

# World Bank says Asia aging faster than anywhere else

December 9 2015

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Asian countries are aging faster than has been seen anywhere else in the world, and they need to urgently reform pension systems and encourage more women to enter the labor force, the World Bank said in a report Wednesday.

By 2040, the aging populations could shrink the working-age population by more than 15 percent in South Korea and more than 10 percent in China, Japan and Thailand, according to the "Live Long and Prosper: Aging in East Asia and Pacific" report. In China, that would mean a net loss of 90 million workers.

The report covered aged richer countries like Japan and South Korea, rapidly aging middle-income countries such as China, Thailand and Vietnam, and younger, poorer ones like Cambodia and Lao which will start to age rapidly in 20 or 30 years' time.

"This region, which has always thought of itself quite rightly as being youthful and dynamic, is now poised to age faster than any other region in history," said Sudhir Shetty, the World Bank's East Asia and Pacific chief economist.

"Most middle-income countries in this region will go from being relatively young societies to relatively old ones in a period of 20 to 25 years, which is a transition that took 50 to 100 years in most of the rich countries in the world," he said.

The region is aging so fast because of the rapid pace of development in recent decades that has led to sharp declines in fertility rates, and because higher incomes and better education levels have led to people living longer, Shetty said.

The report says Asian countries must encourage more women to join the [labor force](#), particularly through childcare reforms, while countries like China, Thailand and Vietnam should remove incentives in pension systems that have encouraged some workers to retire too early. It warns [countries](#) with relatively young populations not to put in place pension systems that will grow unaffordable in the future.

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Citation: World Bank says Asia aging faster than anywhere else (2015, December 9) retrieved 23 June 2024 from <https://phys.org/news/2015-12-world-bank-asia-aging-faster.html>

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