

China's Current Population Problem Causes and Solutions

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Abstract

With the development of economy and the improvement of living standards, people's fertility intention is getting lower and lower, which leads to the decrease of population and population crisis. The population crisis will inevitably lead to various social problems. The reasons that restrict people's fertility do not want to give birth, can not afford to raise after birth, and people can not give birth. So to solve the problem of fertility, we should start from the aspects of rewarding fertility and social security policies.

Keywords

Population Crisis; Fertility Intentions; Financial Burden of Child-Rearing; Social Security Policies.

1. Current Situation of China's Population

1.1. The birth rate is decreasing year by year

China's population growth rate has continued to show a low growth trend in the past ten years. The average population growth rate from 2010 to 2020 is only 0.53%, which is 0.04 percentage points lower than that from 2000 to 2010. In 2020, China's fertility rate will only be 1.30, far below the generation replacement level of 2.10 to maintain the total population. At present, the world's highest fertility rate is generally located in sub-Saharan Africa, with an average of more than 4; Followed by most Islamic countries, they are basically above 2.5, such as Yemen's 3.91, Jordan's 3.17, Syria's 2.6 and so on. [1] Jews, who are known as the smartest people, attach great importance to fertility, among which the fertility rate in Israel is as high as 2.68, much higher than that in China, which shows that education does not drag fertility back. Looking at the "fewer children" area, Japan's fertility rate in Asia in 2015, although the same low, but also reached 1.4, higher than China's fertility rate. According to the National Bureau of Statistics, the total fertility rate was 1.54 in 2014, slightly lower than the replacement fertility rate of 2.1, and further dropped to 1.46 in 2018; China's total fertility rate fell to 1.15 in 2021 and 1.07 in 2022, and is likely to continue to decline. Therefore, the continuous reduction of birth rate in China has become a real problem that cannot be ignored. If the current fertility rate remains unchanged, with the disappearance of the fertility accumulation effect, the fertility rate will surely further decline, and China will face a serious population crisis in the future and trigger a series of social problems.

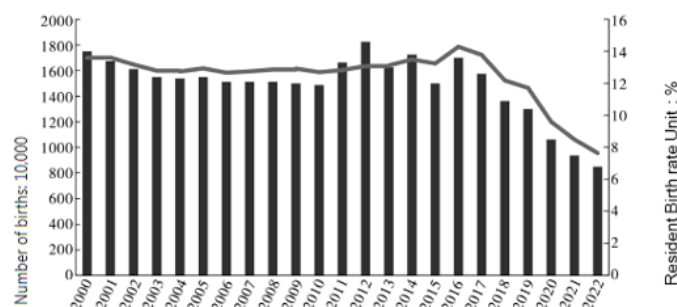


Figure 1. The birth rate of permanent residents and birth population in China over the years

1.2. The aging society is further deepening

With the decline of birth rate and the extension of life expectancy, the proportion of the elderly population in China is increasing year by year, and the aging problem is becoming increasingly serious. According to data released by the National Bureau of Statistics, in 2010, the proportion of people aged 60 and above in China's total population was 13.3 percent, while the proportion rose to 18.7 percent in 2020 and 19.8 percent in 2022, indicating that the proportion of elderly people is increasing year by year. Similarly, according to China's 2020 census data, the proportion of elderly people aged 65 and above in the total population is 13.5%, an increase of 4.6 percentage points from 8.9% in 2010. In terms of the burden of the elderly population, China's old-age dependency ratio (that is, the ratio of the elderly population aged 65 years and above to the working-age population aged 15-64 years) was 11.9% in 2010, but this ratio has risen to 19.7% in 2020, reflecting the increased family and social burden of the elderly population (Figure 2). In addition, with economic development and improved medical conditions, the life expectancy of the Chinese population is also increasing. According to data released by the World Bank, China's life expectancy will reach 77.4 years in 2022, which indicates that the number of elderly people is likely to continue to grow.

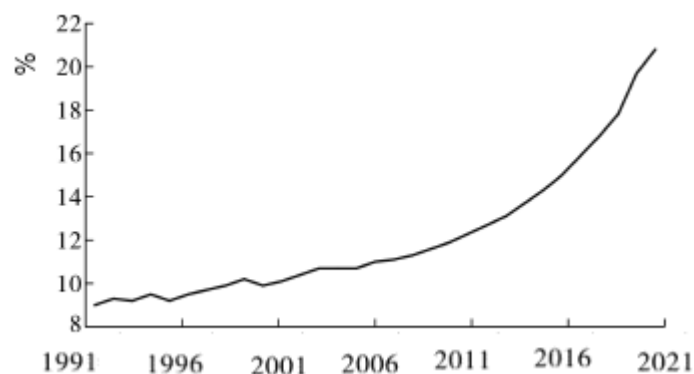


Figure 2. Changes of dependency ratio of elderly population aged 65 and above in China over the years

2. The Consequences of The Population Crisis

2.1. The decrease in population affects the economic development

The implementation of the family planning policy, coupled with the rapid development of social economy, has made China experience a remarkable transformation of population structure in a short period of time, which not only means the aging of the population, but also means the relative and absolute reduction of the working-age population and the aging of the population, resulting in an increasing shortage of labor force. Labor shortage is the shortage of ordinary workers in the absolute sense. At present, the proportion of young labor force has shown a trend of decline year by year, and Chinese enterprises still insist on using young labor force employment mode, which makes the supply and demand of young labor force unbalanced. Some companies even limit the age of applicants to under 35. The reduction of young labor force has a very negative impact on social consumption, and the main body of the tertiary industry and consumer market is young people. If the consumer market is not prosperous, the society is not prosperous. In addition, fewer young people affect the stability of the social system. Without the participation of young people in social security contributions, huge pension payments are a heavy burden on a country. When the state pays more for pension payments, it naturally spends less on other things.

2.2. The proportion of men and women is seriously unbalanced, and the risk factor of individual families and society is increasing

The total population of China in 2017 was 1,382.71 million. Among them, there are 711.37 million men and 678.71 million women, and the sex ratio has reached 105:100 (men before women after men). The gap between the male and female population in China has reached 32.66 million in 2017, which means that about 30 million men are facing single population. The reason for the problem is the long-standing one-child policy. Due to the influence of traditional concepts can only have one child, try to give birth to a boy, which leads to the imbalance between men and women. The number of men is obviously greater than the number of women, which will inevitably affect men's marriage and childbearing, and inevitably lead to some men's inability to marry, and a considerable number of men's inability to marry will increase the factors of personal family and social instability to some extent, which is prone to extreme events and affect social stability.

2.3. The aging population is becoming increasingly serious, and the operating pressure of the social security system is increasing

The speed and scale of aging in China is much more serious than in other countries. According to the United Nations statistical standards, when the elderly population aged 65 and above reaches or exceeds 7% of the total population, the country or region has entered the aging society, and more than 14% is deep aging, and more than 20% is super aging. Since the founding of New China, it has experienced three population birth peaks (1950-1957, 1962-1973, 1982-1991). Following the inertial law of population development, three population aging shock waves will inevitably emerge after more than 60 years. China entered an aging society in 2001. According to the United Nations World Population Prospects (2017 Revision), China will enter a deeply aging society in 24 years, that is, around 2025, enter a super-aging society in another nine years, reach 26.3% in 2050, and gradually stabilize at about 30% after 2060. The rate of aging is unprecedented. [3] Moreover, due to the large population base, the size of the elderly population in China is unprecedented. The number of people aged 65 or over reached 160 million in 2017, and is expected to reach 360 million by 2050, when there will be one in every four people aged 65 or over. The transition from aging to deep aging only took 126 years in France, 46 years in Britain, 40 years in Germany, and 25 years in Japan (1970-1994). From deep aging to super aging, Germany took 36 years (1972-2008) and Japan took 21 years (1995-2006). The current "4-2-1" model within the family, that is, a young couple needs to raise one child and four elderly family model, which puts a lot of pressure on the financial and spiritual aspects of young people. Young people focus most of their energy on these things, and it is difficult to devote more energy to their own development problems. The shrinking number of young people (fewer than the elderly) will require greater government spending on social security, such as pensions and health care. The government relies on working people for its revenues, which could lead to a pension crisis. The original mode of operation is "social pooling and personal account combination", now need to pay the pension paid by the working staff to the retired staff, the problem is that the number of retirees is far more than the working staff, if the population can not achieve growth, then the working staff may have no pension in the future.

2.4. Influence on human and social character

Since the implementation of the family planning policy in the 1970s, the family size has shrunk, and many families born in the 1970s, 1980s and 1990s have only one child, which is extremely unfavorable to a person's growth. Since the care and protection of parents with only one child is often excessive, and there is no brother or sister to accompany the growth and cooperative practice, the only child may face the psychological characteristics of relatively weak communication and social skills, low independence and low ability to withstand pressure. In

recent years, the population decrease is also accompanied by the aging trend, and the children's pension responsibility is increased, often requiring the only child to take care of the elderly of both sides. Some young people are under greater pressure to support the elderly, worrying about their living standards, parents' pension problems and children's education, which may cause psychological fatigue and frustration. The decrease in the marriageable population, especially the imbalance in the sex ratio, has exacerbated the problem of marriage, and has had a profound impact on people's ideas about marriage and love. Many people pay more attention to money, career, family background and other factors when choosing a partner, while ignoring the importance of personality compatibility and common interests. Young people also face a lot of pressure in terms of employment and home purchase, high housing prices make it difficult for many young people to afford the cost of buying a house, and fierce competition and unstable economic situation make them feel anxious and insecure in the job market. These factors together lead to young people feeling confused, confused and helpless in life. [4]

3. Causes of Population Crisis

3.1. People's willingness to have children has been severely reduced

Due to China's long-term implementation of the one-child policy, under the influence of the fertility policy, the change of fertility will generally go through several stages: the initial passive obedience, the gradual assimilation in the process and the eventual internalization of the will. The impact of China's fertility policy on fertility intention is exactly in line with this development law. In addition, since the reform and opening up, China has made great achievements in economic development and generally improved people's living standards. Looking at birth patterns in other countries, the richer people are, the less they want to have children. Not only is the number of people unwilling to have children, but the number of people getting married is also declining. The number of marriages among the post-90s and post-00s has been greatly reduced, with the number of first marriages dropping from 23.86 million in 2013 to 12.29 million in 2020, especially the number of marriages between the ages of 20 and 24 falling from 9.53 million in 2011 to 3.03 million in 2020. Today, the desire to have children is no longer the product of policy requirements. It is the result of people's independent choices. After people have a certain amount of wealth, they pay more attention to their own development and quality of life, followed by giving birth to the next generation. The influence of policy factors on fertility intention is weakening. The effect of the "comprehensive two-child" liberalization is not ideal, which fully shows that people have adapted to the life state of low fertility under the influence of the long-term "one child" policy.

3.2. The huge cost of living is too much for people to support

China's disposable income is only about 44% of GDP, compared to 60% to 80% in the general international community, 83% in the United States, and 77% in India. For nearly two decades, China's housing prices have grown faster than people's incomes. According to relevant data, 56% of all families in China have mortgages on their shoulders, of which 30%-70% of residents' income is used to repay mortgages. In all household consumption, housing consumption occupies a large proportion, and it is difficult to have large consumption in other aspects. In addition, the cost of child care is high. In the modern family concept, they do not want their children to lose at the starting line, so most families spend a lot of money to sign up for various training classes for children, which adds a lot of pressure to life. With one child, most families can barely afford more than one.

3.3. The academic burden makes children and parents suffer from huge physical and mental pressure to have no time to give birth

Due to the single educational evaluation standard, most students choose to study cultural knowledge and hope to get excellent results in the college entrance examination, which makes the competition in the college entrance examination especially fierce. A child from primary school to high school spends at least eight hours a day on school work, and even does not forget to do homework during illness, most of these pressures come from parents and society. In reality, most Chinese parents believe that only entering the ideal university is the right way out for their children. Under the baton of the college entrance examination, parents, teachers, and students all live very tired. In fact, not all children are suitable for learning cultural knowledge, many children's psychological pressure is particularly huge, parents not only need daily work, but also need to spend a lot of time to pay attention to children's learning and physical and mental development. This leaves parents mentally and physically exhausted and without the resources or energy to think about having another child.

3.4. The number of infertile people continues to increase

Because of the delay in the age of first marriage, many people have lost the ability to bear children. For example, if you get married at the age of 20, you can still have children, but now the age of marriage and childbearing is constantly delayed. Our women's first marriage age in 2010 is 24 years old to 2020, 28 years old, and now some have reached 30 years old, it can be said that many people get married when her fertility has been greatly weakened, want to give birth to a may barely be able to give birth to a second may not be born. The infertility rate in China has risen from 1%-3% in the late 1980s to more than 18% now. Infertility may not be a problem if it occurs in families with higher incomes, after all, there are good economic conditions for assisted reproduction; If it occurs in low - and middle-income families, then plans to treat infertility may be derailed due to financial concerns, as the high cost of treatment will prevent them from having children. In fact, due to differences in the working environment and living environment, the infertility rate of middle - and low-income families is higher than that of high-income families.

4. How To Solve the Fertility Crisis

4.1. Reward families with money for having more children

In many words, encouraging fertility is far less effective than cash incentives. Direct cash incentives may be a big financial pressure on governments at all levels, but what we are solving is a major problem of the survival of the Chinese nation. Both the central and local governments must be fully aware of the urgency of solving the population problem. The population problem is not the problem of a particular local government, let alone a particular government, and we must be fully aware of the seriousness and long-term nature of the problem. The central and local governments must arrange special encouragement policies and support funds in a unified manner. For example, for high-income people to have more than one child can enjoy personal income tax relief policy; Cash incentives are given directly to low - and middle-income people. The specific amount and period of payment are subject to local conditions. For example, each family with more children in first-tier cities will receive 3000-5000 yuan per month, and families in second - and third-tier cities will receive 2000-3000 yuan per month. Only when the common people get tangible benefits can their enthusiasm for fertility be improved. Direct monetary rewards work the same way abroad. Sweden has one of the best welfare systems in the world, with generous maternity benefits and family support policies. These policies cover areas such as maternity leave, family subsidies, child care services and tax benefits, and are designed to provide a good environment for Swedish families to have children. The Swedish

government offers up to 480 days of maternity leave, of which the first 390 days are paid at 80% of salary and the remaining 90 days are paid at a lower subsidy rate. Social security payment is uninterrupted during maternity leave. [5] France's fertility support policies include cash subsidies, childcare services, convenience support and other measures to encourage families to have children. The French government provides families with maternity benefits and child care benefits. [6] Japan also faces a number of problems with an aging population, and has introduced a number of policies to encourage fertility. These policies and measures mainly focus on extending maternity leave, family subsidies, childcare services, educational support and other aspects, trying to create a good child-rearing environment for families. For example, Japan provides maternity leave up to 14 weeks (including pre-maternity leave and post-natal leave), and enjoys three-fifths of the salary during maternity leave. Parents are entitled to up to one year of parental leave from one week after the birth of their child until the child reaches the age of one year. While on leave, parents can receive up to 60 percent of their salary for childcare leave. [7] The Singapore government's maternity policy is mainly based on cash subsidies, which are combined with value-added services such as maternity leave and parental leave, childcare services, and educational support to encourage childbirth. The Singapore government has implemented the Maternity Concession Fund policy, which provides cash subsidies for each newborn. Parents are required to set up a bank account for their newborn, which the government will subsidize according to the age of the child. Parents can use the grant to pay for their children's education and upbringing. [8] The effects of fertility policies vary in these countries. According to different national conditions in China, Chinese people did not enjoy the welfare policy of encouraging children before, and they will actively respond to the call of the government if they get immediate benefits. Although some domestic cities have also made some attempts to explore in this regard, the intensity is general, and the effect of nature is limited. Therefore, the central and local governments need to work together to encourage fertility.

4.2. Establish and improve reproductive supporting policies and measures

First, we will protect women's reproductive rights. Because of gender differences, women have been at a disadvantage in the job market. An enterprise recruiting a female employee means that it has to consider the fertility of female employees. Many enterprises will not hire women under the same circumstances, and some female employees understand the hidden rules of enterprises to delay childbirth or even reduce the number of births in order to keep their jobs. Although the relevant departments have formulated a series of policies, they are not grounded and lack of practical operation. For enterprises, if female employees give birth not only does not affect the benefits of enterprises, but also brings actual benefits to enterprises, then the employment situation of women will be greatly improved, and enterprises are naturally more willing to recruit female employees, so female employees will no longer be entangled in childbirth and work.

Secondly, a public welfare childcare system should be established. Having children who are not of school age and who are not cared for is also a factor. The government's establishment of inclusive child-care institutions to solve the worries of the majority of workers will naturally increase the fertility rate. The modern concept of family parenting keeps pace with The Times, the majority of parents do not want to leave their children to the elderly, if there is a free childcare agency, it will encourage some families to have more children.

Finally, preschool education should be incorporated into the compulsory education system. Now kindergarten education fees have surpassed primary and secondary schools, which is a big burden on the majority of families. If kindergarten education can also be as free as compulsory education, it will greatly reduce the cost of family childcare.

4.3. Assisted reproduction will be covered by medical insurance to reduce the burden of childbearing families

There is indeed a group of people in the crowd who have a strong desire to reproduce, but the realistic conditions do not allow. It's both an economic and a physical aspect, but it's more of an economic aspect. If assisted reproduction is included in the medical insurance coverage, it will increase the fertility rate and increase the population to some extent. At this stage, the cost of assisted reproduction is a large amount of money, and it is not a small pressure on ordinary families. Take several common assisted reproduction methods as an example: the cost of drugs and examinations for each cycle of ovulation promotion is about 3,000 yuan; The cost of artificial insemination is about 5,000 yuan per cycle; The price of IVF varies from 30,000 yuan to 100,000 yuan, the first generation is the cheapest, the third generation is the most expensive, and if the first cycle is not successful, the cost will increase accordingly. According to the Clinical Practice Guidelines for Assisted Reproduction of Elderly Infertile Women in China, it is estimated that when women are 35 years old and below, they need an average of 3 treatment cycles to successfully have a live birth, and women over 35 years old need a longer cycle. This means that a successful live birth for a woman of childbearing age needs to cost at least 100,000 yuan, or even more. Such high costs make the dreams of many families for their children out of reach. Therefore, it is a very urgent matter to include assisted reproduction in the scope of medical insurance, although some areas of the country have made some attempts, but there is still a big gap with the people's expectations. The birth of a population is a major issue. In line with the principle of being highly responsible to the state and the nation, we have unswervingly and persistently promoted population growth.

4.4. Actively create a cultural atmosphere that encourages fertility

With the development of economy and the liberation of people's personality, more and more people tend to pay more attention to individual development and real life feelings, coupled with the values transmitted by some film and television works, making the non-marriage trend popular. Although young people are not willing to marry and have children is related to economic conditions, non-marriage and hedonism have contributed to it to a certain extent. To raise fertility rates, you also need a little culture. Placing birth advertisements encouraging birth in public places; Promote the birth culture in the community public publicity column; Public welfare activities are often held to encourage childbirth. Modern society is a society of free expression of views, and since non-marriage can spread freely, so can the culture of encouraging reproduction. Normal reproduction of human society is the driving force for the continuous development of human society. If everyone is unwilling to have children, the damage to individual families and nation states will be irreversible. Therefore, we should actively create a cultural atmosphere to encourage fertility. For example, we should shoot some films and books to encourage fertility. We can also use the popular short videos to encourage fertility and let young people know that fertility is an indispensable experience in one's life. What we're doing is getting fertility back to normal.

5. Conclusion

At the present stage, the population issue is a very big problem in China. We must treat the population issue from a long-term perspective in line with the principle of being responsible to the country and the nation. Only when the population issue is solved can we talk about development. But solving the population problem is not a quick fix, much less an instant fix. It is a long and difficult process that requires the joint efforts of all of us. Although the power of each of us is limited, as long as we do our best within the scope of our ability is enough. At the national level, we need to take a long-term view to solve the population problem, formulate practical and feasible policies to benefit the people, and earnestly implement them, and we will

certainly achieve certain results. The Chinese people are hardworking, brave and responsible. As long as the national policies are properly applied, the trend of population decline will be reversed.

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