

The Influence of China's Political Policy on Population Aging

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Abstract: In recent years, the number and proportion of the elderly population in China has been rising, and it is facing a serious trend of population aging. This paper focuses on the negative impact of China's relevant policies on population aging and birth rate. Through literature analysis and data survey, this paper finds that the implementation of China's family planning policy has to some extent suppressed the growth of the population, but also exacerbated issues such as population aging, labor shortage, and caused a decline in the fertility rate. To address this issue, the government needs to take more active and effective measures, including the increasing social security investment, encouraging fertility, and strengthening elderly welfare, to ensure the quality of life of the elderly population and sustainable economic development.

Keywords: fertility rate, policy, population aging, economic environment, China

1. Introduction

In 21st century, the population aging issue has become a serious problem in many countries including China. There has been discussion of the influence of population aging on economy or society and how to reduce the trend of it [1, 2]. According to statistics, China's elderly population has exceeded 250 million, accounting for nearly 18% of the total population [3]. At the same time, with the improvement of medical and living standards, people's life expectancy is gradually extended, and the proportion of the elderly population will continue to grow. This trend has a profound impact on China's economic and social development, with the most obvious problem being the shortage of labor. With the growth of the elderly population, China's labor force is decreasing, which poses a huge challenge to the development of the entire economy. Therefore, taking positive measures to address the issue of population aging has become a problem that must be faced. However, as one of the countries which has most serious problem of population aging, China did not get discussion as more as other countries such as Japan.

People is the base of a countries, and when the average age of people increases, serious problems show up. The population aging problem can cause not only the lack of workforce in society developing, but also the recession of economic environment, social instability and many other problems. Thus, for Chinese government, reducing population aging is a extremely urgent issue. In order to find out the solution of population aging, this paper focuses on the birth population as it is closely connected with the average age of people in a country. Thus, our research is set in the decades of birth population data in China to analyse whether the current population policy is effective in

reducing population aging or not, what are the benefits and weaknesses of these policies. And if it doesn't achieve the desired effect or even outweigh the effort, we will suggest a possible more effective solution based on the ideas of other countries which have similar population aging issues. And the research significance of this paper is to deeply explore the impact of China's family planning policy, providing a new perspective and ideas for research on related issues.

This paper contributes to the existing research in two aspects. Firstly, it clearly combed the relationship between China's birth population change and relevant policies over the past decades in order to show the extent of how these policies affect the population aging. Secondly, by combining the experience of China and Western countries, it offers the future direction of solving population aging issues.

The remainder of the paper proceeds as follows. The next section includes the reasons and consequences of current population aging issues especially which happens in China. Furthermore, we show the relation between birth population in China for past decades and the relative policies to indicate the strong connection within these. And in section 3, methodology, this research uses Literature analysis method to investigate whether the political policy about population aging of China is effective. Then we conclude the benefits and limitations of the relative policies and expounded our outlook on the future population aging problem in China.

2. Literature Review

To explore the influence of China's political policy on population aging, this research focuses on the feasibility of China's previous and existing policies on reducing the aging phenomenon by collecting demographic data from official database. And we will investigate new possibilities on alternative ways to solve the population aging issue. The literature review includes the relation and effects between China's birth population and the policies.

2.1. The Relation Between China's Birth Population and the Policies

The direct determinants of China's population aging are basically the same as those of any other country, but because of its unique historical, cultural, economic, and political background (such as the Family Planning policy), the speed of its aging trend is unparalleled. From this perspective, the problem of population aging in China is much more serious than other countries [4]. In the past ten years (2012-2022), the government of China has explored and reformed the problem of population aging, among which the most important policy is the adjustment of birth policy. In 2013, the one-child policy, which has been implemented for 35 years, began to be adjusted, and the policy of "comprehensive two children" was introduced. In 2021, the government of China put forward the "three-child policy" to alleviate the problem of aging population through the adjustment of family planning policy.

The population aging is closely related to the birth population as high number of infants reduces the proportion of the elderly. Since the founding of People's Republic of China in 1949, China's birth policy has gone through five stages. Analyzing the historical evolution of China's birth policy is helpful to deeply study the changes of China's population structure and the social problems faced by the aging population in the future. In this research, we investigate the birth population from 1949 to 2021 by separate the birth population trend of China into 5 stages [5]:

1949-1971: This stage is a policy from encouraging birth to controlling birth. At the beginning of the founding of People's Republic of China, Zedong Mao encouraged birth. In January 1953, the Ministry of Health of China informed the customs that it was forbidden to import contraceptives and appliances. After a special natural disaster (1959-1961), the policy of birth control was put forward.

The birth population is growing steadily from 12.75m to 25.51m, except from 1959 to 1961 which experience the Three years of natural disasters.

1971-1982: In 1971, China started to implement the Family planning policy, which laid down that one family is only allowed to have one and at most one baby. In 1973, the first national family planning report meeting in China put forward the policy of “late, rare and few”. “Rare” means that the birth interval is more than 3 years, and “few” means that a couple has no more than two children. Then birth population declines from 25.51m to 17.76m, and suddenly increased in 1981 and 1982 to 22.30m.

1982-2002: In September 1982, family planning was defined as the basic national policy, thus regulation of number of children one family is allowed to have stricter. Due to the great resistance to the implementation of comprehensive family planning, in April, 1984, the Central Committee of the Communist Party of China appropriately gave some rural areas “small openings and big openings”, and the policy was gradually adjusted to “one child and a half policy” in 19 provinces and villages across the country. Subsequently, the Population and Family Planning Law, which was passed at the end of 2001 and implemented in September 2002, stipulated that if both parties are only children and have given birth to one child, they can have a second child. Birth population steadily declined from 20.52m to 16.41m.

2002-2016: In 2002, China implemented the Population and Family Planning Law, which placed restrictions on using of violence by government agent to prohibit childbirth. In order to improve the fertility rate, the policy of “two children alone” was withdrawn in 2013, but the effect was not obvious. In 2016, the policy of “two children in an all-round way” were put forward. This stage the birth population slightly increased from 16.41m to 17.86m.

2016-2021: In January 2016, China implemented the Comprehensive two-child policy aimed to increase the number of birth population, however, it didn’t work as government expected, in contrast, the birth population plummeted from 17.86m to 10.62m. Which is one of the main cause of today’s population aging in China.

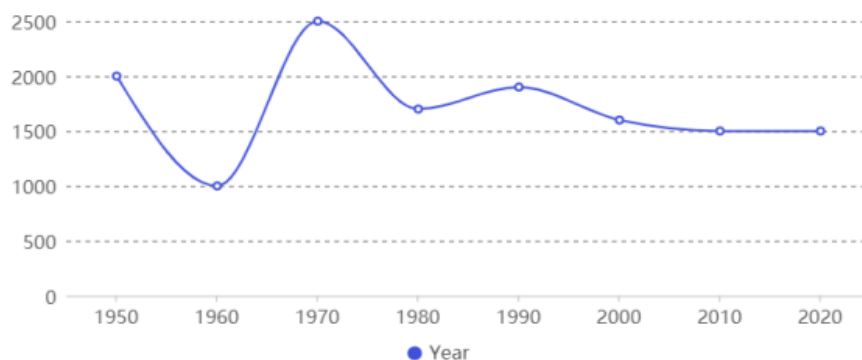


Figure 1: Number of birth (million).

2.2. Effects of Population Aging

The Family planning policy reduced the population of China efficiently, the supply pressure of government and the unemployment rate of young people, furthermore, it offered the base of promoting quality education [6]. However, it also directly caused the population aging problem decades later, which is now. In 21st century, the population aging issue has become a problem for many countries, especially in developed countries such as Japan and Kore. The main cause of population aging is while the life expectancy of citizens increases, the fertility declines. Population

aging influences all the society in many ways, including health, family life and labor market. As for the latter, the reduction of proportion of young people in working age reduces the labor force participation rate, which causes the increasing in proportion of unemployment. Furthermore, in caring for the elderly, if the fertility rate continues to decline, it will inevitably lead to a lack of paid and unpaid nursing staff, and this will aggravate the issue of labor shortage [7].

2.3. Possible Solutions

The purpose of this research is to indicate possible solution of population aging in China as it is getting more serious each day. And the main research direction is experience of other countries which has similar problems. In order to solve the problem of population aging or the consequences of population aging, there are several things government can possibly do. Firstly, offer people more freedom of choosing the time of retirement [8]. This moves enhanced market labor force and reduce the pension pressure of the government as elderly could join the production with young people and live with salary instead of pension. Furthermore, the government could spend the saved revenue on pension of other elderly which are not able to work. Migration can also reduce the pressure of population aging by encouraging young foreigner to come [9].

However, the limitation of these solutions above is that none of them is specific to the current situation happens in China. As this research mentioned, the population aging problem which happens in China has its own uniqueness due to special cultural, political, and economical environment. The effective solutions for foreign countries may are not suitable for China. Furthermore, the population data that most researches which investigates about population aging problem in China uses is now outdated as the newest population data is published by National Bureau of Statistics in 2021, which is what this research uses. Another comparative advantage of this research is we have deeper understanding of cultural and political environment of China as residents, and therefore we have a clear direction of investigating.

After analysis of these data and researches, we believe that to solve the population aging issue, the key point is to increase the birth rate in China. And one main reason of the current low fertility rate is the working and cultural pressure on women [10]. To lower this pressure and ensure women's employment opportunities, the government could take steps to ensure that women can obtain equal employment opportunities and benefits, thereby making women more confident and capable of raising their children. Furthermore, to improve the education system, government could invest in education and improve the quality and efficiency of the education system to provide better educational and career development opportunities for children and teenagers, making people more confident in raising their children.

3. Method & Results

In this paper, we use literature analysis method as main method to investigate the influence of China's political policy on population aging. To be more specific, we will collect relative research and data about population aging from both China and other countries and then comparing their achievements to investigate whether the population of China is effective. We will also investigate by observing whether these policies, for example, the Comprehensive two-child policy, meet the objective of increasing birth population or not.

Firstly, we calculate the China's birth rate of each time period we mentioned in section 2 and see and then map the changes in data over time to the relevant policies published at that time point (the calculation starts at 1959 due to there is no authoritative data of number of populations before that). We use below formula to calculate the birth rate of China:

$$Y = X1/X \times 1000$$

In this formula, Y represents the birth rate of a specific year, X1 represents the birth population at that year and X represents the total population at that year. The population data are from National Bureau of Statistics, 2021.

Table 1: Average birth rate in five stages.

Time period	Average birth rate
1959-1971	15.5%
1971-1982	15.3%
1982-2002	13.6%
2002-2016	7.1%
2016-2021	6.4%

From the table.1 above, we can see that the average birth rate slowly decreased between 1959 and 2002. And after the Population and Family Planning Law is set in 2002, the birth rate started to decline rapidly. The law confirms China's family planning policy, which is a couple should only have one child to control the growth of the population. It establishes a family planning publicity and education system, which stipulates the establishment of a family planning publicity and education system to improve public understanding and awareness of family planning policies and knowledge. In a word, this policy has limited the growth of the population, alleviated resource pressures, and improved the living standards of the people. But at the same time, it has also caused some negative impacts, such as gender imbalance, aging, and other issues, then reduced the birth rate. And that directly caused the current population aging problem in China [11].

Furthermore, from the graph above we can see that the birth rate in China is still decreasing since 2016 to 2021 even though the Chinese government established the Comprehensive two-child policy in 2016. The purpose of implementing this policy is to alleviate the aging of the population and promote the rationalization of the population structure as the starting point, improving the quality of the country's population and fertility rate. In the years since the introduction of the policy, certain achievements can be seen. According to data released by the National Bureau of Statistics in 2019, the total birth population in 2018 was 15.206 million, an increase of 315000 compared to 2017 [12]. However, since the implementation of the Comprehensive Two Child Policy, the increase in fertility has not been significant. Especially in urban areas, due to high housing prices and educational costs, many couples still choose to have only one child [13]. In addition, issues such as population aging and fewer children still exist, which means that policy implementation still needs to be improved to continue to promote the improvement of fertility.

4. Discussion

Admittedly, the family planning policy has to some extent controlled China's population growth, but it has also led to the problem of population aging due to decline of birth population, which is manifested in the following aspects:

Firstly, the single child policy has led to issues such as the imbalance in the proportion of men and women and the imbalance in the age structure [14]. Currently, there is a gradual increase in single young people, while the elderly population is growing rapidly. This imbalance in the proportion of the population among different age groups will directly lead to issues such as a lack of labor force and a heavy burden on the elderly. This has increased the economic burden on families and society.

Furthermore, the massive loss of population may lead to insufficient labor resources [15], which has gradually eliminated the advantage of labor dividend. And the decreasing of labor force and the aging of population will directly affect the growth of economic aggregate and overall competitiveness. In short, the population structure problems brought about by the family planning policy are very serious. It increases the economic burden on families and society, increases the burden on the government and society for the elderly, causes a serious loss of labor dividends, and brings a significant threat to future economic and social development of China.

In another angle, the Chinese government has realized the impact of population aging on social and economic development. In order to address the two major issues of population aging and increasing the birth rate, some policies have been established in the past few years such as the Comprehensive two-child policy. However, the effect of the policy is limited [16]. Since the implementation of the Comprehensive two-child policy, the birth rate has not significantly improved, especially in urban areas, where many couples still prefer to have only one child. At the same time, this policy will bring new social and economic burdens, such as the increase in education and medical expenses.

5. Conclusions

In conclusion, predicting the future trend of population aging in China is difficult as it is influenced by many factors. However, judging from the current situation, the future situation of population aging is still not optimistic due to China's birth rate continues to be low, failing to effectively supplement and update the labor force, and the labor age population will continue to decline, which will also exacerbate the aging problems [17]. However, with the development of technology and the widespread promotion of science and technology, the popularization of education for all and the continuous improvement of the social insurance system, China's future aging problem can still be addressed through reform and innovation. The government and society need to strengthen investment and reform to address this issue. At the same time, it is necessary to encourage fertility and optimize tax policies to promote the improvement of the population structure, increase the number of people of labor age, improve the country's productivity and competitiveness, and provide a better living environment and welfare for the elderly.

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