Fertility Prospects in China

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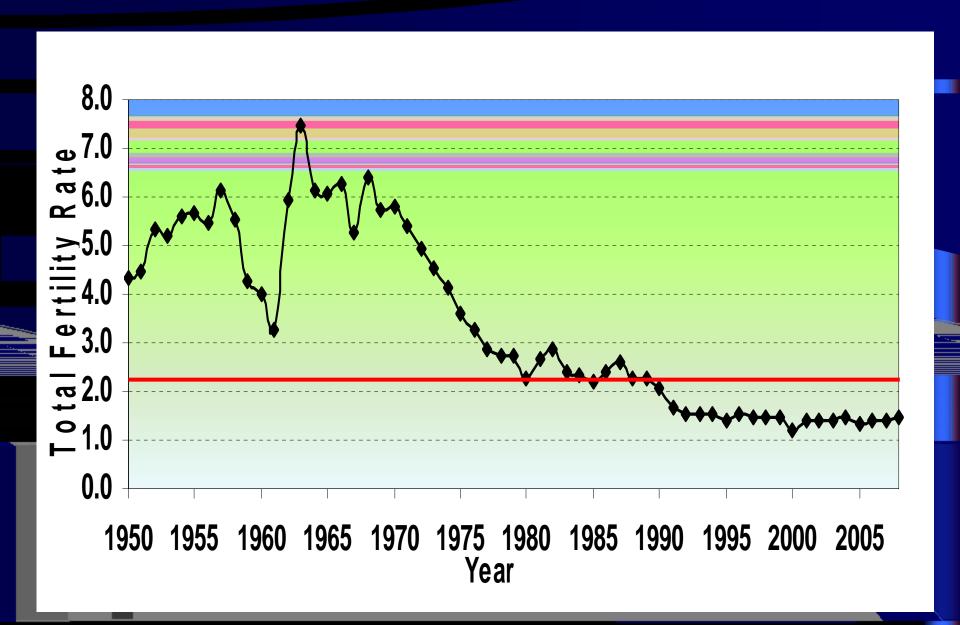
Issue of Fertility Estimation

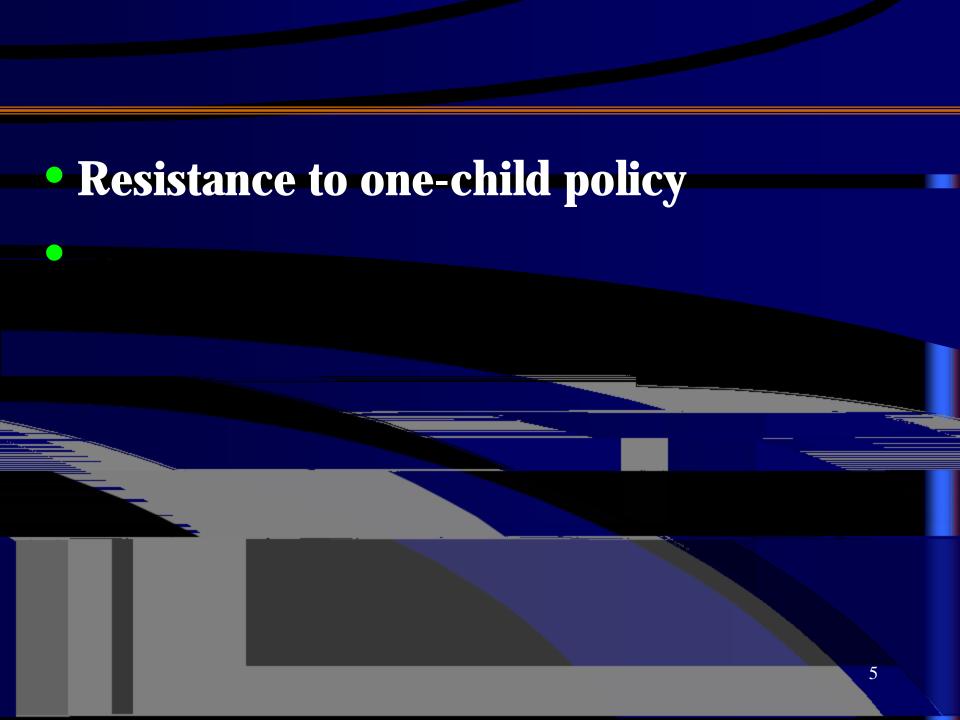
- WPP 2009: 1.77 (China)
- From "official estimate"
- NPFPC versus NBS
- Review the trend since 1990s
- Explain reasons behind
- Discuss the implications

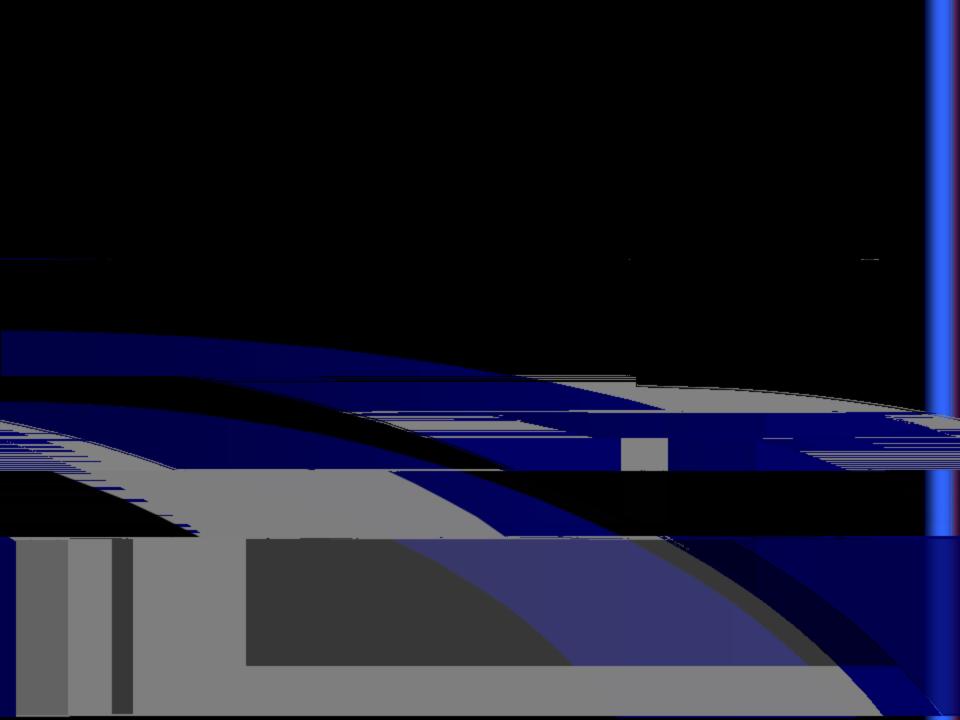
Fertility Trend in China

- 1950s: Women's emancipation
- 1970s: "Later, Sparser, Fewer"
- TFR from 5.81 (1970) to 2.72 (1978)
- 1980: Open Letter for one child
- Early 1990s: below replacement
 - Now: about 1.5, among the lowest

Total Fertility Rate in China: 1950 - 2008





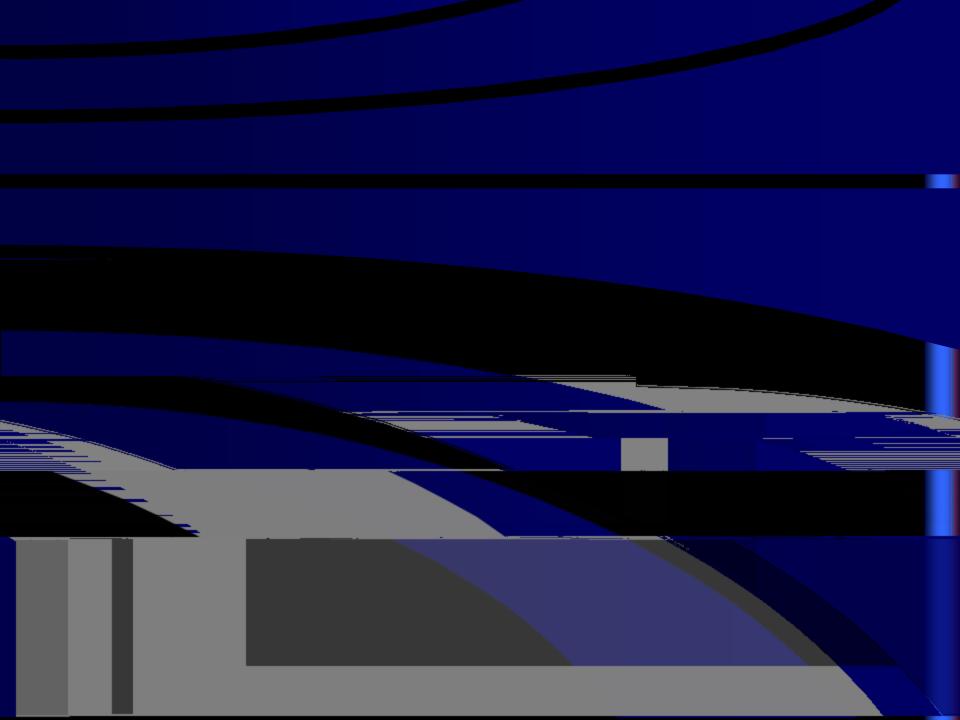


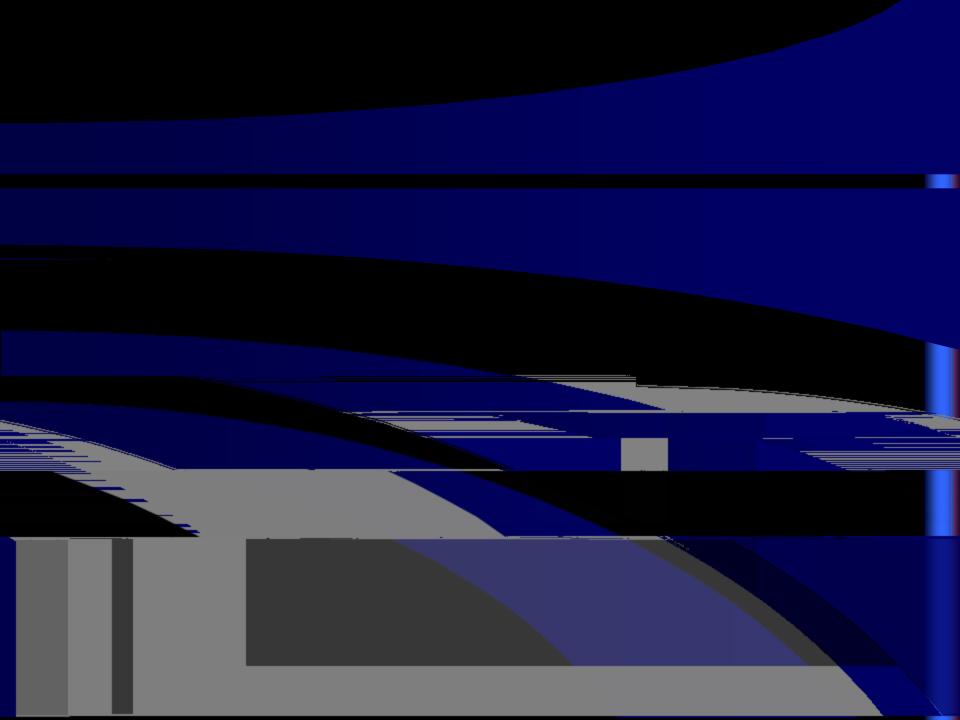
Issue of Underreporting

Economic and social liberalization

Continue draconian birth control

Concern of births underreporting



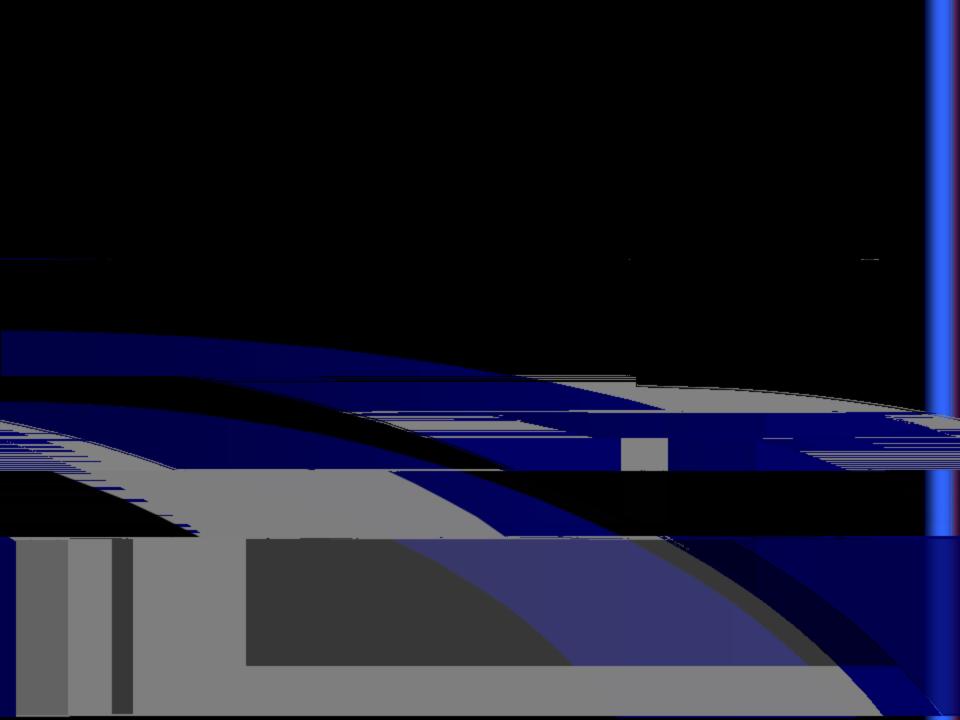


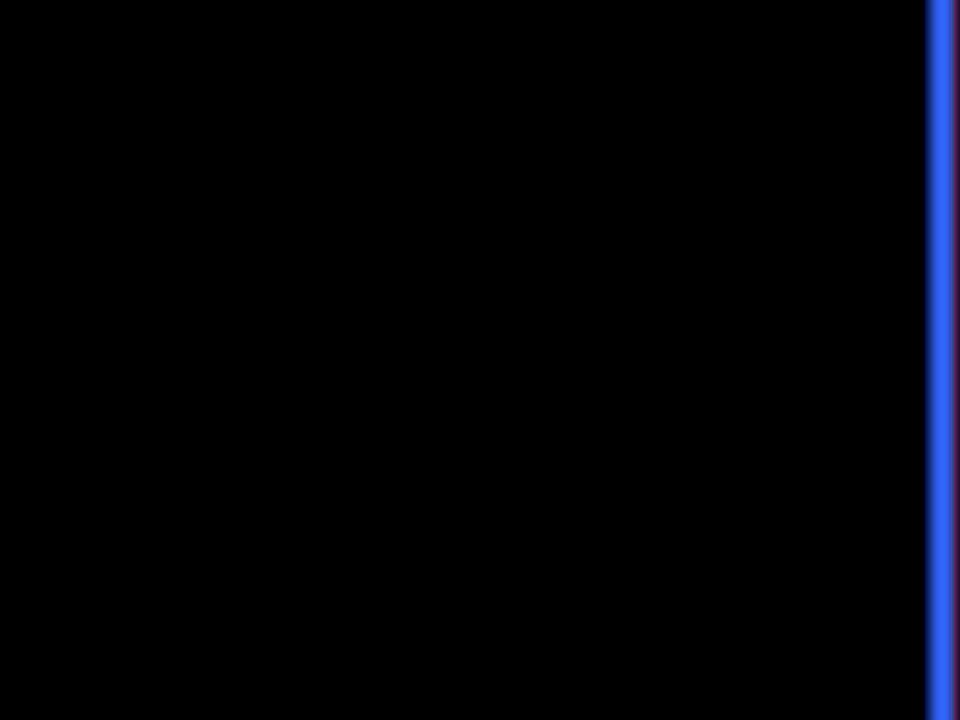
Fertility Decline in China

• 1970s: sustained rapid decline from 6

• 1980s: fluctuated around 2.5

1990s: further decline to well below 2.1



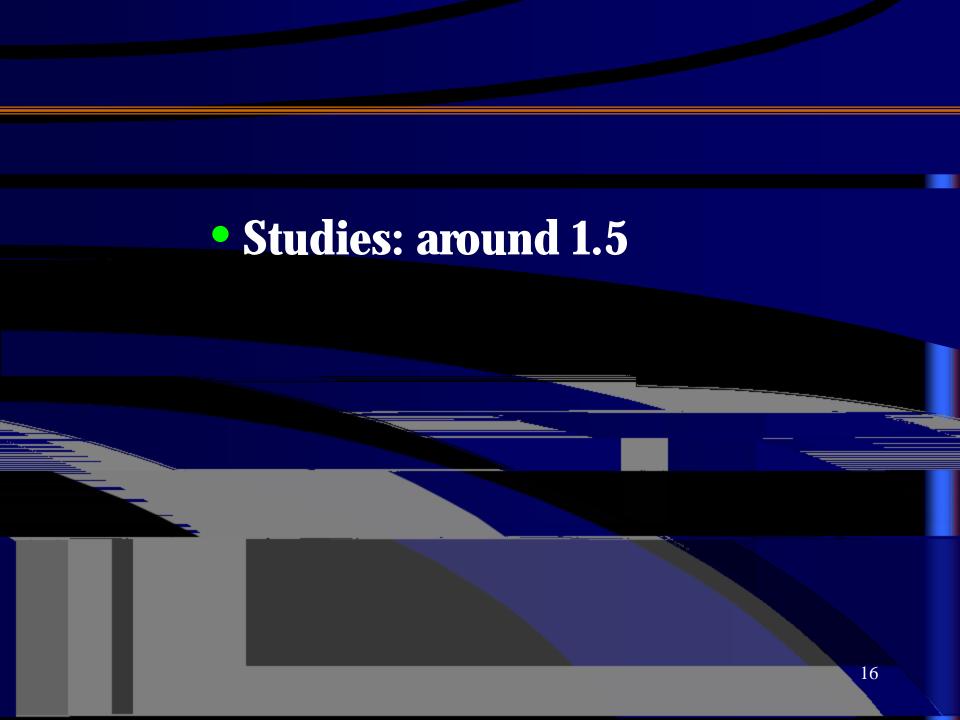


Fertility Estimate by Different Sources

- Higher estimate by school enrollment data: due to over estimate induced from economic incentives, increasing migration, change in education system and age structure
- Upward result in 2006 survey: due to under-sampling of young-unmarried

Fertility Estimate by Different Methods

- Around 1.6 in 2000 (Zhang-Zhao)
- 1.47 in 1997-2000 (Retherford et al.)
- 1.5-1.6 in the 1990s (Cai)
- Similar conclusion: Guo, Guo-Chen,
- Morgan-Guo-Hayford



Reasons to Be So Low

- Fertility policy not always work
- Social change to encourage fewer
- Tempo effect period lower than cohort
- Changes in attitude and behavior
- Modern contraceptive services

Reasons for Limiting to One Child

- Uncertain future
- Cost of having children
- Unfriendly environment to reproduction
- Rising demand for "human capital"
- Retrenchment of public support
- Concentrate for few but successful

Low Fertility Proximate Determinants

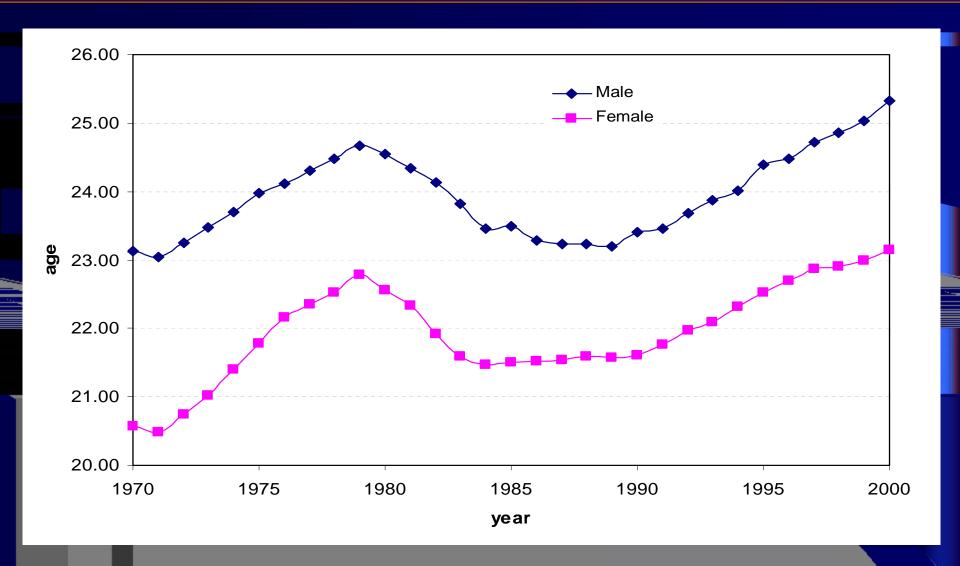
Relatively low "unwanted fertility"

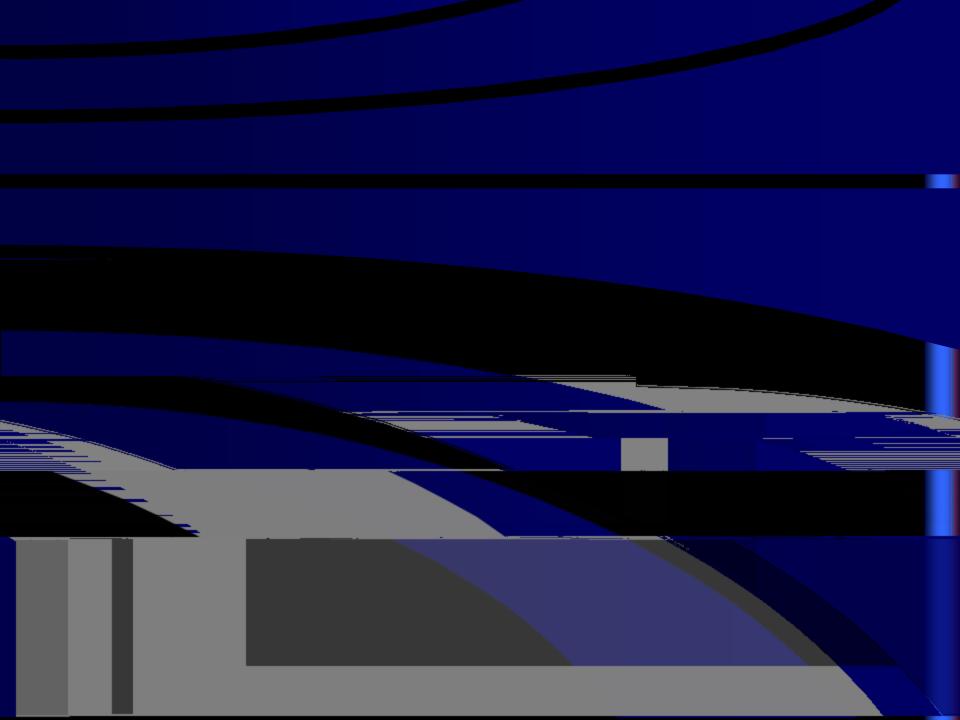
Son preference via sex-selective abortion

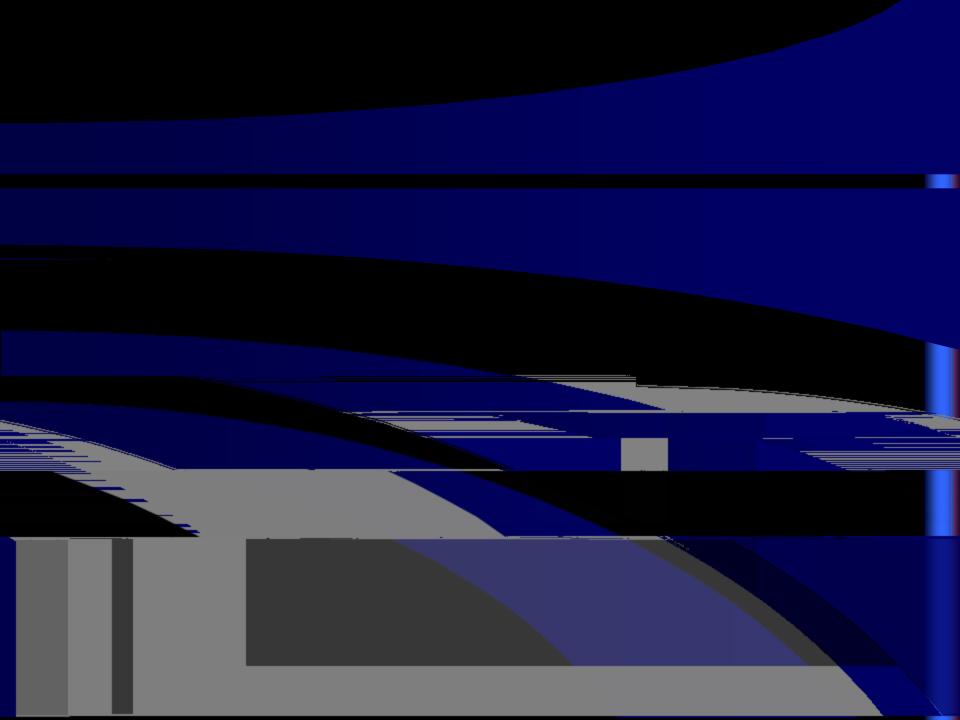
• Infecundity and sub-fecundity

Delayed marriage and childbearing

Mean Age at First Marriage by Sex, China 1970-2000

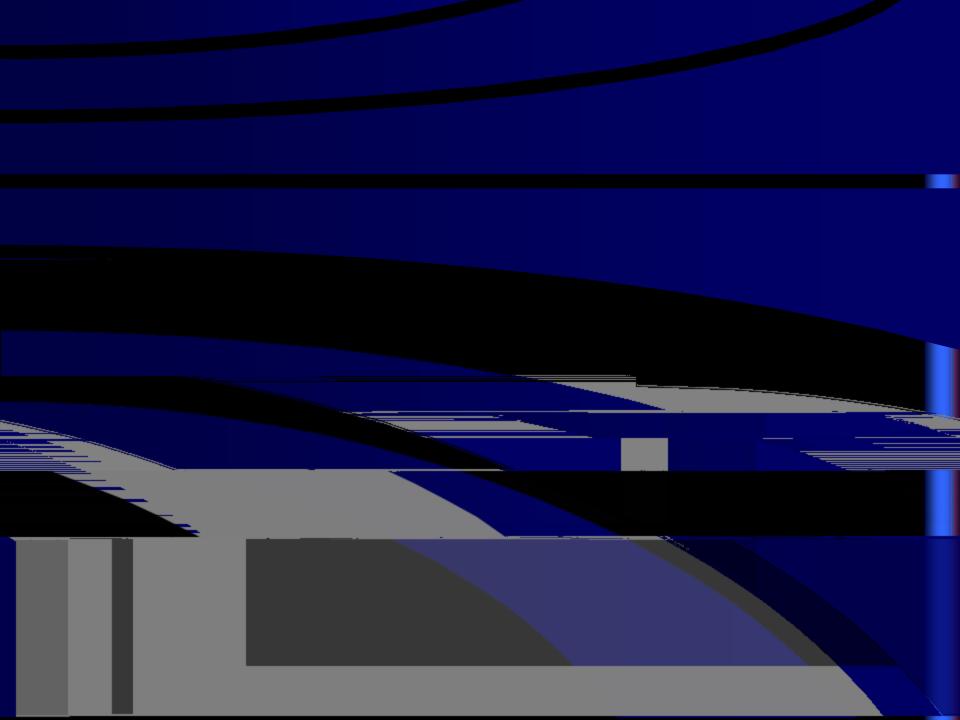




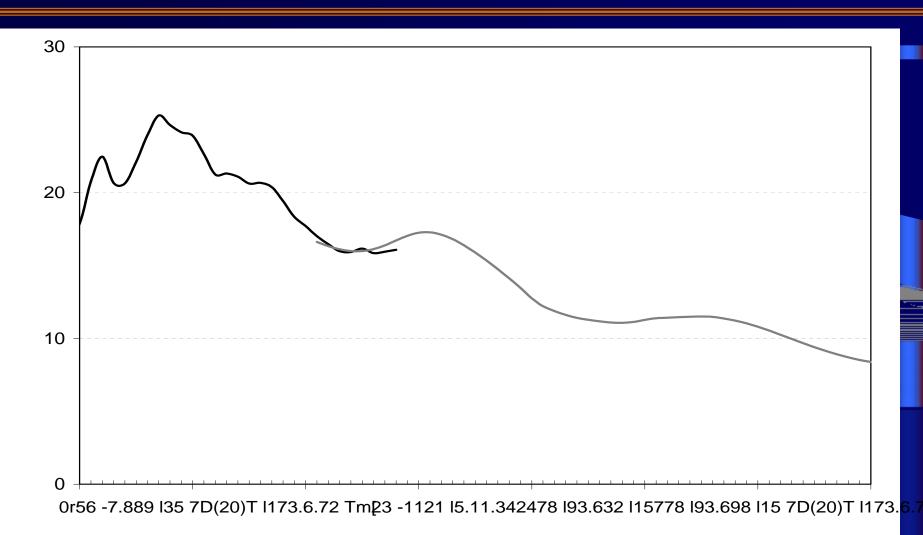


Fragile families:

- Single children: 160 million
- Over 1/3 households with one child
- 50 % women 60+ with one child
- Tragedies seen in 2008 earthquake
- Fragility of the family system



Reported and Projected Number of Births, China 1980-2050



Population Decline:

- Continue to decline for 50+ years
- Reduce by 220 to 300 million
- Median age to 50 by mid-century
- Reduce size by half at end-century

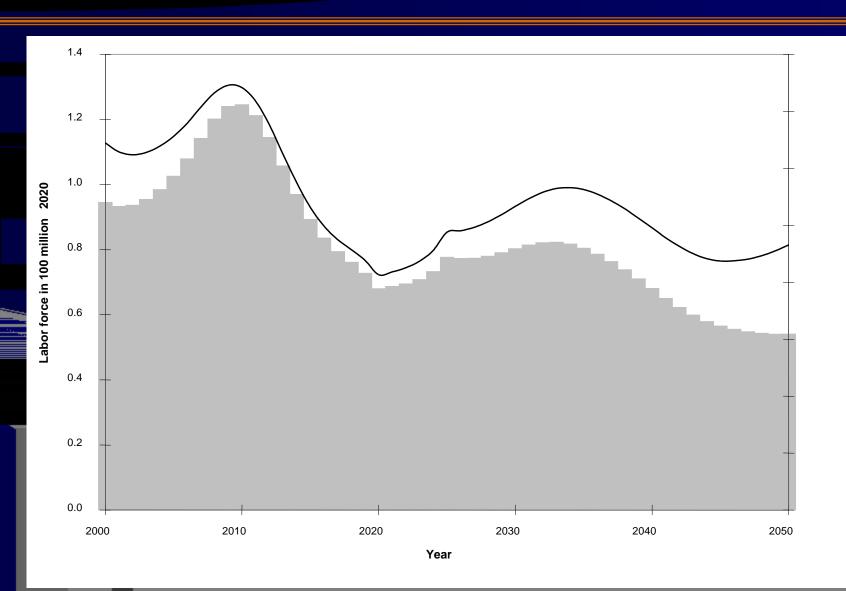
Labor shortage:

- Economic boom due to large labor force
- Demographic dividend: 15-25% growth
- Sharp decline in labor supply
 - From 966 million in late 2020s to 761 million in mid-century
 - Reduce 100 million per decade, 10 million per year

Labor shortage:

- From "abundant supply" to "limited surplus"
- Young labor aged 20 to 24
 - Recently educated, more innovative, and active consumers
 - Reduce from 125 million in 2010 to only 68 million in 2020

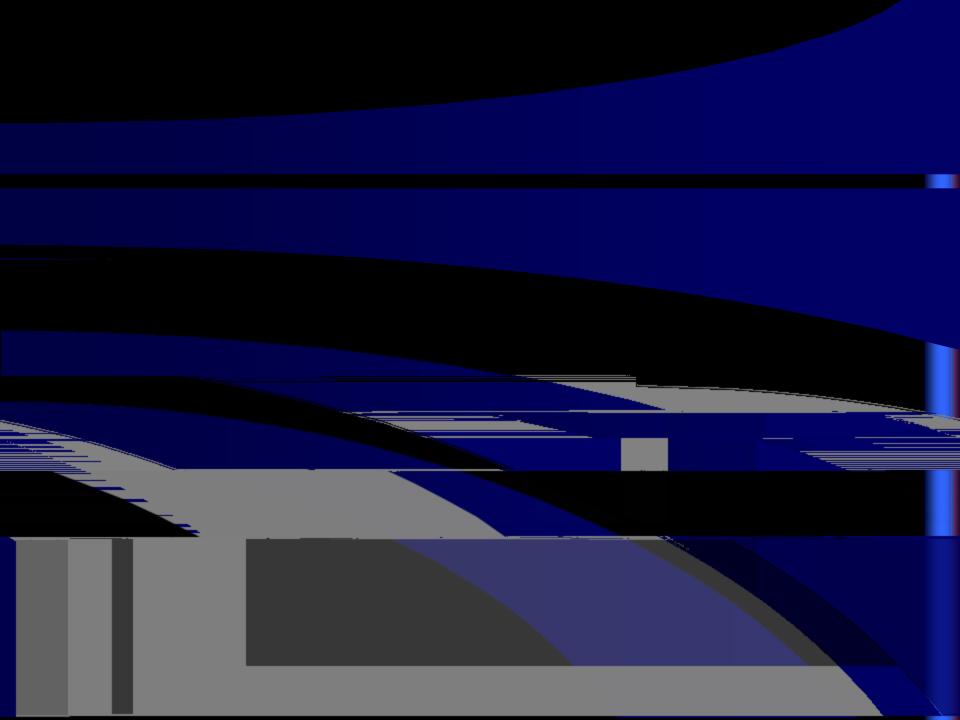
Projected Trends in Young Labor Force, China 2000-2050



Concluding Remarks

To assess fertility in China:

- Effect of government policy
- Possible underreporting of births
- Empirical studies by various scholars
- Using various methods and data sets
- Reach similar conclusion of around 1.5



Concluding Remarks

Implication of low fertility:

- Too new to be fully addressed
- Certainly tremendous or revolutionary
- Future will tell what discussed is only the tip of the iceberg
- "Below replacement": a new global demographic norm

End