General Assembly **FORUM:** 

**ISSUE:** Measures to Address the Continued Decline of

Fertility Rate in South Korea

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#### Introduction

South Korea has experienced a significant reduction in fertility rate since the 1960s, which resulted in a 2.1 fertility rate by 1983, and until the mid-1990s, they kept a low level of 1.6 fertility rate. The fertility rate began to decline sharply again in the late 1990s, and in 2005, the total fertility rate was 1.08, the lowest in the world. Since then, the fertility rate has been below 1.0 since 2010. If the low fertility rate continues, an overall crisis of the social security system is expected due to the labor shortage caused by the decreased labor supply and the burden of supporting the elderly by the labor force. In addition, labor productivity will profoundly decline due to the aging labor force, leading to a slowdown in the potential growth rate and weakening Korea's competitiveness. Since the reduction in fertility rate is already expanding as a global phenomenon, other nations are also preparing systematic reviews and active countermeasures for certain consequences, such as economic and social problems caused by low fertility rates. For South Korea, in particular, changes in the demographic structure are progressing rapidly without precedent. However, the current social, cultural, and technical levels still have limitations, which makes Korea incapable of fully handling demographic fluctuation. Besides efforts such as several policies, the fertility rate is still at its lowest level.

# **Background**

Even though South Korea currently has the lowest fertility rate in the world, it used to have problems due to the overwhelming fertility rate. In the 1950s, this once led to the publication of a population control policy in South Korea. However, this impulsive decision led to a dramatic change in South Korea's demographic structure. As Korea sought to control the overwhelming population by enacting control policies, it began to backfire with the world's lowest fertility rate in a fleeting time



Past South Korean Advertisement to Stop Overwhelming Fertility Rate

Due to the implementation of the population control policy and growth-first policies brought about by rapid industrialization, South Korea is facing issues due to the significant reduction in fertility rate, in a brief time. However, the issue is the result of a combination of economic, social, and cultural factors, rather than a single cause. This challenge complicates efforts to keep a sustainable population size in South Korea. One of the social and cultural factors is concerns raised due to the over-enthusiasm of parents dedicated to their children's education. South Korea's parents currently show a high enthusiasm towards education, because in South Korea, education is generally understood as the key to success for their kids. This led to the creation of a severe educational atmosphere which made the parents hesitant about giving birth. Parents nowadays, even if they have been married for a long time, are often anxious about their children's ability to withstand the severe educational environment of South Korea, and they

are also unsure whether they want to raise their cherished child in this type of society. Apart from the socio-cultural atmosphere that scares parents, economic uncertainty including housing costs and job market instability is also one of the negative aspects that hamper the parents' desire to have a child. The decline in the fertility rate cannot be resolved if alternative solutions for these problems cannot be provided.



South Korean Students in After-school Academies

#### **Problems Raised**

## Demographic Fluctuations

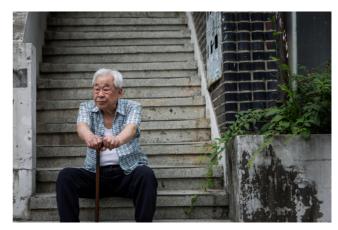
The demographic alterations caused by the decline in fertility rate would cause serious issues in South Korea. The average age of the entire population will result in fewer children being born. This will leave Korea facing various problems related to the aging population, such as increased demand for healthcare and greater pressure on government-provided pension payments. The elderly population will need more advanced medical aid, which will eventually lead to a higher demand for professionals who can fulfill the overwhelming demand for healthcare needs, in addition to the increased costs associated with providing medical care to an aging population. Moreover, the elderly population will result in more retirees, which would, in turn, lead to higher payouts from the pension system. As the population ages, there will be fewer young people with the talent and energy needed for innovation, resulting in a lack of innovative actions or ideas and a significant reduction in the laboring population, seriously obstructing South Korea's industrial growth and its competitiveness in the global world.

#### Decrease in Population

Due to the reduction in fertility rate, South Korea is also likely to experience labor shortages. The decreasing workforce will seriously affect industries and lead to economic uncertainty. Also, with the overall decrease in the population of labor workers, the operational costs required for the company to spend on the workers will increase tremendously. These implications will also slow down the economic growth of South Korea. Fewer people will lower the demand for goods and services, continuously affecting South Korea's economy. Also, the perceived economic stagnation of the nation would lead to reduced investment from global investors.

### Social and Cultural Impacts

From a sociocultural standpoint, the decline in the fertility rate in South Korea will also bring up serious problems for both children and grown-ups. First, the change in a traditional family structure will engender challenges. As fewer children are born, elderly individuals may face grievous social solitude and struggle without a robust support system. This issue is likely to have ongoing repercussions,



Solo Senior Dwellers in South Korea

serving as one of the societal challenges to solve. On the other hand, even though some people give birth, fewer children in the family will burden the individual to take care of their aging parents. Children will have to take care of their parents in the future, and the declining fertility rate will naturally give more obligations to the individual. The decline in the fertility rate is also leading to adverse effects on the educational sector and will ultimately lead to greater impacts. South Korea's average number of students per class has been steadily decreasing since the 1990s, and in 2023, it resultingly dropped by about 10 fewer students. By showing a continuous decline in the average student number, this issue may decrease the number of schools. The closures of schools will make it harder for educators to have a stable economic life, eventually resulting in a long-term impact on the instability in educators' employment.

### **International Actions**

Organization for Economic Cooperation and Development (OECD)

The Organization for Economic Cooperation and Development (OECD), an international organization for economic cooperation and development help, has also put profound efforts to recommend breakthroughs that can potentially solve the significant reduction in South Korea's fertility

rate. One of the most notable works is provisioning recommendations, such as improving childcare services, that can enhance the work-life balance of South Korean parents. The most major factor that makes married couples hesitant about giving birth, is the difficulties in keeping stability within their everyday lives. Precisely understanding the hesitation of married couples, the OECD provided many articles that can change the perspective of the South Korean government to advocate for the stability of child-raising, by helping the government to gain a further and deeper understanding of the issue and make right decisions based on the proper predictions of future trends.



Immigrants in Canada

#### Canada and Australia

In countries with low fertility rates, one of the most common policies enacted is immigration policies. Among several countries that adopted those policies, Canada and Australia appear as the countries that showed the most outstanding results. Both Canada and Australia successfully implemented the policies by allowing more immigrants in their country, resulting in profound benefits in the aspect

of solving the demographic challenges. Immigrants in both countries have helped to balance the demographics, by joining workforces and offsetting the aging population. Some may be skeptical of how immigration policies can actually benefit and solve the population decrease, but Canada and Australia themselves serve as the most significant examples of the nations that had benefits. Canada, for instance, despite the initial decline in the fertility rate, has maintained population prosperity due to the high levels of immigration within the country. By digesting the examples of both Canada and Australia, South Korea can effectively produce solutions to solve their issues.

# **Key Players**

#### France

France is one of the countries that features high fertility rates, even when compared to other European countries. This is mostly due to its extensive policies that help families, which is provided by an organization, namely the Family Branch of the French Social Security System (CAF). The national organization supports families with systems that assist their everyday lives which can be extensively used by families with at least two children, or parents of children 3 years or younger. The CAF benefits a wide-range and types of families, which diminishes concerns for ma both typical married couples and

those who feature a unique type of family structure. This outstanding support system, married couples find guaranteed stability in their lives, even with children. They usually find more joy rather than burdens, which contrasts with the current situation in South Korea.

### *United Nations Fund for Population Activities (UNFPA)*

UNFPA is one of the leading organizations that plays a pivotal role in the population sector within the United Nations and is also focusing on solving the problem of low fertility rates in Korea. The organization puts profundity into its work as it seeks better ways to make its campaigns more effective and easier for South Koreans to find their efforts. For instance, the organization publishes articles that analyze surveys from young South Koreans that



UNFPA Officials' Visit to South Korea

explicitly point out the current major factors precluding the fertility rate. By providing insights into their society, it advocates the rise in South Korea's fertility rate, as the articles buttress the understanding of the issue for both South Koreans and international readers. In addition, this campaign successfully resulted in positive impacts, by providing a better understanding of the issue, ultimately supporting the policymakers to understand future trends and prepare for it, accordingly.

# **Possible Solutions**

### Financial Incentives for Married Couples

The first possible solution to the issue, broadly, is changes in government policies that can bring benefits from the standpoint of life stability. One of the major concerns of married couples in South Korea is the difficulty in affording a house, which directly affects the well-being of their child. The environment inside and outside of their house can directly affect their child's health and well-being, as well as affecting the couple's work-life balance. Thus, the government providing financial incentives will surely be a practical solution, as the incentives, being provided exclusively to married couples within the right age, lessen their concerns, will potentially induce a returning population affluence. If these social support systems cannot be provided, then the issue won't be able to find an effective breakthrough.



### Sociocultural Changes

Another solution for this issue is to put various efforts into changing the sociocultural atmosphere within the country. As everyone is aware, South Korea currently has the lowest fertility rate in the world, showing a 0.68 fertility rate. However, if we shift the view to the fertility rate of married couples, South Korea goes up as a country that shows the highest fertility rate in the world. This explicitly testifies that South Korea has a culture of not giving birth before marriage, which contrasts a lot with some Northern European countries that feature high fertility rates. Most of the Northern European countries with the highest fertility rate ironically feature one of the lowest fertility rates for married couples. The government in the region usually guarantees alternative cases, including being a single mother. However, in contrast with South Korea, they support them effortfully, to maintain stability. If South Korea succeeds in comprehending these cases and consuming them into their sociocultural atmosphere, changes in the fertility rate seem granted.

# **Glossary**

## Fertility Rate

Fertility rate refers to the average number of births expected to be given by a woman in the childbearing age. It is usually used as a representative indicator of the fertility level of each region.

# Demographic Change

Demographic change refers to the process of transitioning the population state from traditional population stability to modern stability. The growth or decrease of the population is identified as the difference in the number of people between the two-time points.

#### Financial Incentive

Financial Incentives are economic support for inducing certain aspects in individuals. In the case of the declining fertility rate, this can refer to funds provided to reduce concerns of married couples.

## *United Nations Fund for Population Activities (UNFPA)*

The United Nations Fund for Population Activities, also known as the UNFPA, is a pivotal agency in the population sector within the United Nations (UN). The agency has actively contributed to improving the issue of the declining fertility rate in South Korea.



### Organization for Economic Cooperation and Development (OECD)

The Organization for Economic Cooperation and Development, also known as the OECD, is an international organization for economic cooperation and development assistance. Their purpose is to expand economic growth, aid to developing countries, and trade. Their activities include coordinating and reviewing economic policies, trade issues, industrial policies, and environmental issues. They also discuss aid from developing countries. The organization is also one of the institutions that supports South Korea in solving the issue of its declining fertility rate.



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