

## Causes and Characteristics of Population Aging

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Korea's level of population aging remains lower than the OECD average. However, Korea's pace of aging is faster than that of other members, as its total fertility rate is the lowest among the members while its life expectancy exceeds the OECD average. Using panel data from OECD members, this paper divides the common causes of population aging in the OECD into declining birth rates and increasing life expectancy, and then analyzes the causes of aging in terms of factors determining declines in birth rates. According to the results of the analysis, declines in birth rates are attributable mainly to socio-economic factors, including wedding and childcare expenses and labor market conditions limiting division of housework, and to socio-cultural factors such as changes in education levels and gender-equality values. Increasing life expectancy is found to have a positive correlation with welfare policies and income levels. This paper also compares the characteristics of aging in Korea with those in major countries, in technical terms. As Korea industrialized rapidly, so has population aging progressed very fast. Factors behind this fast pace of aging include historical characteristics, such as declining potential fertility resulting in part from birth control policy, sociocultural characteristics, such as declining birth rates due to high wedding and childcare expenses, an environment in which it is difficult to achieve work-family balance, and unequal gender division of housework, and demographic characteristics, such as a surge in the share of elderly people as baby boomers age. To cope with this, family welfare policies are urgently needed to help ease the burdens of wedding and childcare expenses, for example by stabilizing the housing market and reducing private education expenses, and create working conditions that ensure work-family balance and equal gender division of housework. More fundamentally, it is necessary to form a social consensus on the need for a gender-equal society and develop legal and institutional frameworks to make such a society a reality. It is also necessary to seek comprehensive

measures to address poverty among the elderly due to the fast pace of aging and to support the post-retirement pension and welfare systems.

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