Tomorrow's Affairs
Analysis of today
Assessment of tomorrow

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How can South Korea avert demographic collapse?

Low fertility rates are raising alarm bells across the advanced economies of the OECD, with the average having fallen to 1.5 births per woman – well below the replacement level.

Japan is often cited as an example of the risks, which include slower growth, strained public finances, and deep generational divides.

But at 1.2 births per woman, Japan is still reproducing faster than South Korea, where the birth rate has dropped to just 0.75 – the lowest in the world.

Recent studies identify long-term shifts in education, employment, housing, childrearing costs, and gender norms as the main factors behind South Korea's fertility collapse.

My own research with Eunbi Song confirms many of these findings, showing that rising educational attainment and labor-force participation among women, along with changing perceptions of marriage, play a particularly powerful role in reducing fertility.

Given that fewer than 4% of births in South Korea occur outside of wedlock, marriage is essentially a prerequisite for childbearing.

Fertility rates among married couples have changed little across education levels over the past 35 years. College-educated women still have about 1.7 children.

What has changed is that far fewer women are choosing to marry. From 1990-2020, women aged 25-49 who were married fell from over 90% to just 69%.

Marriage rates among university-educated women are even lower, falling from 81% to 61% over this period. With a rapidly growing share of women getting university degrees – 72% in 2020, compared to just 12% in 1990 – this translates into a sharp decline in overall marriage rates, and thus in fertility.

The legacy of traditional gender norms

For those seeking ways to reverse this trend, the question is why increasing educational attainment among South Korean women is correlated with lower marriage rates. The answer lies partly in the legacy of traditional gender norms.

For example, many women expect their male partners to have an equal or higher level of education.

Nearly 85% of university-educated women marry men with a degree. At a time when women's university enrollment is surging ahead of men's, their pool of potential husbands is shrinking.

Women also know that if they do marry, they will likely be responsible for most unpaid household labor.

> Mothers face intense social pressure to abandon their careers

South Korean women aged 15-64 spend an average of 215 minutes per day on such work, compared to just 49 minutes for men. And having more children only increases the amount of household labor that falls to women.

Meanwhile, mothers face intense social pressure to abandon their careers.

According to a recent survey, nearly 65% of South Koreans believe that children suffer when their mothers work outside the home – more than double the rate in the United States (31%).

For highly educated, career-oriented women, these pressures translate into high opportunity costs, which may not seem worthwhile, especially if their potential partners are less educated or have worse career prospects than they do.

Financial costs of starting a family

Then there are the financial costs of starting a family in South Korea, which are prohibitively high for many couples.

Social norms dictate that couples should buy a home before marrying. But soaring real-estate prices in Seoul and other metropolitan areas make home ownership unattainable for most young people lacking parental support.

And fierce competition for admission to elite universities means that setting children up for success typically requires large investments in their education. In 2007-22, household spending on tutoring grew by nearly 5% per year in Seoul.

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In short, for South Korean women, having children often means sacrificing their careers, autonomy, and financial well-being.

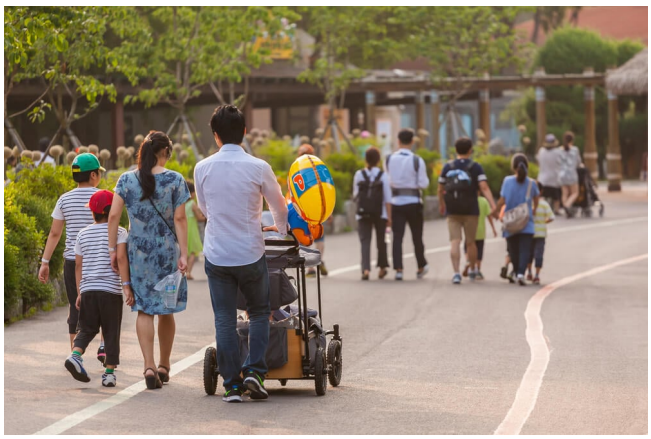
But this need not be the case. Our structural analysis suggests that a comprehensive package of targeted policies could lift South Korea's fertility rate to Japan's level (1.2 births per woman).

Bold, coordinated reforms

These policies must reduce the direct costs of starting a family by expanding access to affordable housing for newlyweds, subsidizing early childcare, and increasing parental leave.

Given that South Korea's public spending on family-related support remains among the lowest in the OECD, these initiatives' costs should not be considered prohibitive.

At the same time, South Korea must implement reforms that promote gender equality.



South Korea must break the shackles of its Confucian family tradition, which demands that couples be married before they cohabit, let alone have children

This includes establishing incentives for fathers to share the burden of childcare and household labor, measures to strengthen women's bargaining power within their families, and labor-market reforms to eliminate discrimination in wages and promotions.

Workplace flexibility must also be improved, allowing parents to strike a healthier balance between career and family life.

Finally, South Korea must break the shackles of its Confucian family tradition, which demands that couples be married before they cohabit, let alone have children.

Greater social and legal acceptance of diverse family structures could make it easier for more couples to have children.

But such interventions come with trade-offs. For example, they may constrain men's labor-force participation or lead to reduced household investment in children's education, potentially slowing economic growth.

To mitigate this risk, South Korea must improve the efficiency of its education system and invest heavily in continued technological progress.

South Korea's fertility crisis reflects not only economic constraints but also a widening gap between social norms and women's needs and aspirations.

Only with bold, coordinated reforms that close this gap can the country raise fertility to a level that, though still below replacement, would avert demographic collapse.

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