

Analyzing Declining Fertility Rate in China: A Multifaceted Examination and Policy Implications

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Abstract. Since 1968, the fertility rate in New China has shown a trend of gradual decline. Even though the Chinese government has promulgated and implemented some relevant policies in response to this situation to change the trend of gradual decline, the effect on the declining fertility level year by year has been little. In 2022, China's total fertility rate has dropped to 1.09. And multiple data forecasts in the future rebound space are very limited. Under the imperfect policy system and the increasing pressure of survival, Chinese society is now in the dilemma that people's fertility willingness is generally low, and the fertility rate is difficult to recover. This paper will analyze the policies and measures (two-child policy, housing price control, female policy) adopted by Chinese society to address the low fertility rate and existing data to explore the impact of different policies on the fertility rate and give relevant suggestions based on the analysis results.

Keywords: Birth intention, Employment discrimination, Housing prices, Multiple child policy.

1. Introduction

In the 1980s, China implemented a comprehensive family planning policy to control population growth, advocating fewer, late and healthy births for each family. The effect was that China's fertility rate quickly dropped from a high level to below 3. However, this downward trend slowly evolves in a direction that cannot be controlled. Although the fertility rate increased around 1986 with the rapid development of Chinese society and the replacement of a new birth year, it soon dropped back to about 1.5, followed by a slight fluctuation of the fertility rate between 1.5 and 1.8 for 16 years. In 2016, with the full implementation of the "two-child policy", or the complete outbreak of problems existing in Chinese society for a long time, the fertility rate only increased to 1.81. Then it declined rapidly in the next few years. By 2022, China's fertility rate reached 1.09, becoming the lowest fertility level in developing countries in Asia. The fertility rate will likely drop below 1 for the first time in 2023, showing a negative population growth trend. Due to gender discrimination in employment and the pressure of young people in big cities to buy houses, the current population of childbearing age in China generally has low fertility intention. After falling into a low fertility rate [1], this situation will likely be self-reinforcing and difficult to reverse. Therefore, at present, the Chinese government is facing this grim situation. This paper aims to explore possible effective measures to improve the current situation of China's low fertility rate based on previous experience.

2. Literature Review

A low fertility rate has become a very common and difficult status quo to change globally, and Chinese society is the same. In 2023, Zhai and Li summarized China's low fertility rate in the New Era: China has maintained a low fertility rate for nearly 30 years and even held a dramatic decline trend in recent years of the national census [2]. And compared with other countries, China's fertility rate has fallen more dramatically and faster. They then question these obvious problems and explore the three factors in Chinese society to explain them: economic, social, and cultural.

In analyzing economic factors, Zhai and Li expounded on the reasons for China's low fertility rate from three aspects. Among them, they put forward the principle of rational choice theory [2], in which parents rationally judge whether the costs of having children are balanced against the emotional

benefits. Under very heavy economic pressure, such as increasing house-buying and child-raising costs [3], many families will rationally decide to have only one child for reproduction or even to have no children. Even in the face of China's relaxed two-child policy, the data show that the fertility rate only increased slightly when the policy was implemented, and the overall level remains low.

In the analysis of social factors, they take women of childbearing age as the topic of discussion and believe that the decline of women's fertility willingness is the main factor in the family, and the still existing and more intense gender discrimination in social work leads to the extreme decline of many women's fertility willingness [3]. In the face of unfair gender discrimination, these women of childbearing age are forced to realize their self-worth [4] and are unwilling to comply with the traditional Chinese family concept.

In the final analysis of cultural factors, they pointed out that the emergence of a low fertility rate is not entirely attributable to the family or individual. Still, the formation of the overall cultural background will also lead to the change of fertility concept [5]. With the rapid development of the Internet era, fragmented and flat cultural communication is more convenient than before, and the main path for people to know and understand the world is also affected by new media. As a result, the spread and change of culture differs from any previous era. As a result, "parenting anxiety, complete equality of marriage and family" has frequently appeared in Chinese society, greatly changing people's attitudes towards childbirth.

3. Method

In the article "Factors Affecting China's Low Fertility Rate in the New Era", the author takes married parents, women of childbearing age and the whole society as the topics of discussion from the three aspects of economy, society and culture, analyzes the main reasons leading to the low fertility rate in China today, and proposes rational and possibly effective solutions or national policies based on the problems analyzed. This paper will take the policies and methods that have been implemented in China to address the current situation of low fertility rate as the starting point, analyze the difficulties encountered in the implementation of these methods and the degree of impact on the current situation of fertility rate after implementation, discuss the feasibility of each method by combining the existing data and using the data analysis model, and discuss and analyze whether there is a better optimization possibility of each method within a reasonable range.

Based on the analysis of the fertility rate data of New China from 1960 to 2021 published by the World Bank [6], it can be observed that since the founding of New China, the fertility rate has risen or rebounded in some special years but has shown a downward trend on the whole. As shown in Figure 1, after the fertility rate reached a relatively low level in 1961, the Chinese government implemented the "food distribution system of rural people's communes", and because New China was in a three-year disaster period at that time, the newborn mortality rate was very high, resulting in a significant increase in China's fertility rate after 1961. The fertility rate has reached the highest level in the history of New China. In the following 1970s, the Chinese government implemented the "family planning policy" and the "one-child policy" successively, which changed people's ideas and fertility intentions, resulting in a sharp decline in the fertility rate of New China from 1968 to 1984. In 1986, the Ministry of Health, in conjunction with the All-China Women's Federation and other institutions, issued the Interim Regulations on the Health Care of Female Employees, which greatly protected women's social welfare and fair rights and interests and brought about an increase in women's willingness to have children, resulting in a rebound in China's fertility rate in 1986. But then it reverts to a lower and more stable fertility level. It can be observed that even though the Chinese government implemented the "two-child policy" in 2016 to encourage the society to increase fertility willingness, the fertility rate in several years was little improved. Even after 2017, the data maintained a downward trend and reached the lowest fertility level year by year. By 2021, the fertility rate had reached 1.16. China's recently announced fertility rate in 2023 has fallen below one, showing a negative population growth trend.

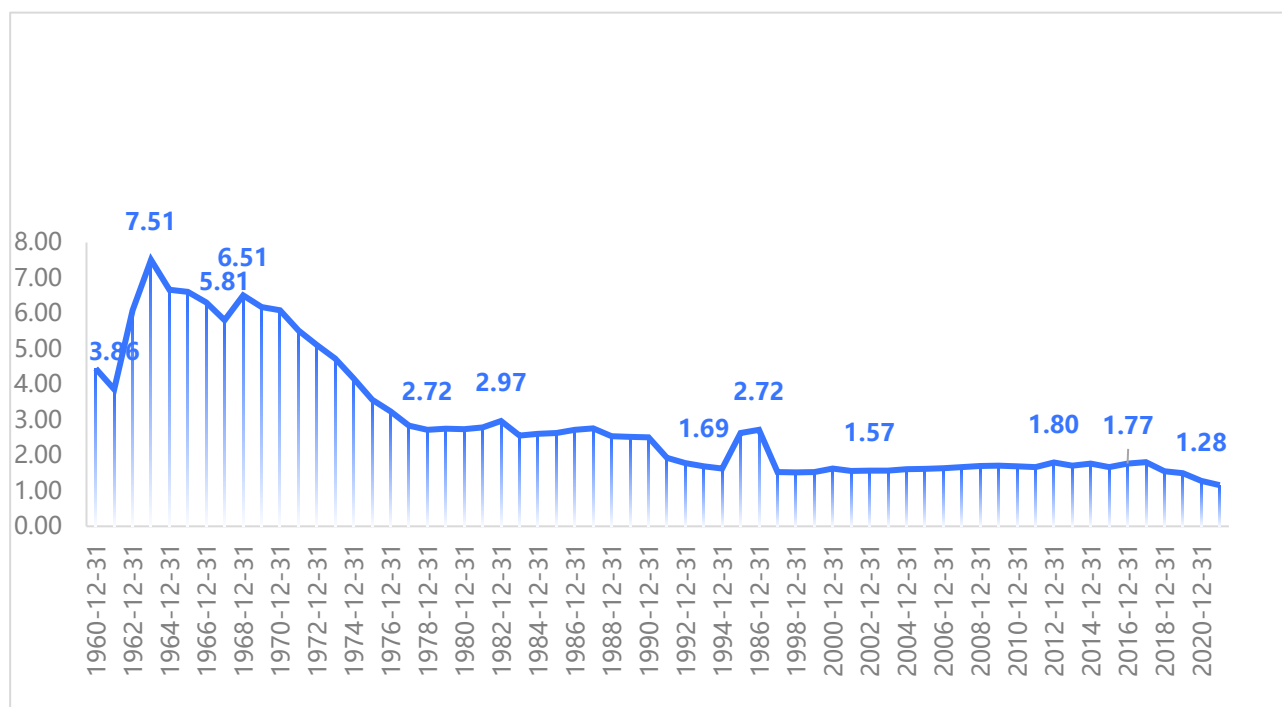


Fig. 1 Line chart of fertility levels in China, 1960-2021

4. Result

Based on the above analysis, some conclusions can be drawn about the current fertility rate in China. First, the low fertility rate in China is generally caused by various reasons. As pointed out in literature [2], the economy, culture, society and other aspects will reduce people's fertility intention and lead to the gradual decline of fertility level. To avoid or improve this negative trend, the Chinese government has also promulgated and implemented many policies with different influences at different periods in history, similar to the policies jointly promulgated by several organizations in 1986 that can guarantee women's rights and interests and be treated fairly by the society, which can promote gender equality. Measures to protect the rights and interests of citizens can, to a certain extent, improve the willingness of women of childbearing age to have children.

On the contrary, in recent years, in Chinese society, women still suffer from unequal treatment in social work. The scholars studied employment-related gender discrimination in the initial stage of social work recruitment [7]. Although no specific and accurate data supports the current discrimination against women in social work, they still find that under the same conditions, men are more likely to get interview opportunities than women. Such social status that may be unfavorable to women will lead to greater pressure on women, and their willingness to have children will be reduced.

In contrast to the rise in fertility rate brought about by the promulsiion of the Interim Regulations on the Health Care of Female Workers in 1986, the "two-child policy" promulgated by the Chinese government in 2016 did not have a significant impact on the change of fertility rate, only a small increase in two years and then a downward trend in the next few years, until 2023, when the fertility rate falls below one. It can be seen that the multi-child policy has little impact on the fertility intention of the public, and the fertility intention is still at a low level. So, what else might be affecting people's desire to have children? Liu pointed out that the housing problem [8], especially the housing problem of the urban population, is one of the main pressures on the population of childbearing age. Owning real estate and the educational convenience brought by real estate have become the main factors affecting people's childbearing intention. However, due to the increasingly fierce conflicts between the scarcity of land resources and the urbanization process in China, High housing prices have greatly

restricted the willingness of people of childbearing age to have children, thus affecting China's overall fertility rate.

5. Discussion

The research found that the improvement of fertility willingness of people of childbearing age was affected by different social policies to different degrees. Compared with the multi-child policy that encourages multiple births and healthy births, it can alleviate the employment pressure on women from the root, reduce gender discrimination in social work, or introduce policies to control housing prices strictly. Reducing the life pressure of people of childbearing age may be more effective in improving the willingness of people of childbearing age to have children.

Boru used control variables and methods to conduct research and concluded that under similar other conditions [9], the job callback rate of men is significantly higher than that of women because most employers will consider the cost of training in the early stage and worry about whether women can meet their job expectations when they return to work after childbearing. As a result, women tend to get fewer job opportunities, and men's willingness to have children is less affected than women's, even when faced with the same employment discrimination.

Therefore, it is also very important to address the challenges faced by women's employment equality after implementing the two-child policy. The successful implementation of such policies will also improve the fertility willingness of women of childbearing age.

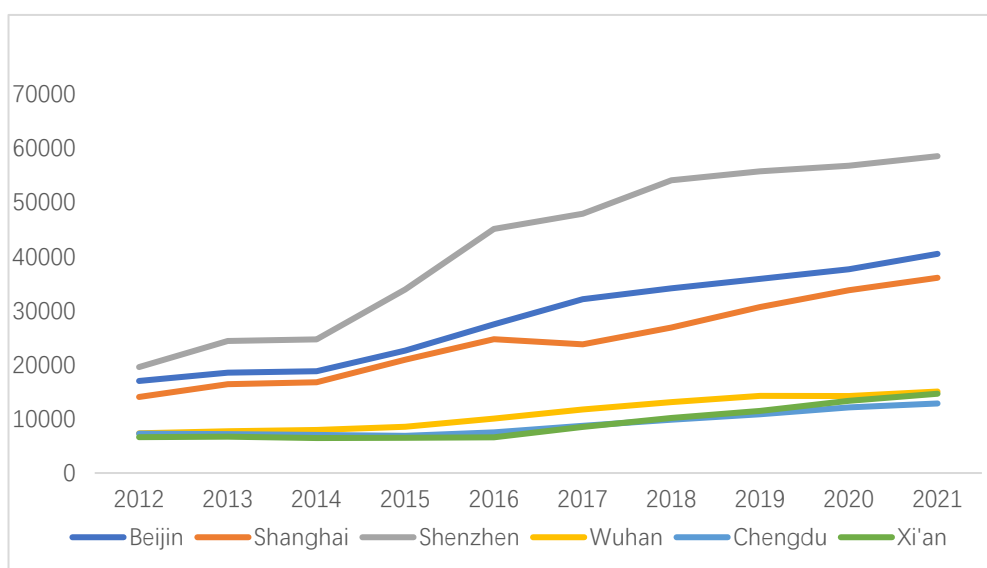


Fig. 2 Urban housing price change curve

Similarly, regarding the problem of excessive pressure on housing prices, it can be seen from Figure 2 that from 2012 to 2016, the housing prices of China's three first-tier and new first-tier cities did not fluctuate sharply and were in a gradual upward trend. After 2016, the housing prices of these six cities showed a more drastic and significant upward trend than before. The fertility rate also shows a completely negative correlation with housing prices, so there is a close correlation between the rise of housing prices and the decrease in the fertility rate. Therefore, the government must control the housing price. Zheng used the BMA model to analyze the influencing factors of China's future housing price [10] and suggested that the Chinese market and government should play their functions and control roles, carry out reforms and optimize the system to make the future housing price stable and controllable, which is also an effective measure to improve the social fertility intention.

6. Conclusion

In summary, China's low fertility rate is caused by various factors. Economic, cultural, social and other reasons have reduced people's willingness to have children, leading to a gradual decline in the fertility rate. To change this trend, the Chinese government has historically also enacted and implemented various policies that can promote gender equality, protect women's rights and interests, alleviate the pressure on women's employment, and increase the willingness of women of childbearing age to have children. However, in recent years in Chinese society, women have still suffered some unequal treatment in social work, and gender-related employment discrimination exists, especially in the early stages of social work recruitment. Therefore, solving the problem of gender equality, especially for women in employment equality, remains an urgent challenge crucial to increasing the fertility intentions of women of childbearing age.

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