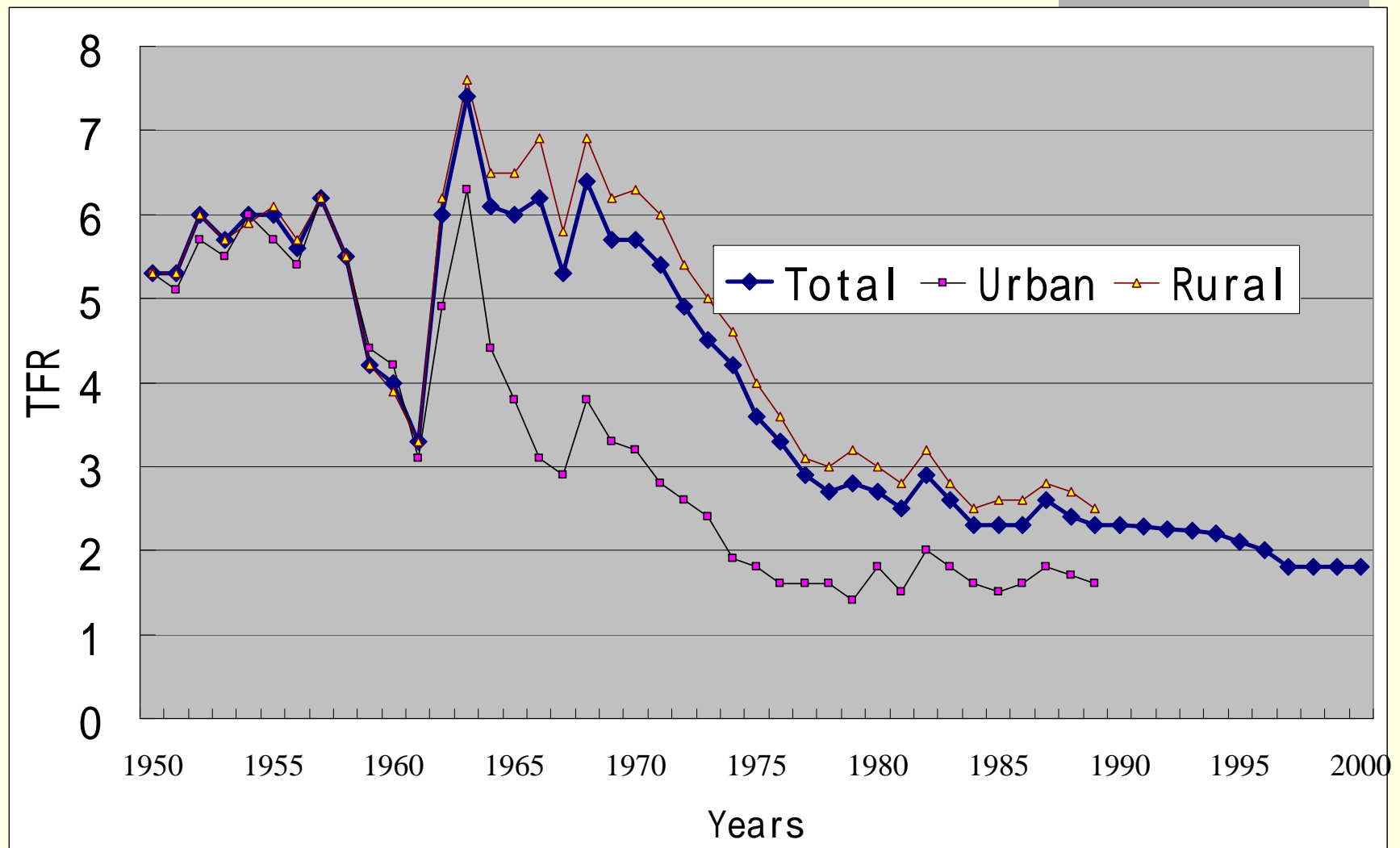

Population Policy and Fertility Transition in China

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Fertility Trend in China, 1950-2000



Different estimates of TFR

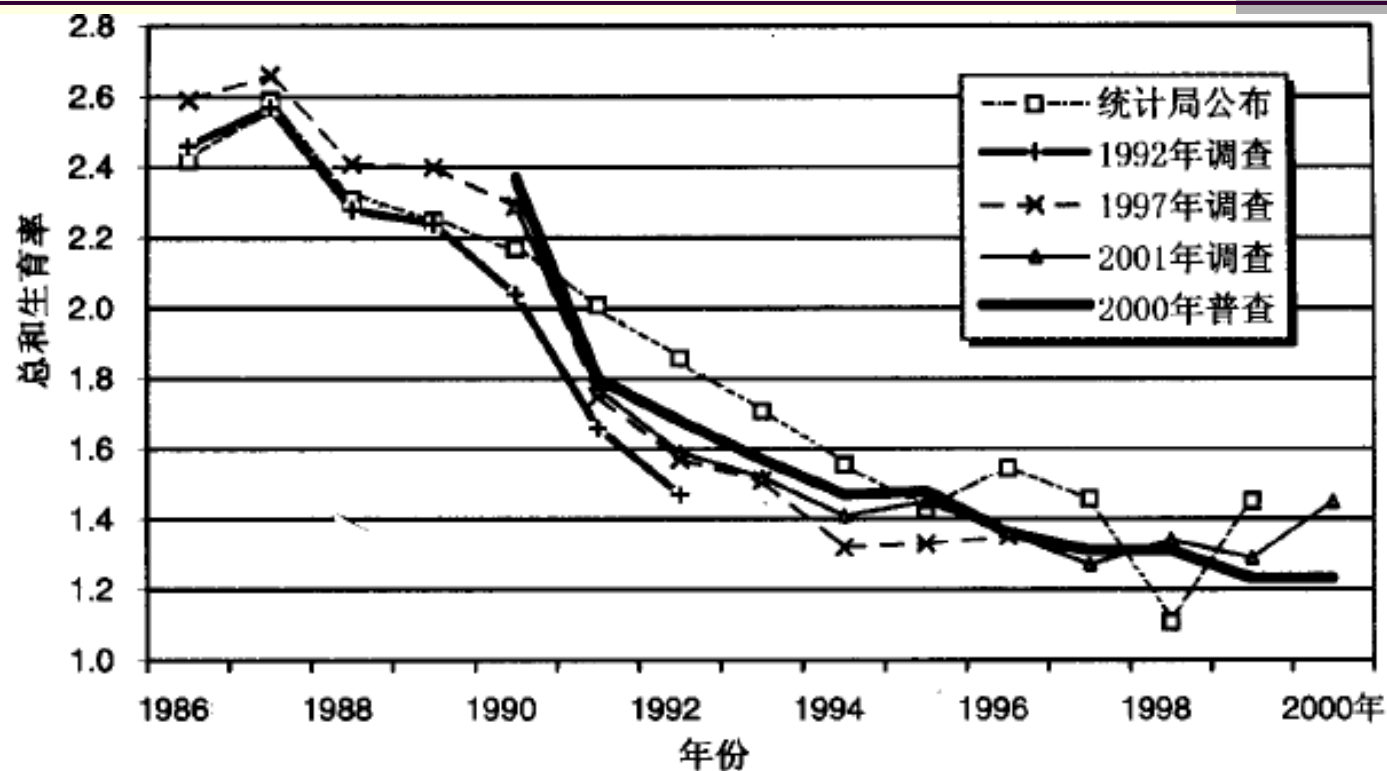
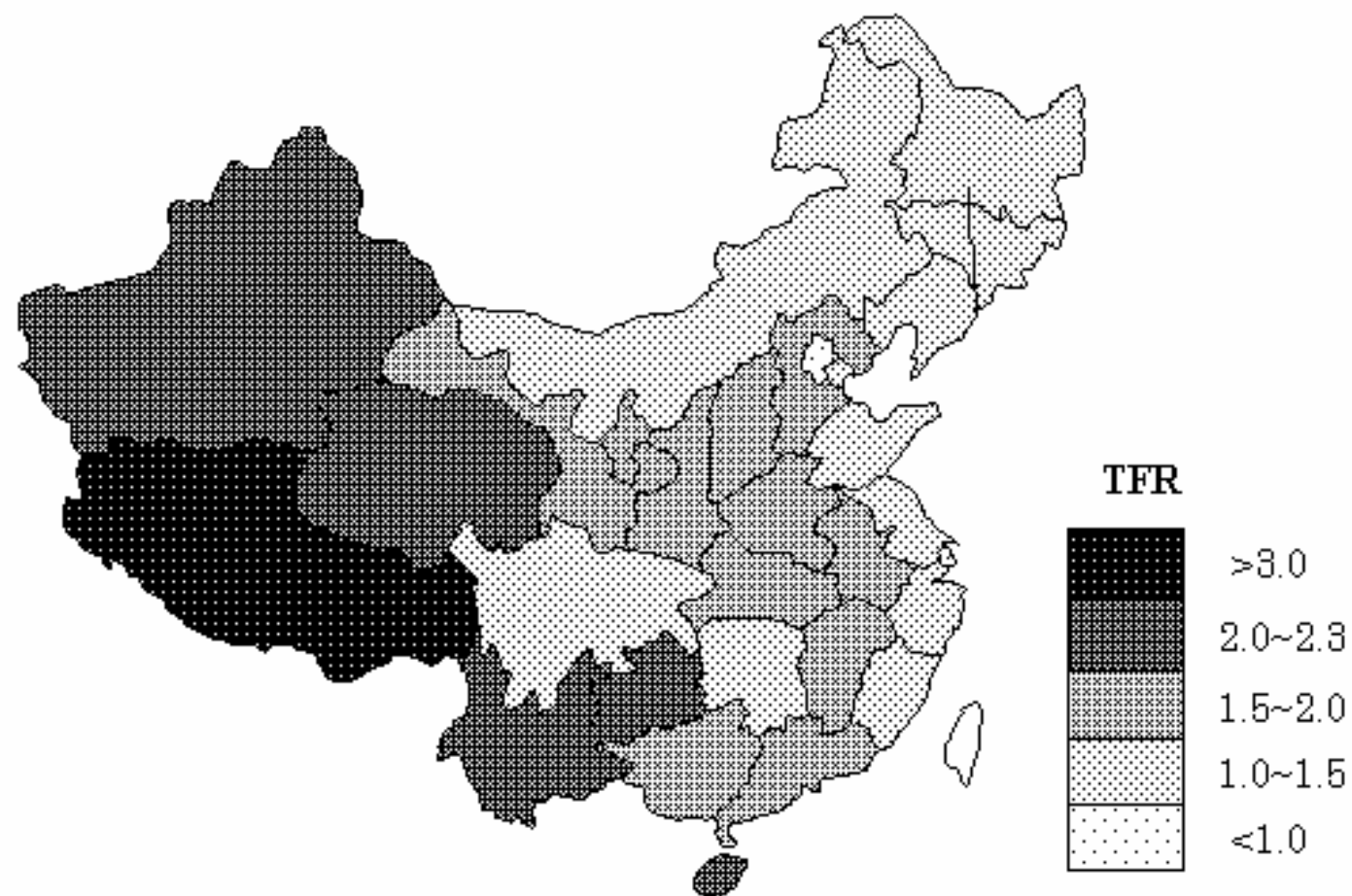


图4 不同来源的全国总和生育率水平比较

Cited from Zeng Yi, 2006

Figure 2. Provincial Fertility Pattern in China, 1997-1999



Note: Based on estimation by China's State Family Planning Commission.
Data for Taiwan, Hongkong and Macao are not included.

The role of government population policy and programme

- The success of China's birth control has for a long time been heavily depended on government administrative intervention. The programme was initialised at the first instance by the central government and carried out through top-down network.
- One of the salient features of China's family planning programme is its **decentralised policy formation and operation**. Under the general guidance from the central government, it is the local governments, primarily the provincial governments that are responsible for the formulating and implementation of the programme.

People in different localities are covered by different programs:

	Major Policy regulations	Coverage
1	One-child policy with very few exceptions in allowing couples to have two children	All urban residents and rural couples in Jiangsu and part of Sichuan province
2	Two children if the first one is a girl policy	Most rural couples
3	Two children with a four-year spacing policy	
4	Two-or-three-child policy	
5	No numerical regulation	Minority in the countryside of minority autonomous regions For rural Tibet population

Compromise

- The differential is a compromise between the central guidance on population control and the local situation, both in terms of socio-economic development and the political commitment of the local government.
- Chinese farmer families can have two children in general, which is rationalized by the factors that farmer families depending on strong labor for agricultural production and family support (primarily support by married son (s)) for older age security as there is almost no well-covered government sponsored pension system operating for Chinese farmers. .
- The success of the programme replies on local government commitment, local socioeconomic conditions, persistence of local traditional culture, etc.

-
- If all Chinese couples follow local family planning regulations, the total cohort fertility rate in China should be 1.62, but 1.5 as more Chinese become urban residents.

Incentive and disincentive measures

- punitive packages, in some cases became coercive measures, were widely used particularly in the 1980s.
- Levying fines become one of the causes of social tension between cadres and the public especially in the rural areas.
- In more recent years, more attention has been paid to the provision of social welfare to rural elderly who following up the government family planning regulation in the past.

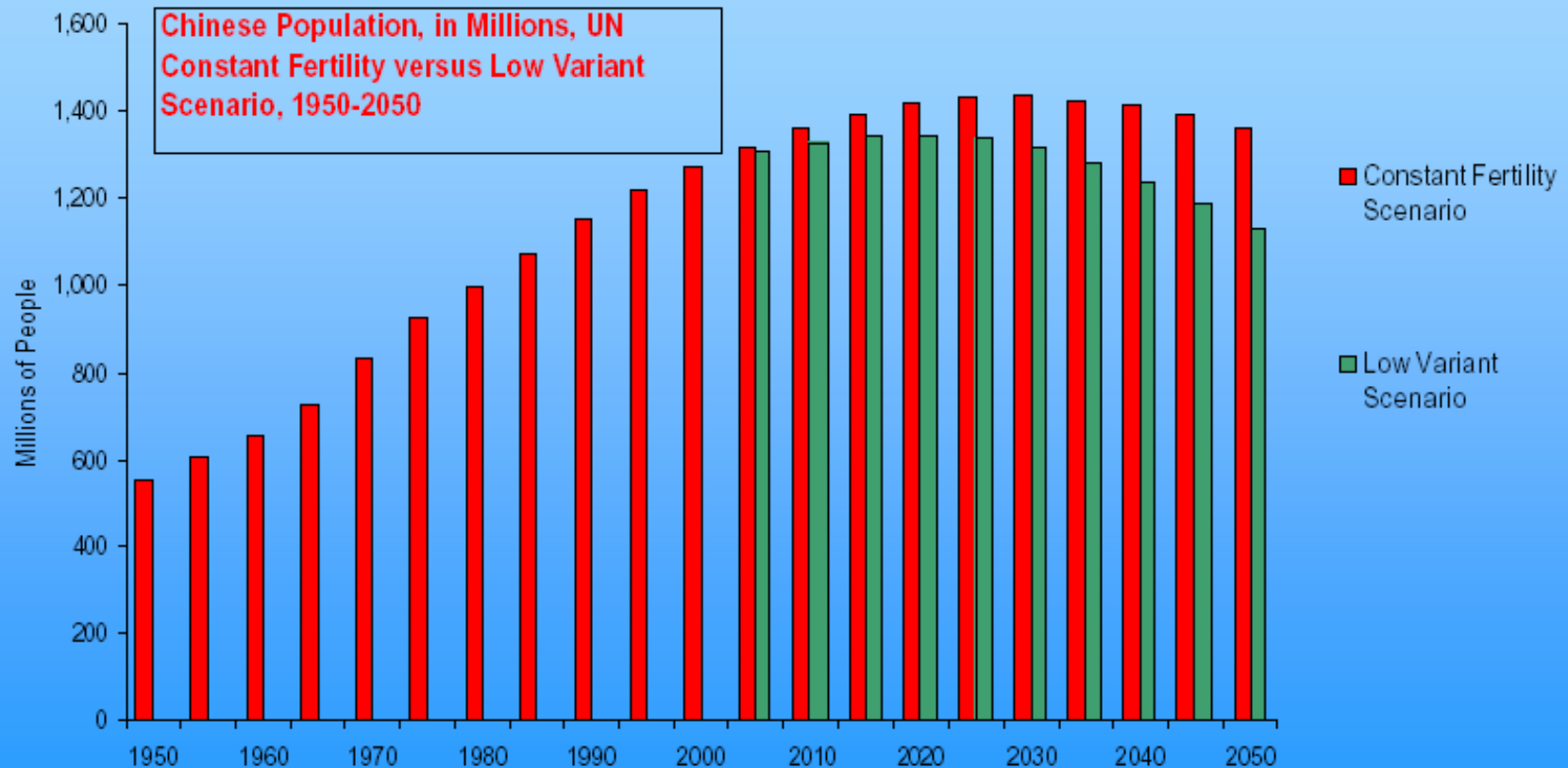
Major Concerns about China's Population Dynamics

- There have been long internal debates on modification of China's Population policy. Major concerns include:
 - Future Population Growth
 - Population Aging
 - Abnormal Sex Ratio
 - Aids/HIV and other epidemics
 - Rapid urbanization and migration
 - Reproductive Health and Reproductive Rights

Future population growth and proper population policy

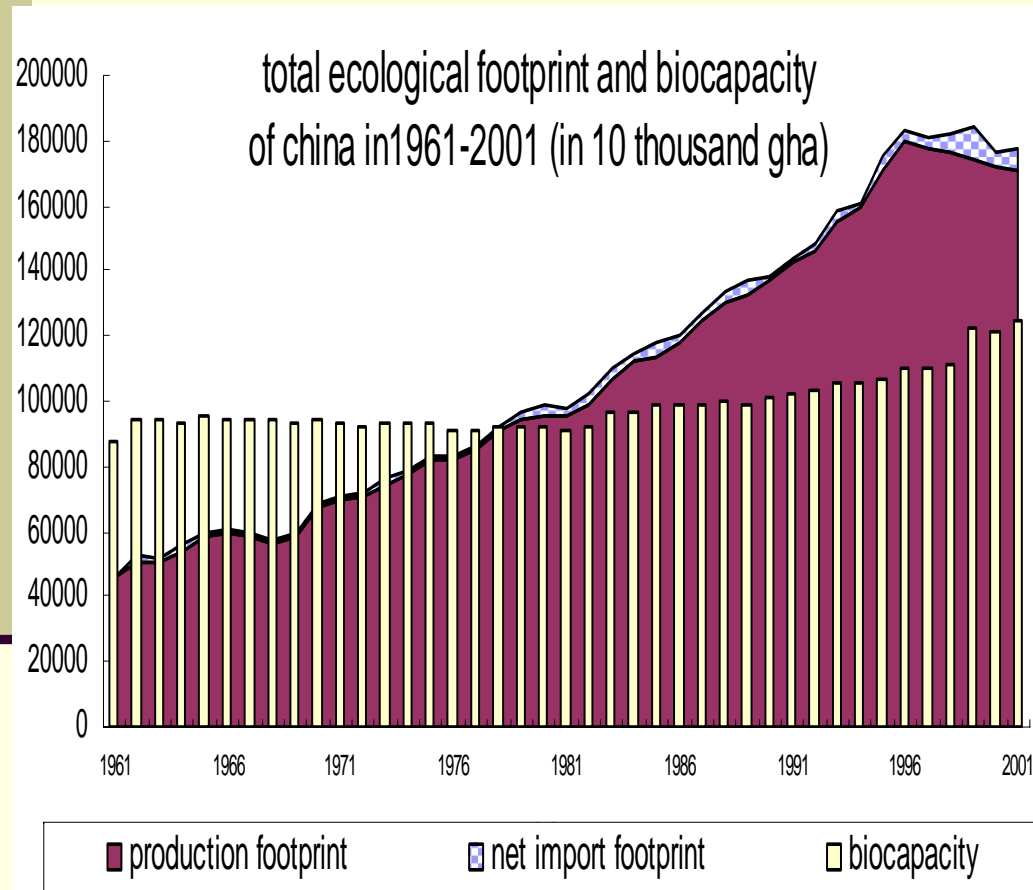
- Future population size remains the major concern of the society and the government. This becomes very important in the process of China's struggle for modernisation (*xiaokang*).
- Balances between population growth and socio-economic development, environment protection, best use of natural resources are one of the central points of the new strategy.

Within a few decades, China's total population will peak and decline.



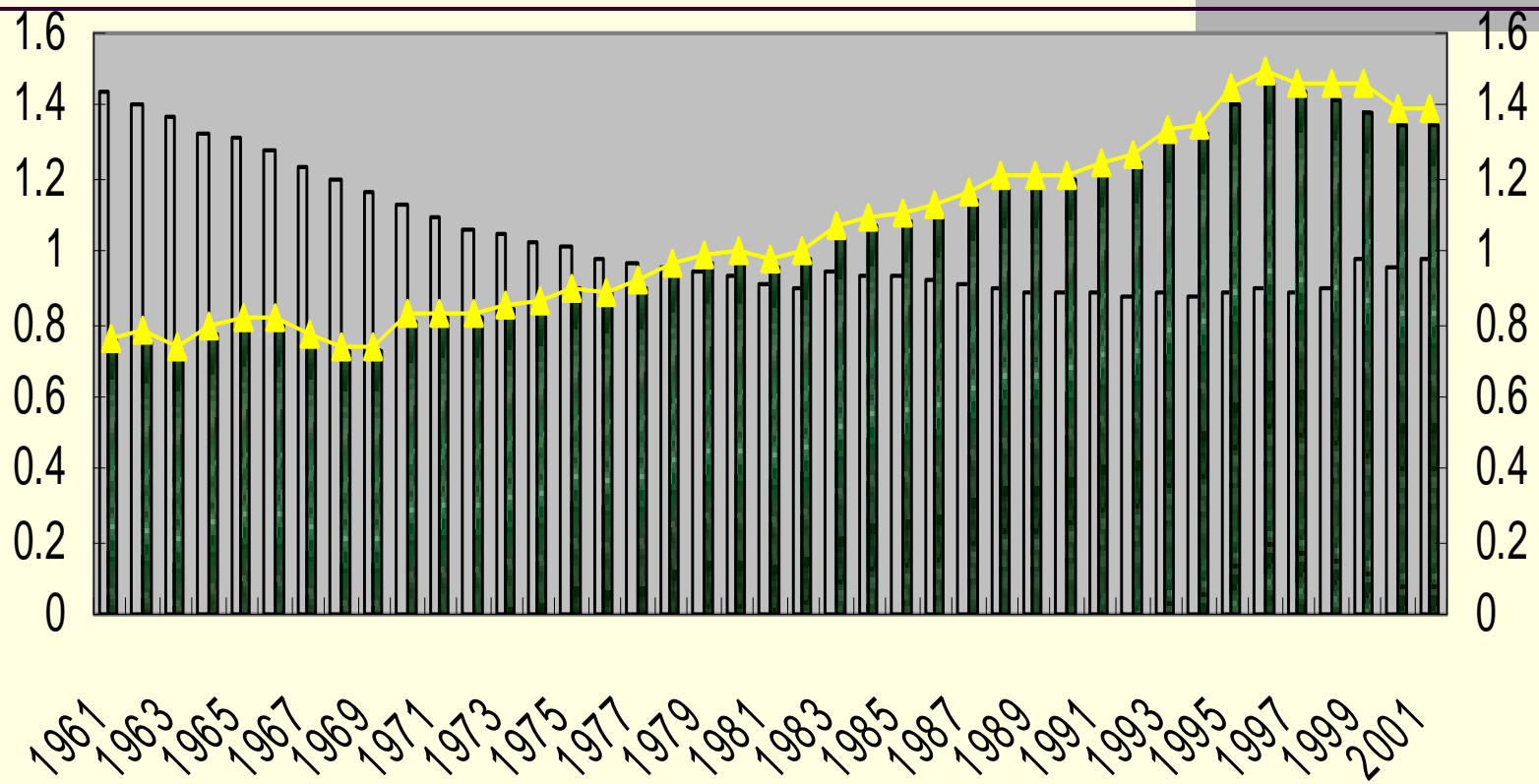
Source: UN (2003)

Population Pressure



Mainland China is using natural resource more than 43% percent over the regenerate capacity of its ecosystem. a large population will make the situation deteriorating further

Per Capita Production footprint, Ecological footprint, Biological capacity of Mainland China

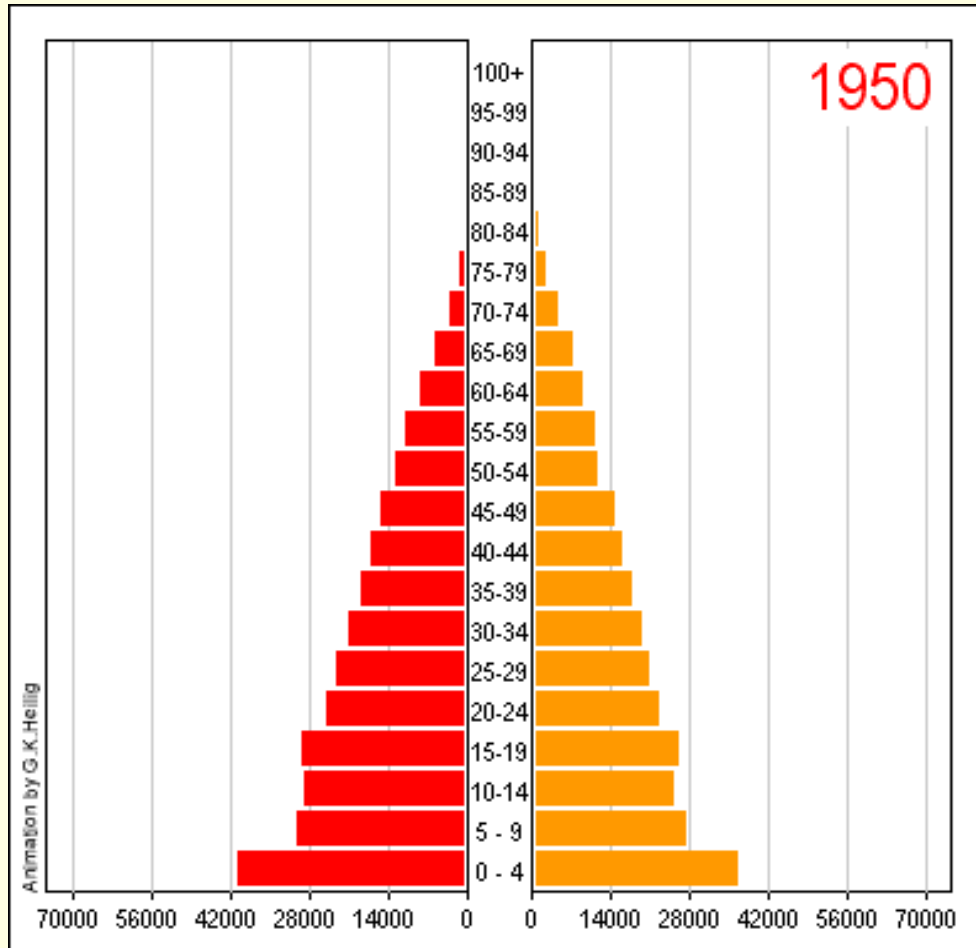


Biocapacity Production Footprint Ecological Footprint

China's Population by Age & Sex, 1950 - 2050 (population in 1000)

Male

Female



One can see how the "baby boom" generation from the 1960s and early 1970s "moves up" the age pyramid. The animation also visualizes the *aging* of the Chinese population, which is caused by the significant fertility decline since the mid-1970s (and the further increase in life expectancy). Within the next 3 decades the number of elderly people in China will increase *massively*

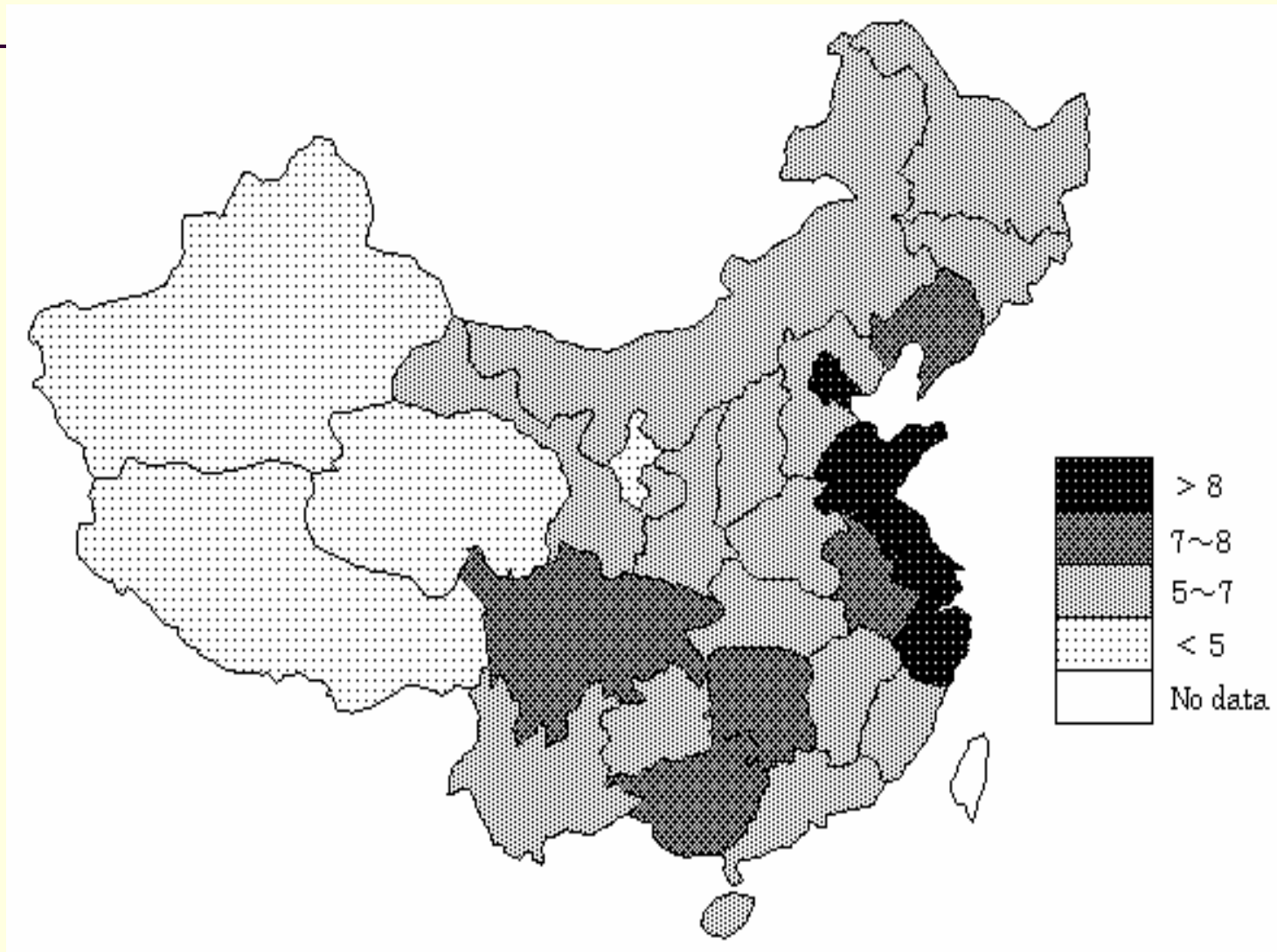
Source: United Nations (1999): World Population Prospects. The 1998 revision.

Heilig, G.K. (1999): ChinaFood. Can China Feed Itself? IIASA, Laxenburg

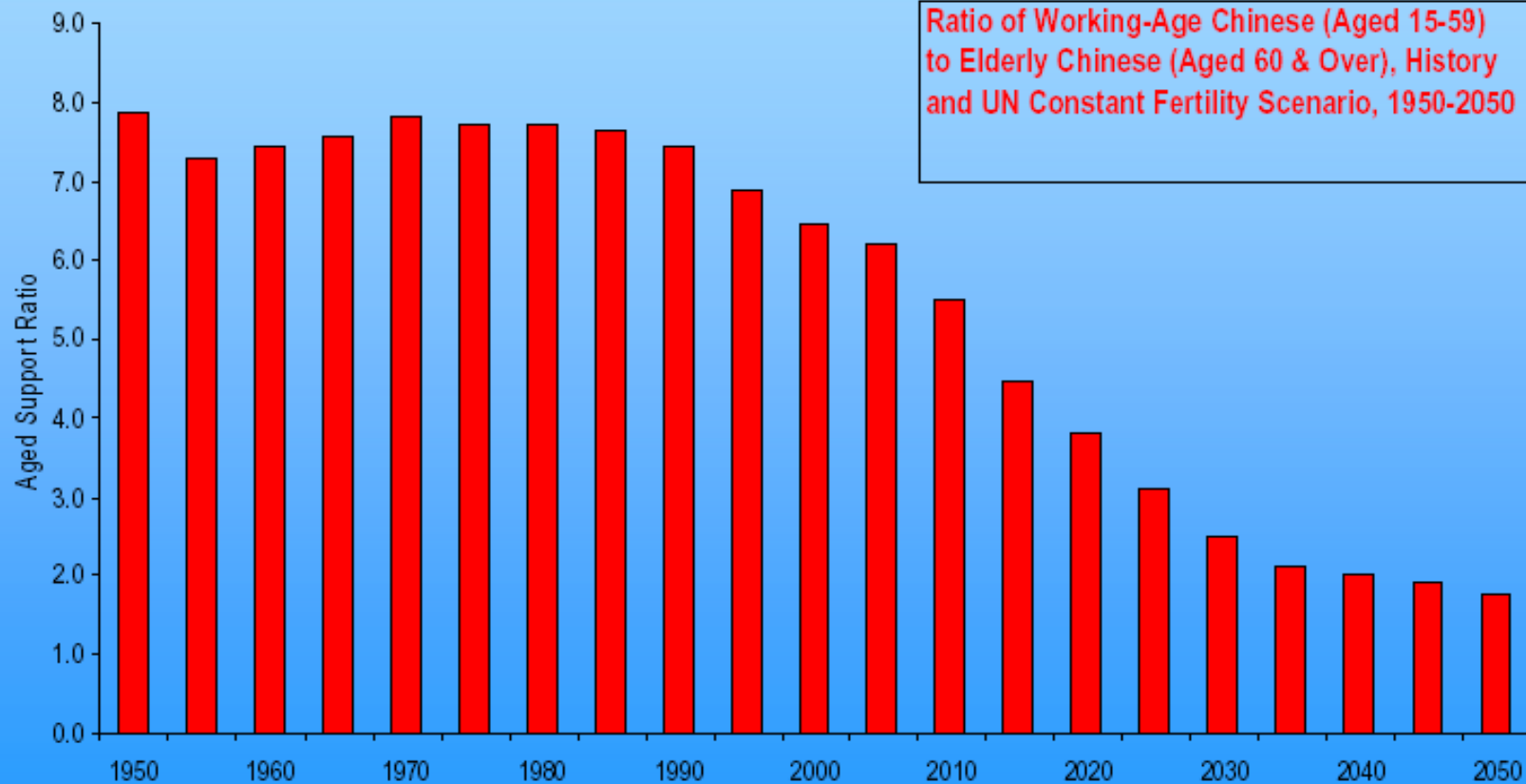
Chinese Population is rapidly aging

- The total elderly population (aged 65+) increased from 86.87 million in 2000 up to 100.45 million in 2005, occupied 7.69% of the overall population, an increment of 13.58 million over this five-year period.
- The number is expected to increase by 3 times over the first half of the 21st century.

Regional Variations in Population Aging, 2000



The number of working-age adults to support each elder is declining rapidly.



Source: UN (2003)

-
- **China may be the first major country to grow old before it grows rich.**

-
- By the middle 2005, China's urban pension system only covered a total population of 168.68million, including about 42 million pensioners and 125 million employees who contribute to the pension fund.
 - Only 30 per cent of all urban residents, or 15 per cent of employees, were covered by the program, far less than the world average.

Challenges to urban pension system

- On the whole, the Chinese pension system is still a pay-as-you-go system albeit the introduction of a partly funded multi-pillar system in the 1990s. The current system is burdened by unfunded liabilities from the old system that is called Legacy Debt.
- The total annual net input from China's Government revenue into pension fund to balance the system amounted to 52.4 billion Yuan in 2004, and accumulated input reached 170 billion between 1998 and 2005.
- There is a total deficit of 2.5 trillion Yuan in China's urban pension system. The estimated ratio of implicit pension debt (IPD) to national GDP would range from 80.8 percent to 145.4 per cent, based on different assumptions of the discount rate used in the simulation.

Aging Problem in China's countryside

- **Large scale of rural-urban migration, young people move out.**
- **Very limited social welfare provision to rural elderly, Such as five-guarantee system and poverty relief subsidies**



Imbalance Sex Ratio at Birth

- Sex ratio at birth remains a big challenge even though the Chinese government has applied rigid policy measures to fight with the problem.
- It reported that in 2005 for every 100 newborn girls, there were 124 boys, compared to 119.92 in 2000 and 111.42 in 1990.
- There are marked regional differences.

Sex Ratio at Birth by regions & Birth Orders, 1996 - 2001

	East	Central	West	Total	
				96-01	90-95
First Child	108	111	111	110	106
Second Child	129	238	145	161	143
Third + Child	167	258	121	148	157

Major Causes of the imbalance sex ratio

- Deep rooted in Chinese traditional culture:
Son preference.
- Practical demand for old age security.
- Partially related to government family planning regulations.

Efforts to tackle sex ratio imbalance

- Government aims to balance the currently unbalanced sex ratio in 2010
- Promotion of the "care for girls" project
- Law enforcement:
 - Crackdown on illegal sex identification
 - Effort to revise the Criminal Law
- It is not a easy job

Massive population migration

人口流动

- Roughly 140 million people are on the move in China
- The major destinations of the move are eastern coastal regions, and cities
- Floating Population, no-registration change
- Impact on both sending and receiving areas employment
- Remittances

Dilemma

- Total Population:

- very low fertility vs. big annual growth

Little room for further reduction of family size, but continued need to slow down the absolute population increase.

- Age Structure:

- rapid ageing Vs. larger population size

Thanks for your time!!!



Any comment or question?