Decline in China’s Population

January 18, 2023 • vajiramandravi.com

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Why in news?

- China’s population fell last year for the first time in six decades.
- This is being termed as a historic turn that may mark the start of a long period of decline with profound implications for its economy and the world.

News Summary: China’s population drops for first time in 60 years

- China’s National Bureau of Statistics reported a drop of roughly 850,000 people for a population of 1.41175 billion in 2022, the first dip since 1961.

Image caption: Falling numbers

What is the significance of falling population of China?

- **India No. 1**
    - China’s population has begun to shrink. That possibly makes India the world’s most populous nation.
    - Last year, UN experts put India’s population at 1.412 billion in 2022, but they didn’t expect the country to overtake China until 2023.

China will get old before it gets rich

- The recent trend shows that China’s population is shrinking faster than expected.
- Hence, demographers contend that China will get old before it gets rich.
    - This event will affect the economy due to drop in revenues and increase in government debt due to soaring health and welfare costs.

China will have to readjust its posture

- Based on the recent demographic trends, China will have to adjust its social, economic, defence and foreign policies.
- Shrinking labour force and downturn in manufacturing capacity will affect China’s image as an economic powerhouse and the world’s factory floor.

Why China is witnessing decline in its population?

- **One-Child Policy**
    - One cause behind the fall in numbers in China is the one-child policy imposed between 1980 and 2015.
        - This policy limited the number of children couples could have to one.
    - But as the proportion of those in the working-age population began reducing, the policy became a matter of concern.

- Hence, from 2016, all married couples were allowed to have a second child. Again, in 2021, China allowed couples to have three children.

High cost of living

- High education costs and costs of living have put many people off having children, even as a number of incentives have been announced by the government.

Zero-Covid policies

- China’s stringent zero-Covid policies that were in place for three years have caused further damage to the country’s demographic outlook.

Where does India stand?

- **Population**
  - India has not conducted an official headcount Census after 2011.
  - But going by the United Nations’ projections, its population stood at 1,417.2 million in 2022 (more than China’s) and is expected to reach 1,428.6 million in 2023.

H2: Mortality and fertility

- The crude death rate (CDR) — the number of persons dying per year per 1,000 population – has fell down to 7.3-7.4 for India in 2020.
- The total fertility rate (TFR) — the number of babies an average woman bears over her lifetime — came down to 2 during 2019-21.
  - A TFR of 2.1 is considered as replacement-level fertility.
  - E.g., a woman having two children replaces herself and her partner with two new lives.
  - Since all infants may not survive, the replaceme t TFR is taken at slightly above two.

If India’s TFR is already below-replacement, why is its population still increasing?

- The TFR is the average number of births by women aged 15-49 based on surveys for a particular period/year.
- Populations can keep growing even with TFRs falling. De-growth requires TFRs to remain below replacement levels for extended periods.
- Hence, the effects of declining TFRs may reflect only after a couple of generations.

    - China’s TFR dipped below replacement first in 1991 and its population peaked in 2021 (2022 saw the decline in China’s population).
    - It took over 30 years for below-replacement fertility rates to translate into negative population growth.

How much time does India have to reap its demographic dividend?

- India has just begun seeing fertility rates fall to replacement levels, including in rural areas.
- But even with fertility rate declines, India’s population is projected to expand and de-grow only after touching 1.7 billion about 40 years from now.
- More importantly, the share of working-age population in the overall population crossed 50% only in 2007, and will peak at 57% towards the mid-2030s.
- Hence, experts believe India has a window of opportunity well into the 2040s for reaping its demographic dividend, like China did from the late 1980s until up to 2015.
    - Demographic dividend refers to the growth in an economy that is the result of a change in the age structure of a country’s population.
- However, this is entirely contingent upon the creation of meaningful employment opportunities for a young population.
- In the absence of which, the demographic dividend can well turn into a demographic nightmare.

Q1) What is meant by the demographic dividend?

The demographic dividend is the economic growth potential that can result from shifts in a population’s age structure, mainly when the share of the working-age population (15 to 64) is larger than the non-working-age share of the population (14 and younger, and 65 and older).

Q2) What are the 4 demographic factors?

When demographers attempt to forecast changes in the size of a population, they typically focus on four main factors: fertility rates, mortality rates (life expectancy), the initial age profile of the population (whether it is relatively old or relatively young to begin with) and migration.

Source: China’s population falls: How India’s situation is different, and possibly better | United Nations Population Fund | Times of India

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