## Baby love [1]

There are good and bad ways to prop up a country's population

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## **EXCERPTS**

A few years ago Singaporeans were treated to a song urging them to get busy for the sake of the nation. "I'm a patriotic husband, you my patriotic wife, lemme book into ya camp and manufacture life," went the ditty, accompanied by a video depicting a thrusting cartoon heart. This being Singapore, a stern caveat was appended: "Only financially secure adults in stable, committed, long-term relationships should participate."

Some poor countries fret about excessive fertility. A typical woman in Niger, for example, will have seven babies. But birth rates have fallen so fast as the world has grown richer that many places now have the opposite problem (see article). The fertility rate is 1.1 in Hong Kong, implying that each generation its population will fall by roughly half. In Japan, Italy and Germany it is 1.4 or less. As populations age and shrink, governments wonder: who will pay taxes or look after the elderly?

The cheapest and best way for rich countries to rejuvenate their populations would be to allow more immigration. Migrants need not be coaxed into being, and can start work straight away. However, an influx large enough to save, say, South Korea from demographic collapse would be politically unfeasible. Hence many rich countries (and some middle-income ones like Iran and Turkey) are trying to persuade their citizens to procreate more enthusiastically.

Plenty of environmentalists object, arguing that fewer people would be better for the planet. Maybe so, but people matter too, and countries with wildly different fertility rates can reasonably have different policies. Too sudden a population crunch can be excruciatingly painful. Just ask the Greeks, whose disastrous unfunded pension system was weakened by a fertility rate of 1.3, or China's legions of only children, who will one day have to support their more numerous parents.

Many liberals argue that the state should keep its nose out of family matters, but in practice this is hard. Simply by creating pension systems paid for out of general taxation, governments have drastically reduced the private incentive to have children—who were once the best security parents had in their dotage. A more useful question is which baby-boosting policies work.

Many do not. Nagging videos, even saucy ones, are probably ignored, as are medals for heroic childbearing (plenty of Soviet-era ones can be found on eBay for a few dollars). Subsidies that governments offer to encourage births are often pocketed by people who would have had children anyway. And evidence from Europe suggests that longer parental leave does not encourage couples to have more children—though it has other good effects, such as making fathers into better parents.

## Nurseries for nippers

The thing that seems to boost fertility most is subsidised child care. By cutting the cost of combining work and motherhood, this encourages both. Subsidised nurseries were pioneered in France, a country that has worried about national vigour ever since it was thrashed in the Franco-Prussian war of 1870. It has been rewarded with one of the highest fertility rates in Europe. Cheap nurseries have also helped boost Quebec's birth rate from one of the lowest of all Canadian provinces to one of the highest.

Few rich countries will ever go back to a fertility rate of 2.1, the magic number which means that the population remains stable. And persuading women in southern Europe or East Asia to have more sprogs will be especially hard. Birth rates there have fallen so far and so fast that they may never bounce back. Countries like South Korea are stuck in a cultural bind: women fought their way into university and good jobs, but family life is far less egalitarian (see article). Many women face a stark choice between an interesting career or a life making bulgogi and tempura.

Yet a culture can change, and the state can nudge it. Creating lots of good, subsidised nurseries would signal that women can keep pursuing a career, if they want to, even after having children. That would be good for women, good for productivity and good for the public coffers.

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