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DEMOGRAPHY AND UNIFICATION CHALLENGES:

POPULATION DECLINE AS
A FUNDAMENTAL FACTOR
IN KOREAN REUNIFICATION
STRATEGIC PLANNING

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Abstract

As both South and North Korea's populations are significantly declining, the demographic crisis is currently a primary issue in Korea's unification discourse. While military, diplomatic, and humanitarian issues have dominated strategic planning for a unified Korea, the demographic crisis necessitates a more in-depth focus. Low fertility rates, ageing populations, and labour shortages fundamentally impact the economic, security, and social foundations of a future Korea. With a low fertility rate, South Korea is facing increasing pressure on its economic productivity and social welfare systems, compounded by a rapidly ageing population¹. While having a higher fertility rate and a younger population than South Korea, North Korea faces widespread malnutrition and an underdeveloped healthcare infrastructure,

depriving it of its demographic potential².

Korea's reunification would address the shared demographic problem, grappling with the challenges of low fertility and ageing populations. This study provides a concise analysis of the demographic landscapes of South and North Korea, evaluates their implications for unification, and proposes integrated policy strategies, including workforce elaboration, diaspora re-immigration, and community-led redevelopment, to transform demographic challenges into opportunities for a unified Korea. By prioritising long-term demographic planning, policymakers can strengthen national resilience, economic sustainability, and social integration in a post-unification era.

Contrasting Fertility, Ageing, and Health in South and North Korea

In 2023, South Korea's total fertility rate (TFR) reached a record low of 0.72, the lowest among all countries globally³. Although the TFR slightly rebounded to 0.75 in 2024, driven by a 3.6%

increase in births (238,300 newborns), particularly a notable rise of 13.1% in Q4, it remains well below the replacement level of 2.1⁴.

1. Korean Statistical Information Service (KOSIS) (2024) Total Fertility Rate in South Korea, Available at: <https://www.index.go.kr/unify/idx-info.do?idxCd=5061> (Accessed: 14 July 2025).
The Hankyoreh (2024) 'South Korea's total fertility rate hits record low of 0.72 in 2023', 29 February, Available at: https://www.hani.co.kr/arti/economy/economy_general/1130189.html (Accessed: 14 July 2025).
2. Korean Statistical Information Service (KOSIS) (2024) North Korea Statistics: Total Fertility Rate, Available at: https://kosis.kr/statHtml/statHtml.do?sso=ok&returnurl=https%3A%2F%2Fkosis.kr%3A443%2FstatHtml%2FstatHtml.do%3Fmode%3Dtab%26path%3D%252Fbukhan%252FstatisticsList%252FstatisticsListIndex.do%26conn_path%3DDMT_BUKHAN%26list_id%3D101_001_001%26tblId%3DDT_1ZGA-283%26vw_cd%3DDMT_BUKHAN%26orgId%3D101%26 (Accessed: 14 July 2025).
North Korea Information Portal (2024) Health and Nutrition in North Korea, Available at: <https://nkinfo.unikorea.go.kr/nkp/pge/view.do?menuId=SO315> (Accessed: 14 July 2025).
3. Korean Statistical Information Service (KOSIS) (2024) Total Fertility Rate in South Korea. Available at: <https://www.index.go.kr/unify/idx-info.do?idxCd=5061> (Accessed: 14 July 2025).
The Hankyoreh (2024) 'South Korea's total fertility rate hits record low of 0.72 in 2023', 29 February. Available at: https://www.hani.co.kr/arti/economy/economy_general/1130189.html (Accessed: 14 July 2025).
4. Reuters (2025) 'South Korea's policy push springs life: World's lowest birthrate rises', 26 February. Available at: <https://www.reuters.com/world/asia-pacific/south-koreas-policy-push-springs-life-worlds-lowest-birthrate-rises-2025-02-26/> (Accessed: 14 July 2025).
The Korea Herald (2025) 'S. Korea's fertility rate rises to 0.75 in 2024, first increase in 9 years', 26 February. Available at: <https://www.koreaherald.com/article/10429076> (Accessed: 14 July 2025).
The Guardian (2025) 'South Korea birthrate rises for first time in nearly a decade as marriages surge', 26 February. Available at: <https://www.theguardian.com/world/2025/feb/26/south-korea-birthrate-rises-marriages-surge> (Accessed: 14 July 2025).



SOURCE: FERTILITY RATE, TOTAL (BIRTHS PER WOMAN) - KOREA, DEM. PEOPLE'S REP., KOREA, REP., WORLD BANK
[HTTPS://DATA.WORLDBANK.ORG/INDICATOR/SP.DYN.TFRT.IN?LOCATIONS=KP-KR](https://data.worldbank.org/indicator/SP.DYN.TFRT.IN?locations=KP-KR)

The ageing of South Korea's population is accelerating: in 2023, 17% of South Koreans were already aged 65 or older, with projections indicating that this percentage will reach 40.1% by 2050⁵. In recent years, the South Korean government implemented pro-natalist policies, including expanded childcare subsidies, extended parental leave, and housing support. While these contributed to the subtle uptick in births, structural barriers, such as high education costs, intense work-life imbalances, and declining marriage rates among younger generations, continue to suppress fertility⁶. In addition, deeply ingrained

cultural attitudes that prioritise careers over family life and housing shortages in urban centres discourage childbearing.

The demographic profile of North Korea presents significant challenges for unification, although the lack of reliable census data due to the country's isolation and limited access to information complicates projections of its dependency ratio and workforce capacity. Its estimated population of 26.16 million in 2023 has a TFR of 1.59, which is higher than South Korea's but still below the replacement level of 2.1⁷.

5. Korean Statistical Information Service (KOSIS) (2024) Population Aging Statistics in South Korea. Available at: https://www.index.go.kr/unity/potal/main/EachDtlPageDetail.do?idx_cd=1010 (Accessed: 14 July 2025).

6. Ministry of Health and Welfare (2024) Government Support for Pregnancy, Childbirth, and Childcare in 2024. Available at: https://www.mohw.go.kr/board.es?mid=a10503010200&bid=0027&act=view&list_no=1479667 (Accessed: 14 July 2025).

7. Korean Statistical Information Service (KOSIS) (2024) North Korea Statistics: Total Fertility Rate. Available at: https://kosis.kr/statHtml/statHtml.do?sso=ok&returnurl=https%3A%2F%2Fkosis.kr%3A443%2FstatHtml%2FstatHtml.do%3Fmode%3Dtab%26path%3D%252Fbukhan%252FstatisticsList%252FstatisticsListIndex.do%26conn_path%3DDMT_BUKHAN%26list_id%3D101_001_001%26tblId%3DDT_1ZGA-283%26vw_cd%3DDMT_BUKHAN%26orgId%3D101%26 (Accessed: 14 July 2025).
 Worldometers (2025) North Korea Demographics 2025 (Population, Age, Sex, Trends). Available at: <https://www.worldometers.info/demographics/north-korea-demographics/> (Accessed: 14 July 2025).

In North Korea's case, health problems are a greater issue than the fertility rate; chronic malnutrition affects approximately 39% of children under five, leading to stunting and long-term health issues⁸. The regime's centralised economic system exacerbates these challenges, prioritising military spending over public welfare, with limited access to modern medical facilities outside Pyongyang⁹. Due to food shortages and inadequate healthcare, life expectancy in North Korea is approximately 70.4 years, lagging behind South Korea's 83.5 years¹⁰. These constraints could burden South Korea's already strained welfare system in a unification scenario.

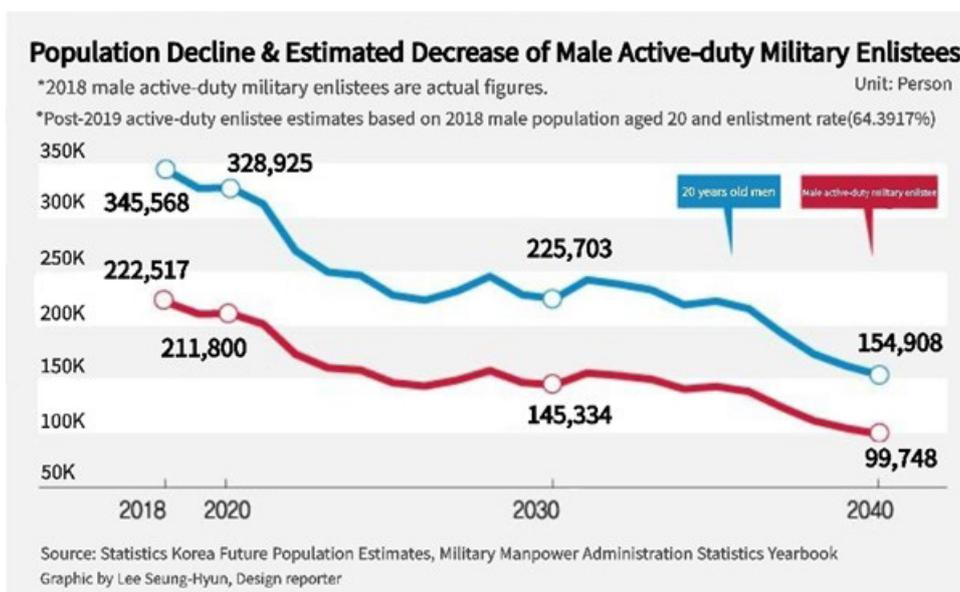
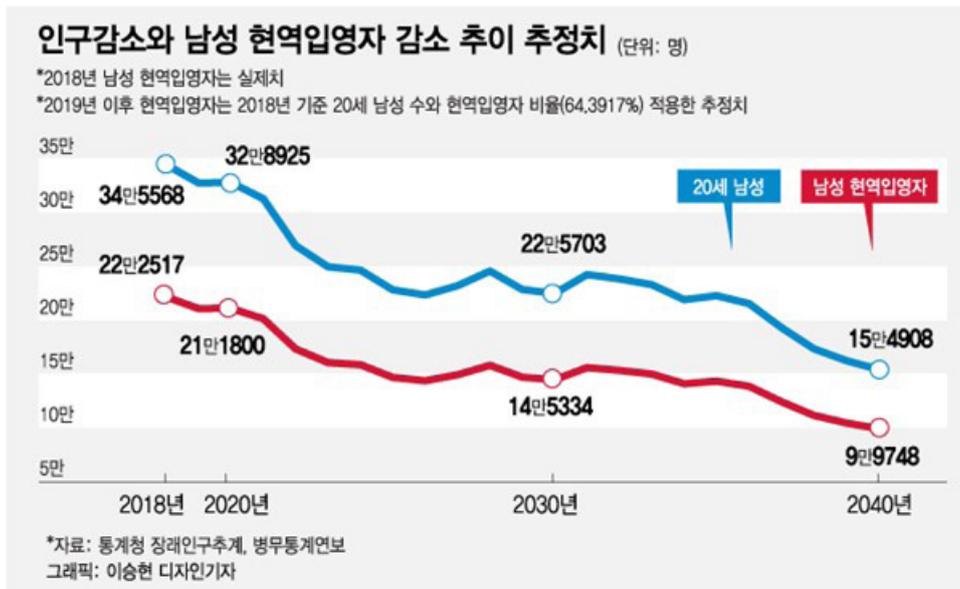
Nevertheless, demographic complementarity could serve as a strategic advantage for a unified Korea. The median age of North Korea is 36.5¹¹, while South Korea's median age of 45.62 in 2025, with a projected dependency ratio of 50% by 2030, reflects its advanced ageing crisis¹². Suppose the health and education deficits of North Korea that limit immediate contributions to South Korea's population crisis are addressed. In that case, North Korea's younger demographic, with a median age approximately 10 years younger, presents a potential labour force to offset South Korea's labour shortages¹³. Realising this potential would require comprehensive policy measures to bridge disparities in health and education.

Security, Economic, and Socio-Cultural Implications for a Unified Korea

South Korea's decreasing TFR is a growing concern for the country's defence¹⁴. Demographic decline undermines the security of a unified Korea by weakening its military and economic

foundations. South Korea's labour force is expected to decline by approximately 8.74% by 2030, reducing the military conscription pool by nearly 45% by 2039. This decline may signifi-

8. UNICEF (2019) Nutrition in the Democratic People's Republic of Korea: A Situation Analysis. Available at: <https://www.unicef.org/dprk/reports/nutrition-dpr-korea-situation-analysis> (Accessed: 14 July 2025).
Eberstadt, N. (2007) *The North Korean Economy: Between Crisis and Catastrophe*. New Brunswick, NJ: Routledge.
9. Statista (2024) 'Share of gross domestic product (GDP) spent on military in 2023, by country', 30 October. Available at: <https://www.statista.com/statistics/1439824/share-gdp-spent-military-country/> (Accessed: 14 July 2025).
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Conflict and Health (2020) 'Healthcare access among North Korean refugees: a qualitative study', *Conflict and Health*, 14(1), p. 64. Available at: <https://conflictandhealth.biomedcentral.com/articles/10.1186/s13031-020-00284-y> (Accessed: 14 July 2025).
10. Yonhap News Agency. (2024) 'Life expectancy of S. Koreans inches up to 83.5 yrs in 2023: data', 4 December. Available at: <https://en.yna.co.kr/view/AEN20241204009600320> (Accessed: 14 July 2025).
The Borgen Project. (2019) '10 Facts About Life Expectancy in North Korea', 17 August. Available at: <https://borgenproject.org/10-facts-about-life-expectancy-in-north-korea-2/> (Accessed: 14 July 2025).
11. Worldmeters. (n.d) 'North Korea Population', Available at: [https://www.worldometers.info/world-population/north-korea-population/#:~:text=The%20population%20density%20in%20North,miles\).&text=The%20median%20age%20in%20North%20Korea%20is%2036.5%20years.](https://www.worldometers.info/world-population/north-korea-population/#:~:text=The%20population%20density%20in%20North,miles).&text=The%20median%20age%20in%20North%20Korea%20is%2036.5%20years.) (Accessed 17 Jul. 2025).
12. Statista. (2025). Median age of the population in South Korea from 1950 to 2100. Available at: <https://www.statista.com/statistics/604689/median-age-of-the-population-in-south-korea/> (Accessed 14 Jul. 2025).
The Chosun Ilbo. (2024). Korea Faces Rapid Demographic Changes. 27 Sep. Available at: <https://www.chosun.com/english/national-en/2024/09/27/6S6YEWHR5FKNEXICNEEAQVVDGU/> (Accessed 14 Jul. 2025).
13. Worldometer (2025) 'North Korea Demographics', Worldometer. Available at: <https://www.worldometers.info/demographics/north-korea-demographics/> (Accessed: 14 July 2025).
14. CNA (2024) 'Declining demographics challenge South Korea's defense', CNA, 10 August. Available at: <https://www.cna.org/our-media/in-depth/2024/08/declining-demographics-challenge-south-koreas-defense> (Accessed: 14 July 2025).
Money Today (2019) '150,000 men to enlist in the military in 20 years... Population decline threatens even national defense' 10 December. Available at: <https://news.mt.co.kr/mtview.php?no=2019120611233848602> (Accessed: 17 July 2025).



SOURCE: 150,000 MEN TO ENLIST IN THE MILITARY IN 20 YEARS... POPULATION DECLINE THREATENS EVEN NATIONAL DEFENCE, MONEYTODAY
[HTTPS://NEWS.MT.CO.KR/MTVIEW.PHP?NO=2019120611233848602](https://news.mt.co.kr/mtview.php?no=2019120611233848602)

cantly weaken defence capabilities amid regional tensions¹⁵ and impact economic output and tax revenues¹⁶. Since North Korea's younger population faces chronic malnutrition, with around 1

in 5 children under five stunted as of 2017, and 1 in 6 as of 2022¹⁷, their potential contribution to a unified military is limited unless urgent health interventions are implemented.

15. The Chosun Ilbo (2025) 'South Korea's working-age population to shrink by 10% by 2030', Chosun.com, 17 June. Available at: <https://www.chosun.com/english/national-en/2025/06/17/3UR5VULMOVFK3KGLEOTU5SGLHU/> (Accessed: 14 July 2025)
Roy, T. (2022) 'Population crisis: a challenge to South Korea's military', TDHJ.org, 1 August. Available at: <https://tdhj.org/blog/post/population-crisis-challenge-south-korea-military/> (Accessed: 14 July 2025).

16. Ministry of Employment and Labor (2022) 2020~2030 Medium to Long-term Labor Supply and Demand Forecast. Available at: https://www.moel.go.kr/news/enews/report/enewsView.do?news_seq=16328 (Accessed: 14 July 2025).

17. UNICEF (2023) 'Nutrition', UNICEF DPRK. Available at: <https://www.unicef.org/dprk/nutrition> (Accessed: 14 July 2025)
The Korea Times (2023) '1 in 6 N. Korean children under 5 suffer from stunted growth: report', The Korea Times, 27 May. Available at: <https://www.koreatimes.co.kr/foreignaffairs/northkorea/20230527/1-in-6-n-korean-children-under-5-suffer-from-stunted-growth-report> (Accessed: 14 July 2025).

The national pension fund is projected to be depleted by 2054, with an unfunded liability of 609 trillion won (approximately \$468.5 billion in 2024 value) and a pension deficit of 500 trillion won (about \$380 billion) by 2055¹⁸. This demographic shift poses a threat to the sustainability of the welfare system, as fewer working-age individuals are supporting a growing elderly population. By 2050, public expenditure on pensions and healthcare could reach 20% of GDP, potentially diverting resources from defence spending¹⁹.

Given the Korean Peninsula's strategic location, as a frontline of democracy surrounded by major powers such as China, Japan, and Russia, demographic resilience is essential for national autonomy. Failure to address demographic challenges could expose vulnerabilities, turning unification into a security liability rather than a strategic asset. A strategic workforce policy, including military reskilling, would thus help mitigate these risks and preserve national resilience after unification²⁰.

Regarding North Korea's potential labour force contribution, there are other possible issues to address. Having been raised under an isolated and analogue information system, North Koreans

largely lack digital literacy and market-based economic competencies due to a persistent digital divide. More than two-thirds of North Korean defectors struggle with basic digital tasks, such as charging a phone, composing an email, or using search engines, upon arriving in South Korea. This technological gap, compounded by language barriers due to unfamiliar English-based computer terminology, significantly hinders their ability to navigate South Korea's highly digitised society, limiting access to education, employment, and social integration²¹.

Cultural integration remains a formidable challenge for North Korean defectors in South Korea, extending beyond digital literacy to adapting to a market-driven economy and navigating societal prejudice²². As of December 2023, 34,078 North Koreans have defected to South Korea since 1998, according to South Korea's Unification Ministry. However, many face significant barriers to integration²³. A 2022 Korea Hana Foundation survey of approximately 3,000 defectors found that 17% experienced discrimination in the previous year, primarily due to cultural differences such as their North Korean accent, manner of speaking, societal norms, and lifestyles²⁴. Employment challenges are particularly acute,

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18. Korea Development Institute (KDI) (2024) National Pension Structural Reform Plan. Available at: https://www.kdi.re.kr/research/focusView?pub_no=18231 (Accessed: 14 July 2025);
The Korea Herald (2024) 'South Korea's pension deficit to reach 500 trillion won by 2055: Ministry', The Korea Herald, 10 April. Available at: <https://www.koreaherald.com/article/3386908> (Accessed: 14 July 2025).
The Korea Herald (2023) 'Korean pension system faces urgent reform needs', The Korea Herald, 8 March. Available at: <https://www.koreaherald.com/article/10454605> (Accessed: 14 July 2025).
19. OECD (2022) OECD Reviews of Pension Systems: Korea 2022. Available at: https://www.oecd.org/content/dam/oecd/en/publications/reports/2022/09/oecd-reviews-of-pension-systems-korea_057d3b66/2f1643f9-en.pdf (Accessed: 14 July 2025).
OECD (2018) Working Better with Age: Korea. Available at: https://www.oecd.org/content/dam/oecd/en/publications/reports/2018/10/working-better-with-age-korea_g1g96de2/9789264208261-en.pdf (Accessed: 14 July 2025).
20. Roy, T. (2022) 'Population crisis: a challenge to South Korea's military', TDHJ.org, 1 August. Available at: <https://tdhj.org/blog/post/population-crisis-challenge-south-korea-military/> (Accessed: 14 July 2025).
21. Noh, H and et al. (2024) 'Starting a New Life after Crossing the Tumen River: How North Korean Defectors Use Digital Technology in Transition', Proceedings of the 2024 CHI Conference on Human Factors in Computing Systems (CHI, 24). Article 883, 1–26. Available at: <https://doi.org/10.1145/3613904.3642892> (Accessed: 17 July 2025).
22. Shin, S. and Kim, D. (2017) 'Digital Divide of North Korean Defectors in South Korea: Focusing on Computer, Internet, Smart Device Capability', International Journal of Applied Business and Economic Research, 15(14), pp. 413–423. Available at: https://serialsjournals.com/abstract/48838_ch_33_f_-_smb_15.pdf (Accessed: 14 July 2025)
Choi, S. et al. (2023) 'Implicit Bias against a Capitalistic Society Predicts Market Earnings', arXiv preprint, Available at: <https://arxiv.org/abs/2304.00651> (Accessed: 14 July 2025).
23. South Korean Ministry of Unification. (2024). Settlement Support for North Korean Defectors. Available at: https://www.unikorea.go.kr/eng_unikorea/whatwedo/support/%3B (Accessed 14 Jul. 2025)
24. DW (2022) North Korean defectors struggle adapting to life in the South, Available at: <https://www.dw.com/en/north-korean-defectors-struggle-adapting-to-life-in-the-south/a-59548526> (Accessed: 14 July 2025).

with defectors citing limited English proficiency, cultural misunderstandings, and prejudice tied to their North Korean background as obstacles in South Korea's competitive job market²⁵. Decades of state-controlled ideological indoctrination in North Korea further complicate adaptation to South Korea's capitalist and democratic norms. The survey noted that 16.1% of defectors reported discrimination linked to their dialect, limited technical skills, and negative media portrayals of defectors and the DPRK regime. These issues, compounded by a persistent income gap and gender disparities that exacerbated by South Korea's 31.5% gender wage gap, as reported by the OECD, highlight deep structural barriers to integration. Without comprehensive support frameworks, large-scale unification could intensify social fragmentation²⁶.

Phased integration is crucial for harnessing North Korea's demographic potential without destabilising South Korea's economy. A gradual approach allows for capacity-building while minimising social and economic shocks. For instance, the Kaesong Industrial Complex, where South Korean companies employed over 47,000 North Korean workers by 2010, had demonstrated the feasibility of structured integration²⁷. A pilot scheme training approximately 5,000 North

Korean workers annually, combined with mentorship, vocational training, and language education, could incrementally integrate them into South Korean workplaces²⁸. Such initiatives not only target skills gaps but also support cultural adaptation, easing the transition into a unified labour market.

In the post-unification era, regional imbalances would be one of the most pressing challenges for Koreans to address. South Korea has an urban population of 81.46%, with concentrated economic activity in cities, where over 92% of the population resides²⁹. In contrast, North Korea's 63.2% urbanisation rate in 2023³⁰, leads to economic inequality, as underdeveloped regions in North Korea may struggle to integrate effectively into a unified economy. Rural North Koreans, in particular, may struggle to access urban job markets without targeted infrastructure development, encountering a dynamic comparable to the "Ostalgie" phenomenon observed in post-reunification Germany, where regional inequality fueled social dislocation and public discontent³¹.

Historical parallels suggest that even with substantial fiscal efforts, deeper societal divides may persist if cultural and regional disparities are not effectively addressed. In the case of post-reunification Germany, despite spending over €2 trillion,

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25. NK News (2022) 'North Korean defectors continue to close the wage gap in South Korea', Available at: <https://www.nknews.org/2022/02/north-korean-defectors-continue-to-close-the-wage-gap-in-south-korea/> (Accessed: 14 July 2025).
26. Chun, K.-H. (2022) North Korean Defectors as Cultural Other in South Korea, Available at: https://ipus.snu.ac.kr/eng/wp-content/uploads/sites/2/2022/03/A227_Kyung-Hyo-Chun.pdf (Accessed: 14 July 2025).
27. Congressional Research Service (2011) 'The Kaesong North-South Korean Industrial Complex', Available at: <https://sgp.fas.org/crs/row/RL34093.pdf> (Accessed: 14 July 2025).
28. The Korea Times (2007) 'Gaeseong site expedites S-N economic integration', The Korea Times, 30 April. Available at: <https://www.koreatimes.co.kr/southkorea/20070430/gaeseong-site-expedites-s-n-economic-integration> (Accessed: 14 July 2025).
29. Korean Statistical Information Service (KOSIS) (2024) Urban Population Ratio in South Korea. Available at: https://www.index.go.kr/unity/potal/main/EachDtlPageDetail.do?idx_cd=1200 (Accessed: 14 July 2025).
 Macrotrends LLC (2025) 'South Korea Urban Population for 2023: 42,123,031'. Available at: <https://www.macrotrends.net/global-metrics/countries/kor/south-korea/urban-population> (Accessed: 14 July 2025).
 Statista. (2025). South Korea: Urbanization from 2013 to 2023. Available at: <https://www.statista.com/statistics/455905/urbanization-in-south-korea/> (Accessed 14 Jul. 2025)
30. Statista. (2025). North Korea: Urbanization from 2013 to 2023. Available at: <https://www.statista.com/statistics/455966/urbanization-in-north-korea/> (Accessed 14 Jul. 2025).
 Macrotrends LLC (2025) 'North Korea Urban Population for 2023: 16,697,097'. Available at: <https://www.macrotrends.net/global-metrics/countries/prk/north-korea/urban-population> (Accessed: 14 July 2025).
31. Sierp, A. (2009) 'Nostalgia for times past: On the uses and abuses of the Ostalgie phenomenon in Eastern Germany', *Contemporary European Studies*, 4(2), pp. 47–60.
 Economics Observatory (2025) 'Germany's reunification: what lessons for policy-makers today?', Available at: <https://economicsobservatory.com/germanys-reunification-what-lessons-for-policy-makers-today> (Accessed: 14 July 2025).

unemployment remained high and structural inequalities persisted³². To avoid similar outcomes, Korea must prioritise human capital development, including vocational training, digital literacy, and rural healthcare outreach, alongside targeted infrastructure investments such as rural hospitals and transport networks, to promote equitable integration and long-term national cohesion³³. Gradual and inclusive integration through targeted investments in education and healthcare initiatives, such as mobile clinics in

rural areas, is vital for fostering a shared Korean identity. Educational programs should focus on practical skills, such as STEM training, technological literacy and market economics, preparing North Koreans for participation in a unified economy. Strategic planning must thus weigh long-term economic benefits against short-term investment costs, including those for healthcare, education, and infrastructure, to sustain both social and financial stability.

Workforce, Regional Development, and Immigration Strategies

A phased unification procedure can harness demographic synergies to strengthen a unified Korea. Workforce development initiatives, such as collaborative training programs pairing North Korean youth with South Korean firms, could provide practical training in sectors like manufacturing, construction, and technology, thereby helping to mitigate South Korea's projected decline in its labour force from 2030³⁴. Public-private partnerships might support remote learning platforms that deliver market-oriented education to North Korean students even before full integration. Targeted incentives, such as housing subsidies or small business grants, for South Koreans relocating to revitalised regions in North Korea could help balance population distribution. Additionally, urban redevelopment programs in

North Korean cities, modelled after South Korea's Saemaul Undong, a community-based rural development program implemented by former President Park Chung Hee, could stimulate local economies and reduce regional disparities³⁵.

Historic experience from South Korea's Saemaul Undong presents the potential of community-led rural revival to reduce urban-rural disparities and foster regional cohesion. Launched in 1970, the movement provided free cement and iron to thousands of villages, promoting cooperation and competitive development to narrow the urban-rural income gap. By the late 1970s, rural household incomes in some areas had increased dramatically, nearly sixfold between 1970 and 1979, narrowing the gap in urban income levels

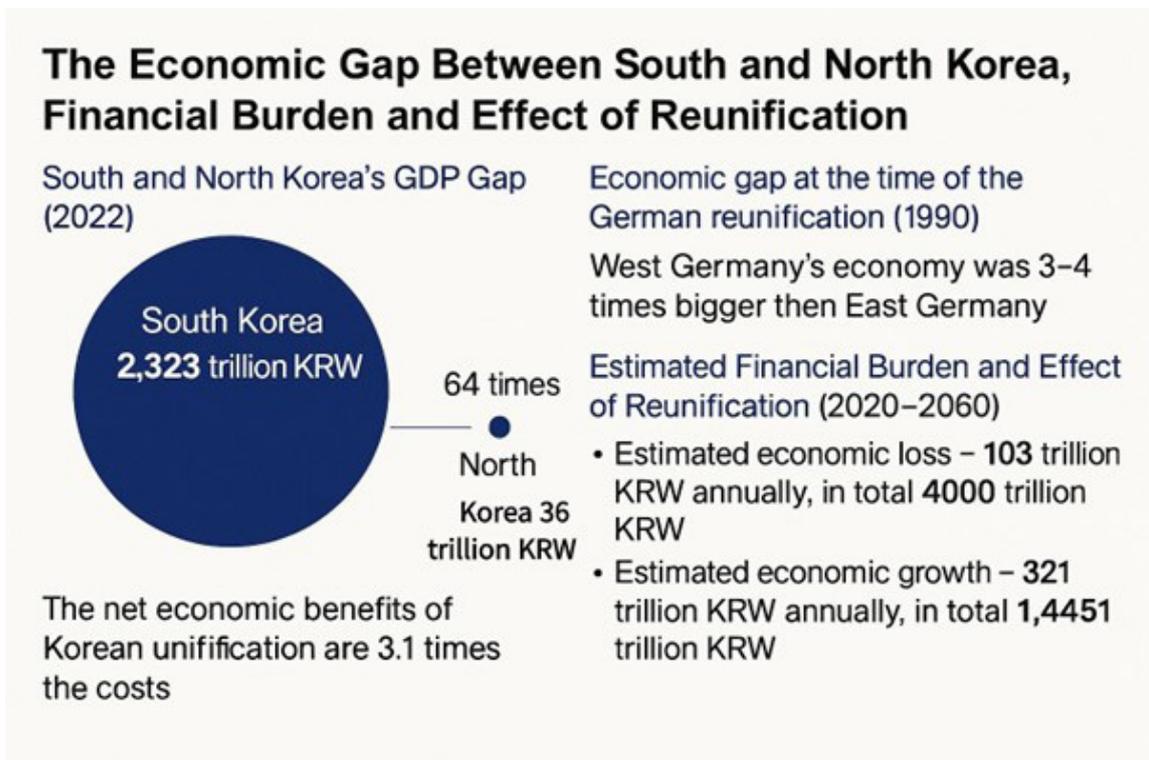
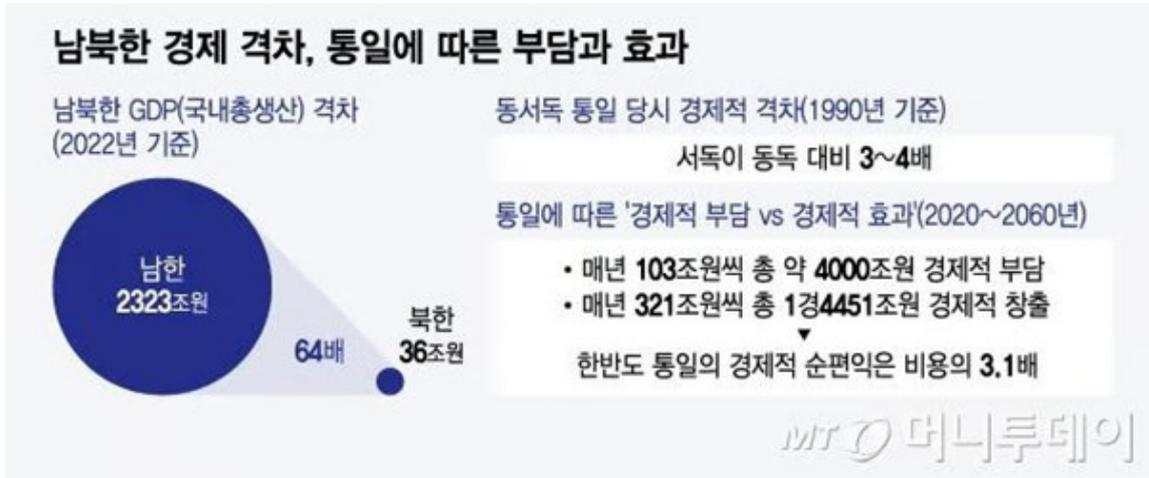
32. Marketplace (2019) 'Itemizing Germany's \$2 trillion bill for reunification', Available at: <https://www.marketplace.org/story/2019/11/05/itemizing-germanys-2-trillion-bill-for-reunification> (Accessed: 17 July 2025).

Frankfurter Allgemeine (2014) 'Deutsche Einheit hat fast zwei Billionen Euro gekostet', Available at: <https://www.faz.net/aktuell/wirtschaft/expertenschaetzung-deutsche-einheit-hat-fast-zwei-billionen-euro-gekostet-12922345.html> (Accessed 17 Jul. 2025).

33. Economics Observatory (2025) 'Germany's reunification: what lessons for policy-makers today?', Available at: <https://economicsobservatory.com/germanys-reunification-what-lessons-for-policy-makers-today> (Accessed: 14 July 2025).

34. Dong-A Ilbo (2025) 'Korea's workforce expected to decline from 2030, says a report', Available at: <https://www.donga.com/en/article/all/20250318/5503621/1> (Accessed: 14 July 2025); Chosun Ilbo (2025) 'S. Korea's employment growth to turn negative by 2032, BOK warns', Available at: <https://www.chosun.com/english/national-en/2025/06/17/3UR5VULMOVFK3KGLEOTU5SGLHU/> (Accessed: 14 July 2025).

35. Choi, Y.-C. and Kee, Y. (2023) 'The nature of Saemaul Undong as a rural development strategy', *International Journal of Social Sciences & Multi-cultural Studies*, Available at: <https://doi.org/10.47909/ijssmc.90> (Accessed: 14 July 2025).



SOURCE: '-100 TRILLION WON PER YEAR' GIVE UP ON THE DREAM OF UNIFICATION?... „300 TRILLION WON PER YEAR” ECONOMIC EFFECTS BEYOND IMAGINATION, MONEYTODAY
[HTTPS://NEWS.MT.CO.KR/MTVIEW.PHP?NO=2024100317202255198](https://news.mt.co.kr/mtview.php?no=2024100317202255198)

in select locations³⁶. These experiences suggest that structured investment in community infrastructure, vocational training, and cooperative organisation reflecting Saemaul principles could inform post-unification development strategies in former North Korean regions.

Post-unification, managing the population through broader regional policies is also a demanding task. Regional cooperation and selective immigration can complement domestic efforts to address demographic challenges. A unified Korea's economic growth could attract diaspora communities, such as China's Joseonjok

36. N ESCAP (2009) 'Analysis of Saemaul Undong: A Korean Rural Development Program in the 1970s', Asia-Pacific Development Journal, 16(2), pp. 113-140. Available at: <https://www.unescap.org/sites/default/files/apdj-16-2-5-Park.pdf> (Accessed: 14 July 2025).
Korea Saemaul Undong Center (n.d.) 'Achievements of Saemaul Undong', Saemaul Undong Archive. Available at: <https://www-en.saemaul.or.kr/sub/whatSMU/achievements.php> (Accessed: 14 July 2025).

(1.7 million³⁷) and Koryo-saram from Russia and Central Asia (500,000³⁸), to strengthen the labour force while preserving cultural continuity. However, geopolitical constraints, including China's restrictions on Joseonjok migration, necessitate careful diplomacy. A return migration initiative targeting diaspora Koreans over decades, prioritising healthcare and technology professionals, could meet strategic labour needs.

Labour mobility agreements with Japan or ASEAN countries could address workforce

shortages by sharing demographic resources. For example, bilateral temporary worker schemes with Southeast Asian nations can attract skilled labour while strengthening regional ties. Carefully managed immigration policies, prioritising cultural compatibility, can ensure integration and social cohesion. Coordinated diplomacy is therefore key to aligning regional and national goals for demographic resilience and sustainable development in a unified Korea.

Long-Term Vision for a Unified Korean Peninsula: Economic Prosperity, Cultural Renaissance, and Global Leadership

A unified Korea anticipates a resilient future shaped by strategic demographic and economic planning. According to the Ministry of Unification's 2014 projections, Korea could achieve economic prosperity within 30 years of unification, provided it successfully manages initial integration costs. The incorporation of North Korea would enable energy corridors linking China and Russia, along with logistics routes extending into Europe, positioning the Korean Peninsula as a pivotal hub for energy and transportation in Asia.

Reunification could lead to increased job opportunities; the surge in healthcare demands would generate employment in medical services,

helping to reduce youth unemployment and reintegrate women with interrupted careers, as well as in the tourism, cultural, and environmental sectors. Expanded tourism offerings to North Korean heritage sites, such as Baekdu Mountain and a DMZ ecological peace park, would enrich both the economic and cultural spheres. In parallel, administrative and educational reforms, including a unified curriculum that emphasises shared Korean history and language, could foster national cohesion and counteract decades of ideological division. These developments might ignite a new wave of Korean cultural influence, positioning the unified nation as a global cultural powerhouse.

37. Yeonhap News Agency (2022) 'China's Joseonjok population 1.7 million... 220,000 decrease in 20 years', Available at: [https://www.yna.co.kr/view/AKR20220119067300097#:~:text=%EC%A7%80%EB%A6%B0\(%E5%90%89%E6%9E%97\)%EC%84%B1%20%EC%98%8C%EB%B3%9C%20\(%20%EC%98%8C%EB%B3%9C%20%EC%A1%B0%EC%84%A0%EC%A1%B1%20%EC%9E%90%EC%B9%98%EC%A3%BC%20\),%EC%9E%90%EC%B9%98%EC%A3%BC%20\)%20%EC%9D%B8%EA%B5%AC%EC%97%90%EC%84%9C%20%EC%B0%A8%EC%A7%80%ED%95%98%EC%B8%A%94%20%EB%B9%84%EC%A4%91%EC%9D%B4%2030.8%EF%BC%85%EA%B9%8C%EC%A7%80%20%EB%96%A8%EC%96%B4%EC%A1%8C%EB%8B%A4](https://www.yna.co.kr/view/AKR20220119067300097#:~:text=%EC%A7%80%EB%A6%B0(%E5%90%89%E6%9E%97)%EC%84%B1%20%EC%98%8C%EB%B3%9C%20(%20%EC%98%8C%EB%B3%9C%20%EC%A1%B0%EC%84%A0%EC%A1%B1%20%EC%9E%90%EC%B9%98%EC%A3%BC%20),%EC%9E%90%EC%B9%98%EC%A3%BC%20)%20%EC%9D%B8%EA%B5%AC%EC%97%90%EC%84%9C%20%EC%B0%A8%EC%A7%80%ED%95%98%EC%B8%A%94%20%EB%B9%84%EC%A4%91%EC%9D%B4%2030.8%EF%BC%85%EA%B9%8C%EC%A7%80%20%EB%96%A8%EC%96%B4%EC%A1%8C%EB%8B%A4) ,(Accessed: 17 July 2025).

38. Kyeongin Ilbo (2006) 'Distribution of the Koryo-saram', Available at: <https://www.kyeongin.com/article/299330> ,(Accessed: 17 July 2025).

Denuclearisation remains a critical prerequisite, bolstering Korea's role as a stabilising force in East Asia and elevating its global leadership profile. However, substantial challenges remain, including potential resistance from the North Korean regime and external economic uncertainties. To overcome public anxiety surrounding

unification, Korea must therefore implement long-term strategies to address demographic decline, such as fertility incentives and diaspora return programs, ensuring the viability of a unified, prosperous Korea that contributes meaningfully to regional and global stability³⁹.

Conclusion

A unified Korea would demand proactive demographic and economic planning to ensure national resilience and global relevance. After more than 70 years of division, the Korean Peninsula now faces an unprecedented opportunity to reshape its future. South Korea grapples with an ageing population and labour shortages, while North Korea confronts severe health and education deficits. However, through strategic integration, leveraging North Korea's younger population, investing in human capital, and fostering regional cooperation, these challenges

can be transformed into opportunities for shared prosperity.

The Korean Peninsula holds immense potential not only for economic revitalisation and cultural cohesion but also for contributing to global peace and stability, once unified. Realising this vision requires an urgent and sustained commitment, primarily to address population decline through targeted policies such as integration modelling and health interventions.

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