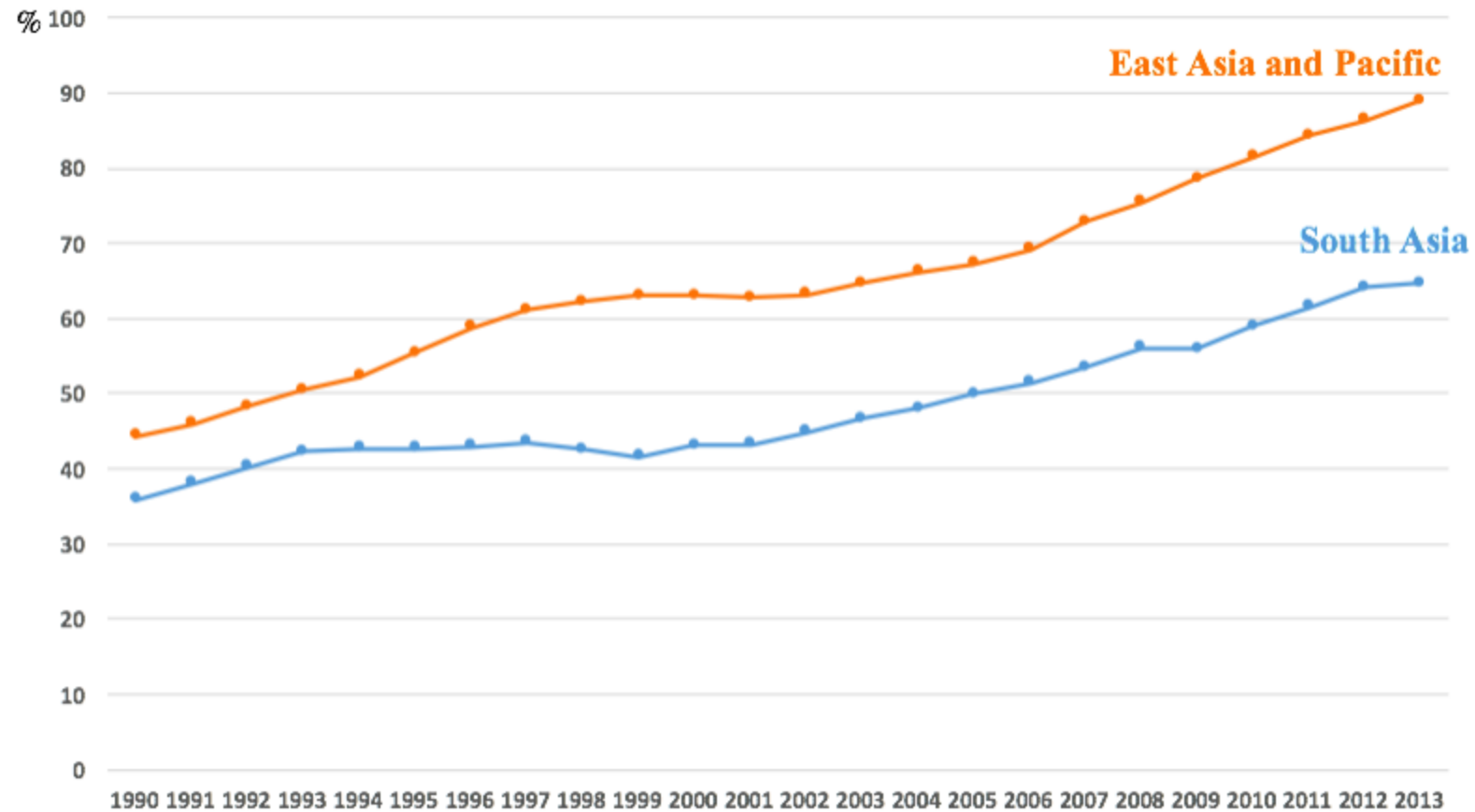
# Population aged 65+ as % of total population, Asia-Pacific countries, 2015 and 2030



# Demographic dividend: key points

- Nothing automatic – it's a POTENTIAL dividend
- Requirements:
  - Sound macro-economic policy
  - Raising education and skill levels
  - Employment for the rapidly growing labour force
- The risks:
  - High rates of unemployment
  - Disaffection among unemployed youth

# Trends in gross enrolment ratios, secondary school





- **Projected changes in aggregate populations**

# Projected changes in population, low fertility Asian countries, over successive 15-year periods

Country	2015-2030	2030-2045	2045-2060
Japan	-5.1	-8.0	-8.2
South Korea	4.4	-1.7	-7.2
Thailand	0.4	-5.5	-10.6
China	2.9	-2.9	-7.1

# Largest projected declines in rural populations, 2015-2050

Country	Million	Per cent
China	-300.4	-47.3
India	-51.5	-6.0
Indonesia	-25.2	-21.2
Thailand	-16.8	-49.1
Bangladesh	-15.9	-15.1
Vietnam	-14.1	-22.9
Myanmar	-9.3	-25.9

# Projected population trends, three Asian regions

Region	2015-30	2030-50	2050-2100
South Asia	+17.1	+11.6	-6.3
Southeast Asia	+14.7	+9.6	-3.3
East Asia	+2.7	-5.5	-24.5

## Ratio of population, South Asia/East Asia

- 2015 – 1.12
- 2030 – 1.27
- 2050 – 1.50
- 2100 – 1.86

# Projected population increases, selected Asia-Pacific countries, 2015-2100

Country and initial fertility	Population ('000)			% increase, 2015-2050	% increase, 2050-2100	% increase, 2015-2100
	2015	2050	2100			
<b>HIGH FERTILITY</b>						
Afghanistan	32,527	55,955	57,638	72.0	3.0	77.2
Pakistan	188,925	309,640	364,283	63.9	17.6	92.8
<b>NEAR-REPLACEMENT</b>						
India	1,311,051	1,705,333	1,659,786	30.1	-2.7	26.6
Vietnam	93,448	112,783	105,076	20.7	-6.8	12.4
Indonesia						
<b>ULTRA-LOW FERTILITY</b>						
China	1,376,049	1,348,056	1,004,392	-2.0	-25.5	-27.0
Japan	126,573	107,411	83,175	-15.1	-22.6	-34.3
Rep. of Korea	50,293	50,593	38,504	0.6	-23.9	-23.4

# Family and micro-level impacts of demographic mega-trends

- Decline in fertility is associated with many changes in the structure and functioning of families – both causal and consequential
- Causal – delayed marriage > fertility decline, though both can often be traced to other “upstream” causal factors
- Consequential – smaller families and changing intra-family relationships
- The changes in family structure and functioning associated with fertility transition are of great importance and tend to be neglected

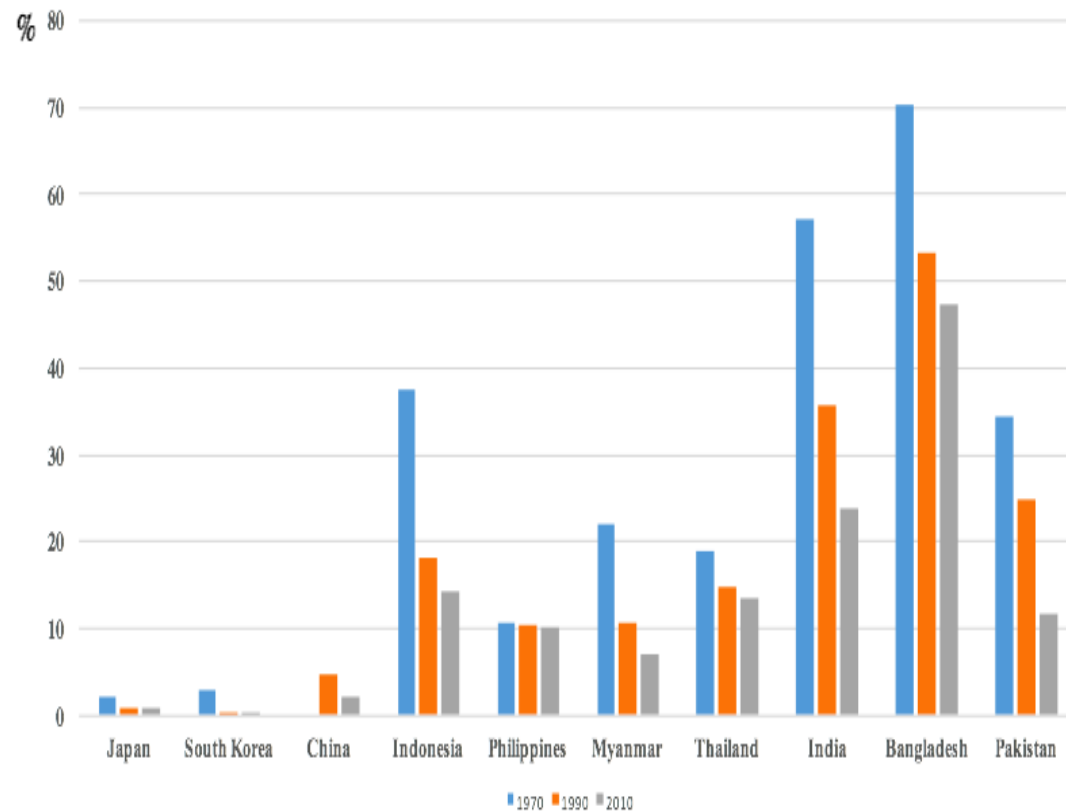
# Marriage patterns

- Delay in marriage and family formation increasing to a remarkable degree in East Asia and parts of Southeast Asia, particularly among urban populations and better educated women
- In South Asia, marriage is at much younger ages, almost universal, and overwhelmingly arranged by the extended family
  - But some changes – decline in child marriage, more young women given some degree of involvement in selection of husband, migration of women to the cities

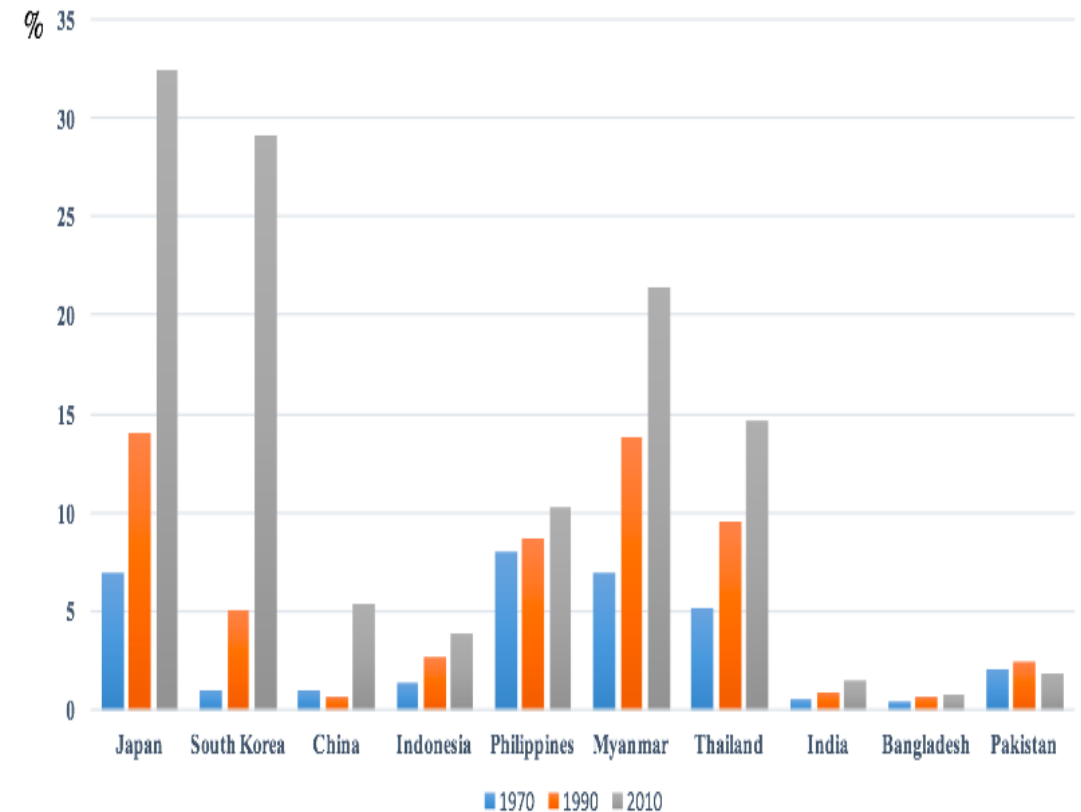


# Marriage data for 1970, 1990 and 2010

## % females ever married age 15-19



## % females never married age 30-34



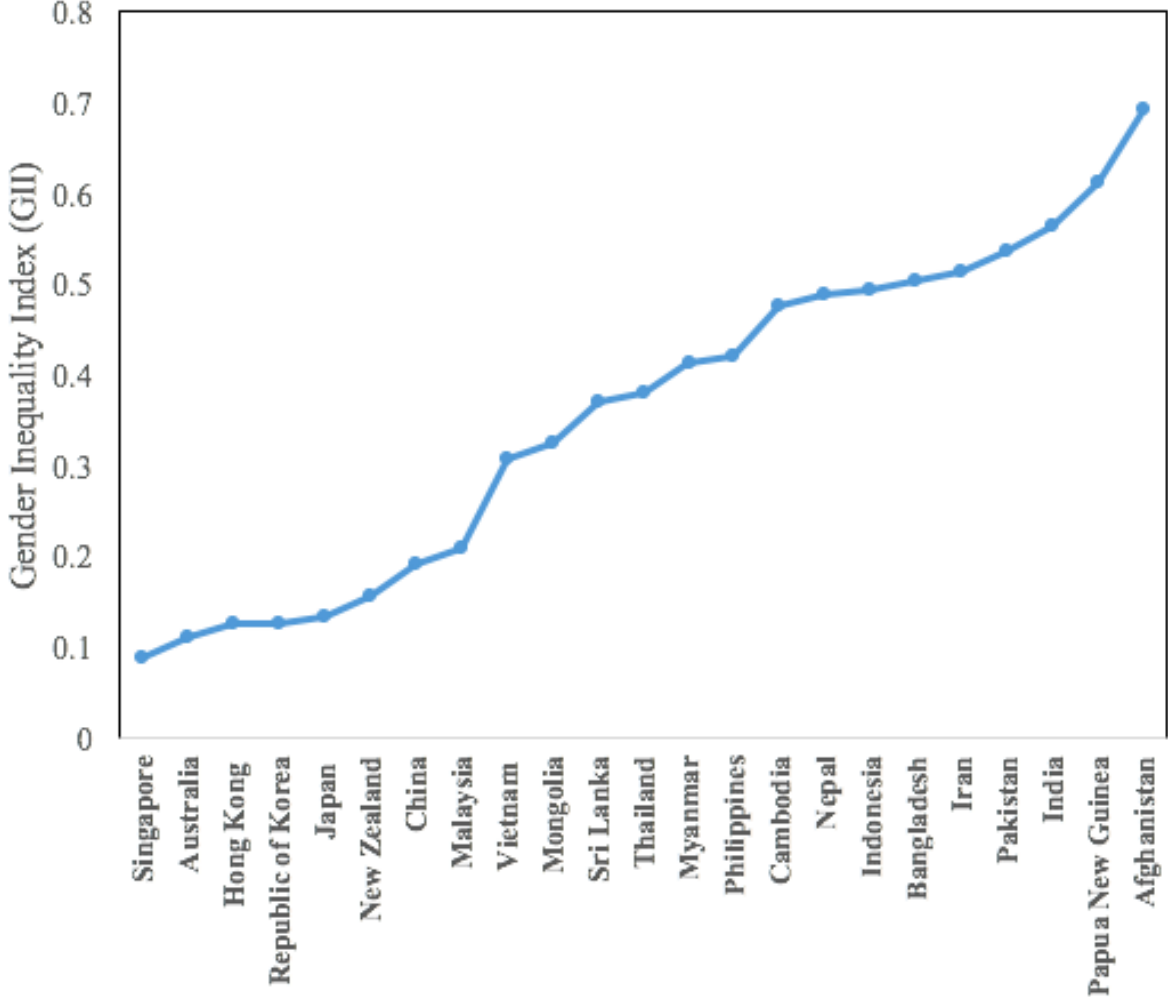
# Thailand – both early marriage and delayed marriage

- **DELAYED MARRIAGE** – 14.6% of women aged 35-39 still single in 2010
- Delayed and non-marriage particularly marked in Bangkok mega-urban region and amongst tertiary-educated.
- Fertility particularly low in Bangkok MUR – TFR of 0.9
- Reasons – similar to those found in East Asian countries
- **EARLY MARRIAGE** - % of women who married before age 18 rising among younger cohorts
- Teenage fertility rates also rising (and pregnancy rates even higher)
- Reasons?

# Early marriage issues

- Relation to fertility – note very young marriage in Bangladesh has not prevented fertility from nearing replacement level
- Issues of child marriage
- Marital violence
- Gender inequalities

# Gender inequality index, Asia-Pacific countries, 2014



# The future of delayed marriage and family life (East Asia and some countries of SE Asia)

- Reasons for delayed marriage
  - Marriage and childbearing issues closely inter-linked
  - “Marriage package” and problems for women
  - Financial costs of raising children
  - Insecurity and job tenure
  - Educational “arms race”
  - Housing issues
  - Don’t forget the male side of the picture

# The future of delayed marriage and family life (2)

- Consequences of delayed marriage
  - Very low fertility
  - Extended adolescence
    - Living arrangements
    - “Parasite singles” notions
    - Need for reproductive health services for unmarried
- Role of singles in their 30s and 40s
  - Social and family roles
  - Care of elderly
  - Later – they will be elderly without family support?

# Ageing and the family

- Population ageing rising steadily in the region, at the same time as average household size is declining (though less in South Asia).
- Nuclear families predominate in SE Asia, but this does not imply lack of intergenerational support. 60%-80% of elderly live with their children; in South Asia, 70-80%
- Migration of children to cities has increased proportion of elderly living alone, but this does not necessarily mean a lack of financial or emotional support. In SE Asia, family members living nearby often provide strong support.
- Issues for the future – increasing proportions becoming elderly without any children or close family members

# Policy implications

- Demographic dividend has helped Asian countries achieve success in moving toward two of the key development goals – poverty reduction and expansion of education, that are central to achieving the SDGs.
- Some policy principles for all countries:
  - Need to raise the human capabilities of their populations
  - Efficient economic management, minimization of corruption, generate jobs
  - Fully unleash the potential of women
  - Stress environmental sustainability
  - Plan ahead for ageing populations
  - Urbanization and migration issues
- Accept 2030 Agenda emphasis on most vulnerable and marginalized



# Countries with very low fertility

- Population decline has its benefits – but governments of these countries are much more oriented to the costs:
- Contracting labour force
- Ageing population
- Note Japan – economic growth remains quite reasonable
- Raising fertility - aim is to create conditions where work-life balance can be improved – women (and men) can combine work with raising children
- Role of migration

# Countries with near-replacement fertility

- Favourable age structure – take advantage of demographic dividend
- Educational challenges still great
  - High cost per student of secondary and higher education
  - Quality of education still terrible in the schools serving the disadvantaged
  - Potential role of pre-school education in levelling the playing field
  - Older cohorts in labour force poorly educated. How to raise productivity?
- Tackling child marriage, which is still deeply entrenched in many of these countries
- Reproductive health and family planning
  - Need for ready accessibility to services
  - Need for effective method choice
- Policy on ageing

# Countries with high fertility

- Lowering fertility should be a key objective
  - Counter child marriage, which is deeply entrenched in many countries
  - Keep children (especially girls) longer in school
  - Improve family planning services to meet unmet need for contraception
- Take advantage of the demographic dividend
  - The sooner fertility declines, the sooner they will enter the most favourable phase of benefiting from the dividend
- Reproductive health and family planning
  - Need for ready accessibility to services
  - Need for effective method choice