

October 9, 2014

Socio-economic Effects of Demographic Transition in East Asia

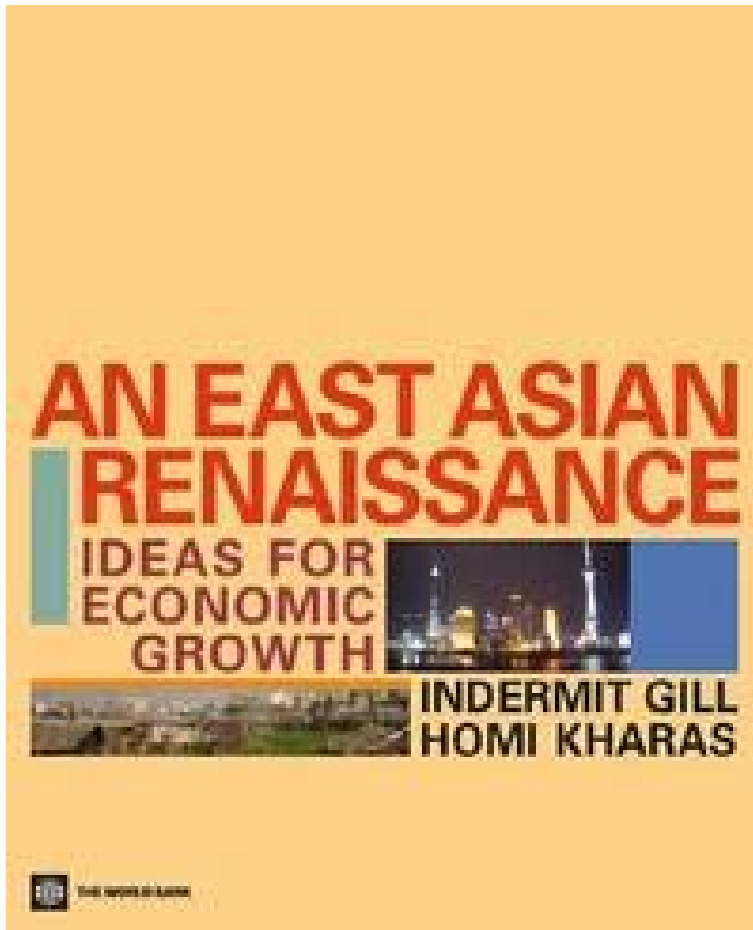
The Japan Research Institute, Limited

Senior Economist

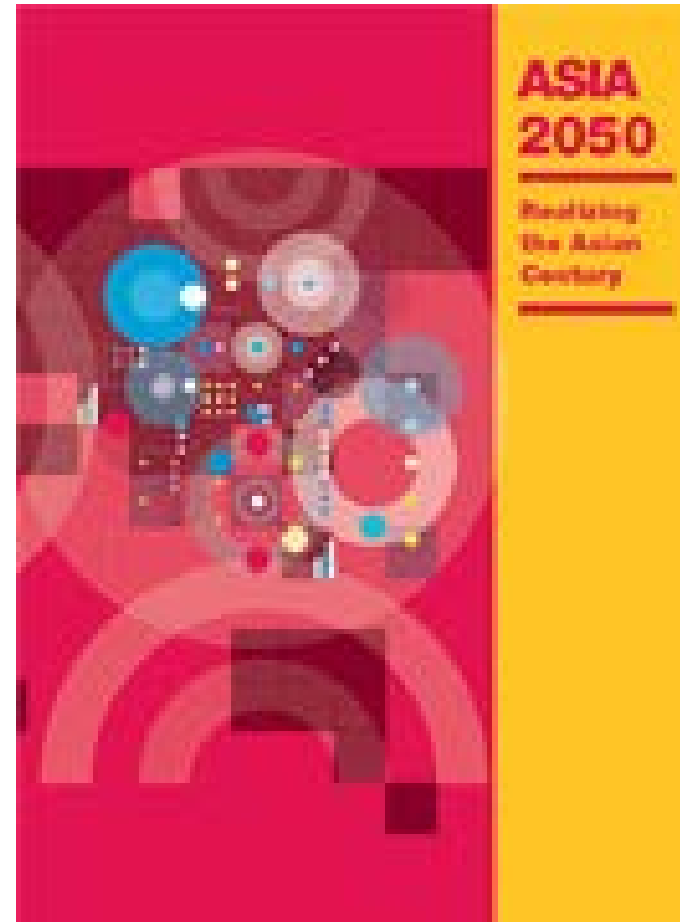
Oizumi Keiichiro (oizumi.keiichiro@jri.co.jp)

01 Asian Century: A Century of Integration

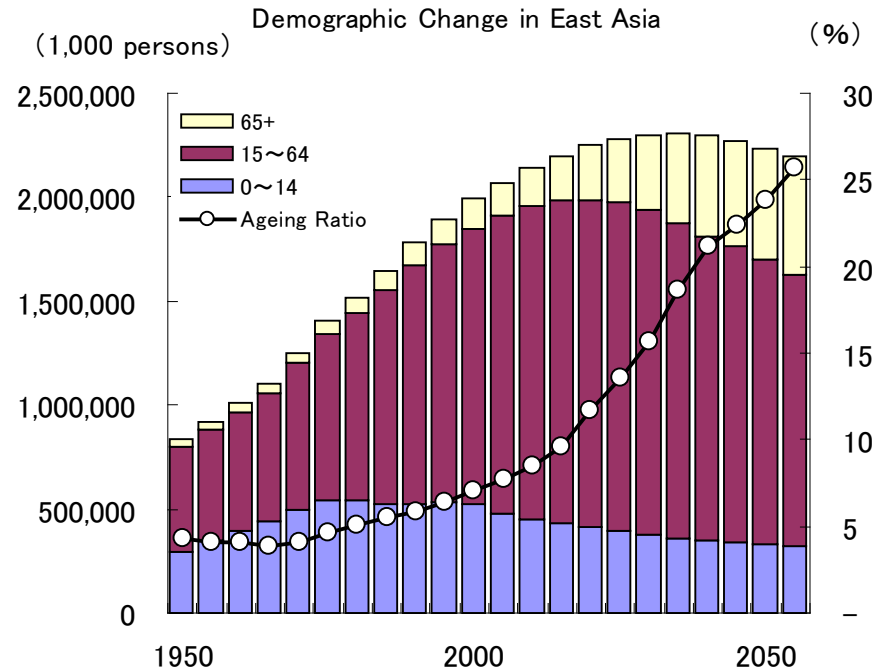
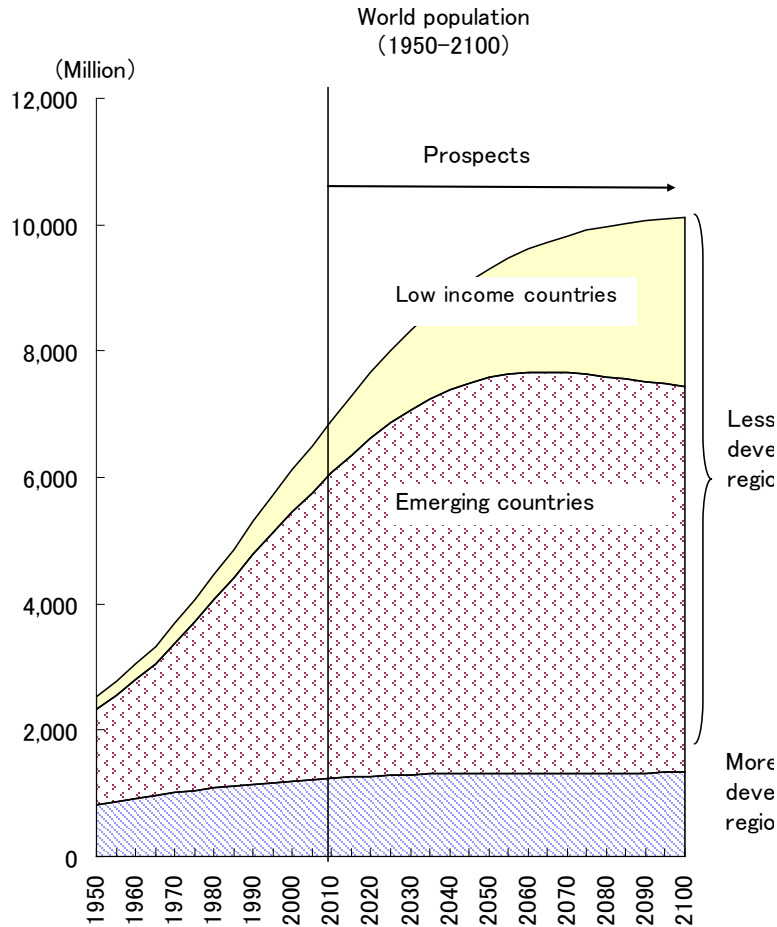
World Bank 2007



Asian Development bank 2011



02 From Population Explosion to Population Decrease



Source: UN, *World Population Prospects: The 2010 Revision*

03 Low Birth Rate will Accelerate Population Aging

Total Fertility Rate and Ratio of Ageing in East Asia

(%)

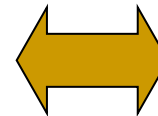
	Total Fertility Rate		Ageing Rate (65+)	
	1985-1990	2005-10	2010	2025
Japan	1.7	1.3	22.7	29.3
NIES				
Korea	1.6	1.3	11.1	19.6
Taiwan	1.7	1.2	-	-
Hongkong	1.4	1.0	12.7	21.8
Singapore	1.7	1.3	9.0	19.5
China	2.6	1.6	8.2	14.0
ASEAN4				
Thailand	2.3	1.6	8.9	15.0
Malaysia	3.6	2.7	4.8	8.6
Indonesia	3.4	2.2	5.6	8.6
Philippines	4.5	3.3	3.6	5.8
Vietnam	4.0	1.9	6.0	10.2
India	4.1	2.7	4.9	7.3
World	3.4	2.5	7.6	10.5

Source: UN, *World Population Prospects, the 2010 Revision*

04 Population Aging in East Asia

Doubling Period of Population Ageing

	The Ageing Ratio (aged 65+)		Doubling period (year)
	7%	14%	
Japan	1970	1994	24
Korea	1999	2017	18
Taiwan	1994	2018	24
Hong Kong	1984	2014	30
China	2000	2025	25
Singapore	1999	2019	20
Thailand	2001	2024	23
Malaysia	2020	2046	26
Indonesia	2020	2038	18
Philippines	2032	2062	30
Vietnam	2018	2033	15

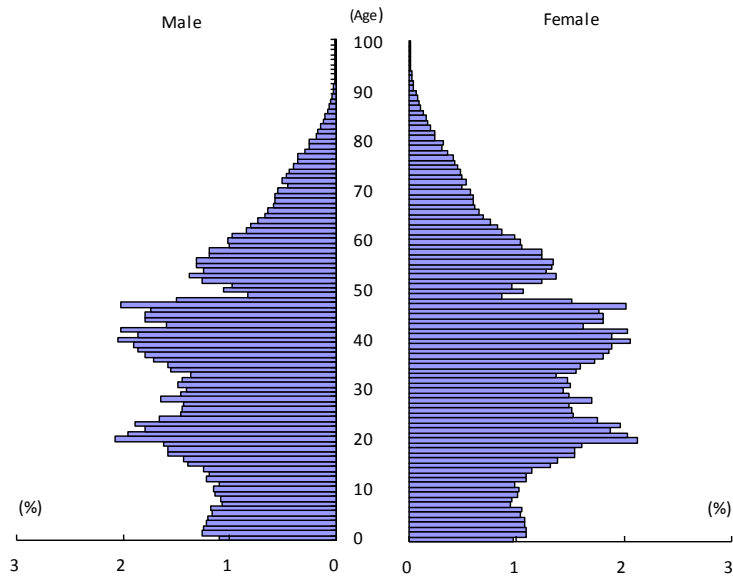


France 115 Years
 Sweden 85Years
 United Kingdom 47Years
 Germany 40 Years

Source: UN, *World Population Prospects: The 2010 Revision*

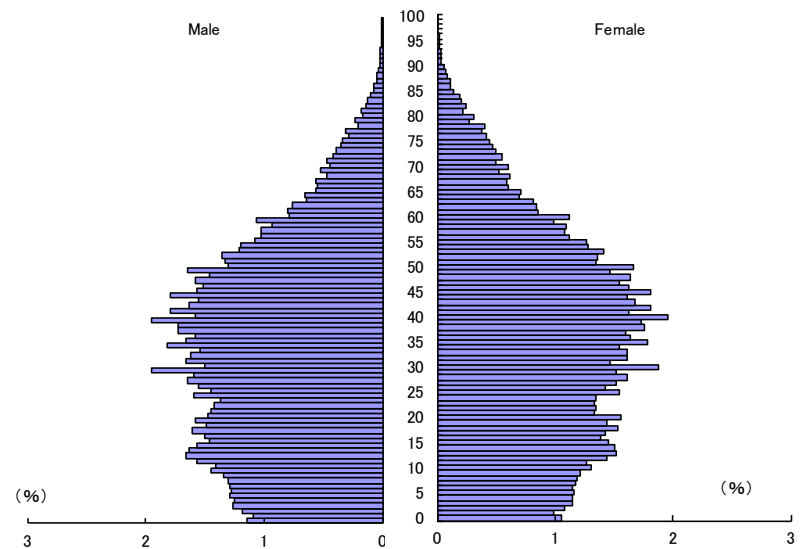
05 Population pyramid in 2010

China



Source: Tabulation on the 2010 Population Census of the People's Republic of China

Thailand



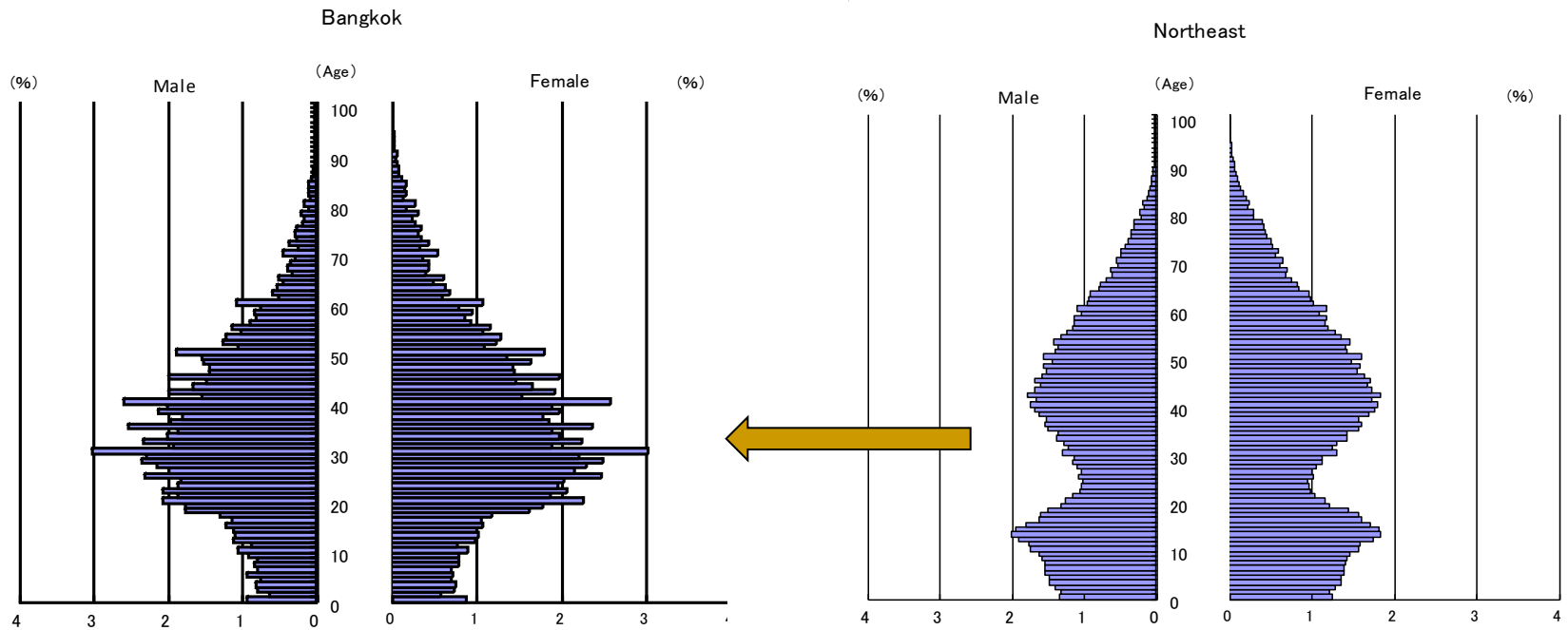
Source: *The Population and Housing Census 2010.*

06 The Period of Demographic Dividend

	The Period (Year)		Per Capita GDP
	Start	End	2010
Japan	1930-35	1992	42,863
NIEs			
South Korea	1966	2013	20,540
Taiwan	1963	2014	18,573
Hong Kong	1961	2010	31,787
Singapore	1964	2012	43,862
China	1965	2010	4,423
ASEAN4			
Thailand	1968	2013	4,992
Malaysia	1964	2019	8,737
Indonesia	1971	2025	2,981
Philippines	1964	2052	2,123

Source: UN, *World Population Prospects: 2012 Revision*

07 Population Pyramid in Thailand

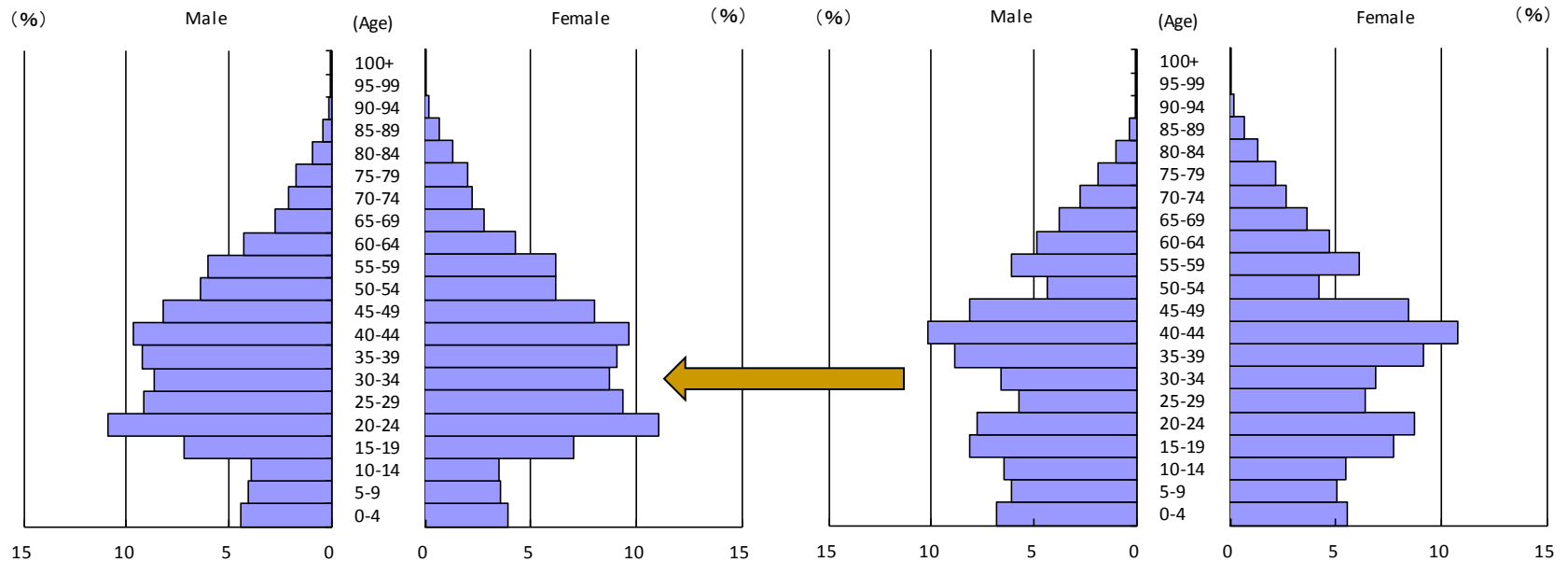


Source: Thailand 2010 Population Census

08 Population Pyramid in China

Urban Population Composition in Shanghai, Jiangsu and Zhejiang Province

Population Composition in Anhui Province



Source: 中国2010年人口普查资料

09 The Ageing Ratio of Shanghai has declined

<Population Aging Ratio in China>

		2000			2010				
		Total	Urban	Rural	Total	Urban	Rural		
1	Shanghai	11.5 ¹	11.3 ¹	12.6 ¹	1	Chongqing	11.7 ¹	9.3 ¹	14.5 ¹
2	Zhejiang	8.9 ¹	7.2 ¹	10.6 ¹	2	Sichuan	11.0 ¹	9.0 ¹	12.3 ¹
3	Jiangsu	8.8 ¹	7.5 ¹	9.8 ¹	3	Jiansu	10.9 ¹	9.1 ¹	13.6 ¹
4	Beijing	8.4 ¹	8.4 ¹	8.4 ¹	4	Liaoning	10.3 ¹	10.3 ¹	10.3 ¹
5	Tianjin	8.4 ¹	8.6 ¹	8.0 ¹	5	Anhui	10.2 ¹	8.5 ¹	11.5 ¹
6	Shangdong	8.1 ¹	6.6 ¹	9.1 ¹	6	Shanghai	10.1 ¹	9.9 ¹	12.1 ¹
7	Chongqing	8.0 ¹	7.7 ¹	8.2 ¹	7	Shangdong	9.8 ¹	8.2 ¹	11.5 ¹
8	Liaoning	7.9 ¹	8.0 ¹	7.8 ¹	8	Hunan	9.8 ¹	8.1 ¹	11.0 ¹
9	Anhui	7.6 ¹	6.7 ¹	7.9 ¹	9	Zhejiang	9.3 ¹	7.1 ¹	13.0 ¹
10	Sichuan	7.6 ¹	6.8 ¹	7.8 ¹	10	Guangxi	9.2 ¹	7.5 ¹	10.4 ¹
Total		7.1 ¹	6.4 ¹	7.5 ¹	Total	8.9 ¹	7.8 ¹	10.1 ¹	

Source: Tabulation on the Population Census of the People's Republic of China (2000, 2010)

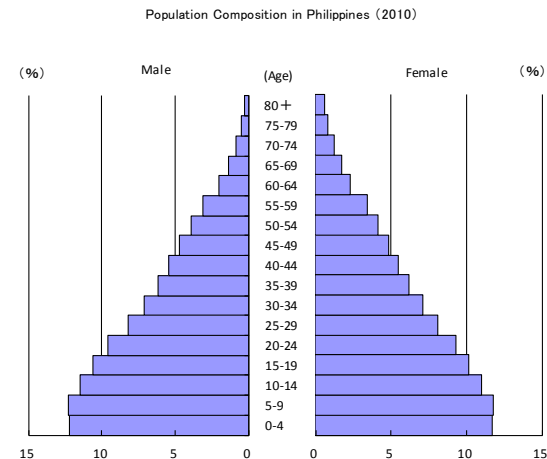
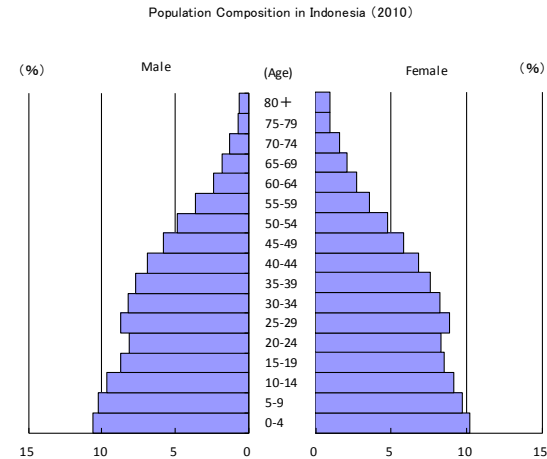
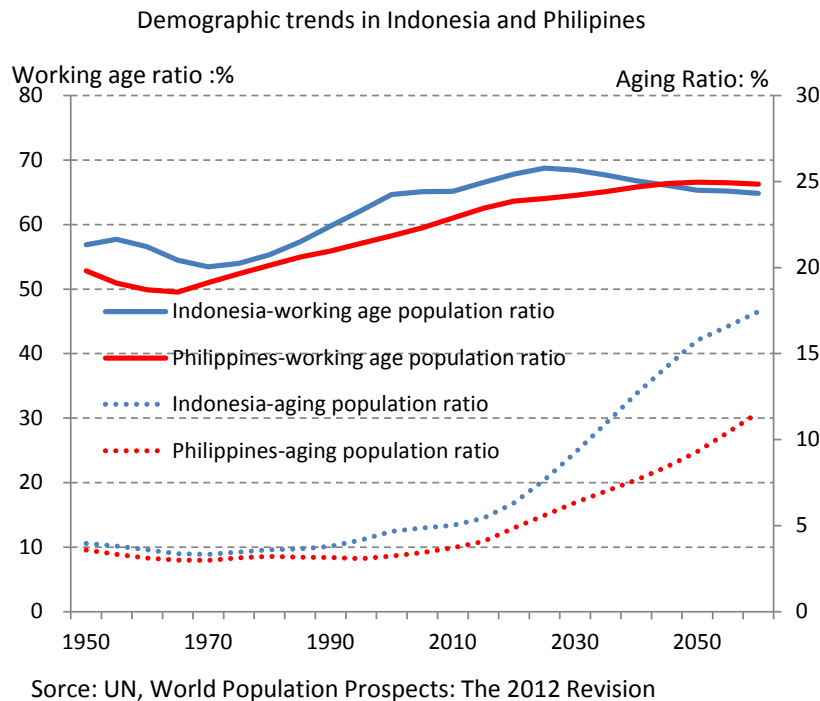
10 Demographic effect on middle income countries

middle income trap

<middle income cliff



11 Negative side of demographic dividend



- How to absorb young labor force for growth.

Thank you

for your attention ! !