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## NINE ARTICLES ON VARIOUS ASPECTS OF LIFE IN CHINA IN THE PAST MONTH

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The Sunday Times  
September 20, 2009

Call for more babies as China turns to grey

Michael Sheridan in Shanghai

WHEN the head of family planning in Shanghai said young couples should have more babies because the city was growing old, it sounded like a statement of the obvious.

Yet within days there was a storm of comment on the internet and in state media as people asked whether this meant the government was preparing to relax its one-child policy.

There are signs officials are rethinking the ban, which has prevented 400m births since 1979, because on present trends China's population will begin to decline by the middle of the century. By then, India will have overtaken it as the most populous nation.

Xie Lingli, the Shanghai family planning official, was forced to explain publicly that he had not deviated from the party line, which restricts most couples in Chinese cities to one child.

The rules allow couples who are both only-children to have two babies. Shanghai has introduced other exceptions, including more leeway for fishermen and farmers. It has also abolished a rule that couples who are allowed more than one child must wait four years between births.

"There's a huge social demand for second children," said Yang Henmin, an engineer in Shanghai. "In the end the government cannot control it any more than it can grasp the wind."

The city's family planners talk of "encouraging" more births in a change of tone that sounds distinctly like liberalisation by stealth.

"In the past we stressed birth control, not the chance to have a second child. Not many people know these exceptions to the regulations so we were just reminding them," said Xie.

There are few babies to be seen on the streets of China's commercial capital. The city is ageing so quickly that by 2020 more than a third of

its 19m people will be 60 or over. The city's pension fund faces bankruptcy.

It is a harbinger of change that will come as a shock to some commentators who portray China as a youthful country that is destined to rule the world. In fact, the one-child policy means China is "greying" fast. On present trends it will grow old before it has a chance to get rich.

Although China's population has passed 1.3 billion and is still growing, it is expected to peak within three decades. By 2040, India will have 1.5 billion people versus 1.42 billion Chinese, according to Barbara Pillsbury, an expert on population control.

The Chinese media reported her forecast and the Shanghai debate shows that officials have begun to grasp the consequences of the policy.

By the middle of the century China will have more than 330m people over 60, of whom 100m will be over 80. In contrast, the US is predicted to have a younger population because of immigration and higher birth rates.

"We say that four, two, one - that's four grandparents, two parents and one child - is the usual family structure in Shanghai," said Tan Jie, a businessman, "so the burden of care is a heavy one."

Then there is the gender imbalance. Pillsbury said that while the average live birth ratio is 105 boys to 100 girls, in China it is 119 to 100 - the result of abortions by couples desperate for a son.

In Mao Tse-tung's time, the average Chinese woman had six children. Today she has 1.8. In the past, there were six younger people working to support each old person. In the one-child generation, said Pillsbury, there would be one couple to support each one.

"The figures are getting close to those in Japan and Sweden," wrote the China Youth Daily, "so Shanghai's intentions should be praised, but its methods are wrong."

The newspaper warned that if other provinces did the same, the "strain on society" would be immense. "The government should not ask or encourage people to have another child; families should make the decision," it said.

Its line seemed to suggest that a cautious debate about relaxing the policy has reached the upper echelons of the Communist party.

"China accounted for 40% of the world's population in the Qianlong period of the Qing dynasty, but today it accounts for 20%," said Wang Xinhai, a social scientist. "So China should encourage people to have even three children," he said.

Chinese officials are defensive about a widespread misconception that the one-child limit is imposed on every couple. In the countryside, people may have a second child if their first is a girl, or disabled. No restrictions apply to China's minorities, including Tibetans and Uighur Muslims.

But Shanghai, which was the first modern city in China, is keeping up its pioneering role. Five other provinces have followed its lead by relaxing the rule requiring four years between births. A historic change of policy may be in the early stages of gestation.

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AsiaNews - [www.asianews.it](http://www.asianews.it)

09/16/2009 14:42

CHINA

The secrets of the party plenum or who will succeed Hu Jintao

by Wang Zhicheng

Politburo member Jinping is slated to become the next vice chairman of the Military Commission and Hu's likely successor. For ordinary Chinese though, what matters is to see the party do something against the widespread corruption among its officials, which has reached unprecedented levels.

Beijing (AsiaNews) - The 4th plenum of the 17th Central Committee of the Communist Party of China (CPC) has begun in the posh and secretive surroundings of the Jingxi Hotel. News media have been banned from the four-day meeting and there will be no daily briefings. In fact, nothing is known about the 400 or so delegates selected from among the permanent and alternative members of the Central Committee. Only on 18 September, when the meeting ends, will decisions be made public.

In measured tones, the semi-official Xinhua news agency reported that the meeting is set to focus on "strengthening and improving the party building under new circumstances" as part of a review of party activities taking place after 60 years in power at a time of a worldwide crisis. The meeting comes just a couple of weeks before the 60th anniversary celebrations of the People's Republic of China, beginning on 1 October.

Many observers are waiting to see if this time the party will actually reform its internal election rules along democratic lines.

The 4th plenum is also likely to pick Vice President Xi Jinping as the new vice-chairman of the party's Central Military Commission, which would further cement his status as President Hu Jintao's heir apparent, paving the way to him becoming party boss at the 18th National Congress in 2012; then president, and finally military chief.

Xi, 56 and son of a Communist revolutionary hero, rose quickly up the hierarchy, joining the Standing Committee of the Politburo two years ago.

Another hot topic on the discussion table is corruption, rife among CPC officials.

For decades, ordinary Chinese have been frustrated by how much party members have failed to live up to Mao's dictum of serving the people,

becoming instead corrupt and unjust.

Every year for the past six years, some 50,000 officials have been convicted of corruption. The average size of bribes went from 2.53 million yuan (US\$ 370,000) in 2007 to 8.84 million yuan last year (US\$ 1.3 million), this according to the Supreme People's Court.

In 1995 and 2001, the Central Committee issued clear rules, requiring party officials to declare their income, but these were limited to officials' salaries and allowances, enabling many of them to avoid controls by stashing away money and hiding property under relatives' names.

A regulation requiring party cadres to reveal their family wealth and assets has been reportedly under discussion for quite some time.

For a number of analysts, such a change would be a good idea. They are not convinced though that it would work because the party controls both police and justice system.

Yet the "introduction of democracy and rule of law" is "the only solution," one observer said.

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The New York Times  
September 15, 2009

China Watched for Sign of New Leader

By MICHAEL WINES

BEIJING – China's governing Communist Party will convene its annual policy meeting on Tuesday with a sober, if not soporific, mandate to root out government corruption and make the party adapt to changing times.

But lurking in the background is a more compelling topic: Who will become China's next ruler in 2012?

Analysts will watch the meeting, the annual plenary session of the party's 17th Central Committee, to see whether Vice President Xi Jinping is given the additional title of vice chairman of the Central Military Commission.

Such an appointment would be seen as a confirmation that Mr. Xi, 56, is set to succeed President Hu Jintao when Mr. Hu's second term ends in 2012. Any Chinese leader must have experience in leading the military, which is under party control. Mr. Hu was awarded the same post in 1999, three years before he became the party's general secretary in 2002.

Yet Chinese politics are so opaque that no outsider can say for certain that Mr. Xi, the presumed heir, will win the position – or that there will be a mark against him should he not.

"There is no foregone conclusion these days," said a political analyst at a Beijing institution tied to the Communist Party.

Whether that is true is a central question hanging over the meeting this week. Since the founding of the People's Republic 60 years ago, the Communist Party has governed both the Chinese people and itself strictly from the top down, with all important actions approved by a handful of party leaders united by power and personal relationships.

Officially, at least, the 204 Central Committee members meeting this week have been given an agenda to shake up that model. The members are supposed to prepare plans to bring democracy to the party's inner deliberations, choosing new leaders by consensus, not by the dictates of those at the top.

"A new crop of leaders who grew up after the reform and opening up started are going to step into new leadership roles" in 2012, Zhen Xiaoying, a professor at the Communist Party's central party school, stated in a recent article in the state-run newspaper People's Daily. He was referring to the period of economic reform that began in 1978.

"The era of relying on authority and personal charm to run the party is over," he said.

Mr. Xi and Mr. Hu epitomize that shift. Mr. Hu, 66, joined the party in 1964, two years before Mao's Cultural Revolution brought China a decade of social and political chaos. Mr. Xi joined in 1974, two years after President Richard M. Nixon first visited Beijing and China began to reconnect to the outside world.

Mr. Hu was the party's designated successor to Jiang Zemin, who ruled a battened-down China after the bloody suppression of the 1989 Tiananmen Square protests.

The process of political succession in China's one-party system is always shrouded in intrigue. The party elite elevated Mr. Xi to the ruling Politburo Standing Committee in 2007 and gave him the highest rank of any leader of his age group, signaling that he had been chosen to succeed Mr. Hu when the latter's second five-year stint as top leader ends in 2012. But the party's internal deliberations on such matters are in the highest order of state secret, and there has been no public confirmation of Mr. Xi's status.

Whatever changes the plenum orders are unlikely to resemble democracy as Westerners know it. China has long shunned Western democracy, branding it anarchy, and embraced what it calls "democratic centralism" – essentially, passing carefully reviewed suggestions from lower-level party organs to leaders at the top.

Xinhua, the official Chinese news agency, recently quoted Mr. Hu as saying that democratic centralism would remain China's guiding version of democracy. One liberal political analyst who has called for a more open Chinese society, Liu Junning, argued in a telephone interview that prospects for genuine changes this week were dim.

"I think it is important in China first to strengthen formal institutions such as the legislature and the court system, rather than informal structures such as the ruling party," he said. "Let's see if there are any open factions within the party – any open opposition, any open minorities."

China's governing elite, like any group, has factions, but they are tightly cloaked. Mr. Xi, for example, is widely believed to be the favorite of Mr. Jiang, who still has considerable sway in retirement.

After Mao wreaked havoc with the party hierarchy by designating and then toppling multiple successors, the party's elite clawed back the power to oversee political succession. Mr. Hu was effectively designated China's future top leader in 1992, leaving Mr. Jiang, then the new No. 1 official, little choice in the matter. Likewise, Mr. Hu's apparent favorite, Deputy Prime Minister Li Keqiang, was not selected as his future successor, though Mr. Li is now considered likely to be the next prime minister.

The plenum will be closely watched for any signs that internal politicking has kept the succession contest alive.

The analyst at the Communist Party institution, who spoke on condition of anonymity because he was not authorized to speak to the press, said he believed that Mr. Xi might not win the military post this week. "If he doesn't," he said, "it would show that there's more of a balance of power. But it would not mean that Xi lost the opportunity."

The plenum is also scheduled to take up anticorruption measures that could include a requirement that some party officials disclose their holdings of property or financial instruments.

\* Jonathan Ansfield contributed reporting, and Li Bibo contributed research.

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South China Morning Post

Outdated state-run newspapers struggle to survive amid commercialisation drive

Raymond Li  
Sep 15, 2009

The closure of a little-known newspaper was hardly news in itself, but some analysts see it as an ominous sign for many state-owned newspapers that are becoming increasingly irrelevant in the government-backed push for commercialisation.

The Zhong Hua Xin Wen Bao, or China Journalists' Association Superintendent, which was affiliated with the All-China Journalists' Association, said last month that it would go into insolvency at the behest of the General Administration of Press and Publication (Gapp). That made it the first

newspaper owned by a central government agency to go bankrupt.

Gapp statistics showed there were 1,943 newspapers on the mainland at the end of last year, churning out 44.39 billion copies a year, with a significant portion of the papers owned and funded by central government agencies and industrial associations.

The government has been pushing for the commercialisation of the print media since 2003, due in part to the country's commitment to the World Trade Organisation, under which the country would allow the private sector greater access to investment in media companies.

As part of that push, Gapp set the end of 2011 as a deadline for outlets to go commercial or face closure.

Initially, several print media groups directly controlled by the Communist Party, including the Shenzhen Press Group, will split into two, with distribution, advertising and printing being grouped as an enterprise and the core businesses, such as content generation and editorial matters, placed under the tight grip of the party.

Newspapers that have less of a role as a political mouthpiece - such as the China Securities Journal - would have to go fully commercial and compete for survival.

Professor Huang Yu , head of Hong Kong Baptist University's department of journalism, said the failure of more newspapers would make sense, as many owned by central government agencies and industrial associations were becoming increasingly irrelevant.

"The reason is that many newspapers, such as those in large metropolises, are well positioned in the process of commercialisation," he said.

Dr Zhang Zhian, of Shanghai Fudan University's School of Journalism, was reluctant to predict whether more newspapers would close because development of the mainland media industry was never solely decided by market forces, but was intertwined with politics.

"But many newspapers, like [the Zhong Hua] have lost much of their room to survive and instead have become a burden for the government," he said. The commercialisation push was aimed at a competitive print-media industry, he said.

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The New York Times  
September 4, 2009

Taiwan Drops Annual U.N. Bid as China Relations Warm

By REUTERS

TAIPEI (Reuters) - Taiwan will drop for the first time in 17 years its annual bid to join the United Nations as island President Ma Ying-jeou seeks peace with long-time rival and U.N. heavyweight China, the foreign

ministry said on Friday.

Taiwan, recognized by only 23 countries, failed in its previous 16 consecutive U.N. membership bids due to objections from China, which has claimed the self-ruled island as its territory since the end of the Chinese civil war in 1949.

China, a U.N. Security Council member, opposes Taiwan's participation in any international body that requires statehood as a condition for membership.

"We're not making a proposal this year," said Taiwan foreign ministry spokesman James Chang. "That decision is based on our taking a look at the overall situation."

Taiwan would normally make a public display in September by asking its allies to introduce a formal proposal to the U.N. General Assembly, which would quickly quash it.

Efforts to join the United Nations under ex-president Chen Shui-bian, who had a stormy relationship with Beijing, prompted strong opposition from China and also displeased the United States, which feared heightened cross-Strait tension.

The island's ties, particularly trade and transit links, with Beijing have improved since Ma took office in May 2008 and dropped government activities likely to upset China.

"Ma wants to keep relations going (with China), and U.N. applications are not good for those relations," said Alex Chiang, international politics associate professor at National Chengchi University in Taipei.

Taiwan, formally the Republic of China, was expelled from the United Nations in 1971 in favor of the People's Republic.

Taiwan is designing a publicity campaign this year to replace the U.N. proposal, ministry officials said.

(Reporting by Ralph Jennings, editing by Ron Popeski)

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The Wall Street Journal  
ASIA NEWS - AUGUST 28, 2009

Beijing Widens Paramilitary Police Role

By SKY CANAVES

BEIJING -- China formally authorized paramilitary forces to handle riots, terrorist attacks and other social disturbances under a law passed Thursday, reflecting the government's heightened concerns with stability ahead of the 60th anniversary of the founding of the People's Republic of China on Oct.

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[china police role] Reuters

Chinese paramilitary police, shown in the city of Urumqi in July, helped to quell clashes in the region between Muslim Uighurs and Han Chinese

The law, which takes effect immediately, provides a legal framework for activities the People's Armed Police have long engaged in. Last month, the force played a prominent role in quelling riots in Xinjiang, the far-west region where Muslim Uighurs clashed with Han Chinese, killing at least 197 people.

China has been taking steps to increase security ahead of the important 60th anniversary, for which Beijing is planning large celebrations. The Xinjiang unrest added to fears that anniversary celebrations could be disrupted by groups opposing the government. This week, President Hu Jintao made his first trip to Xinjiang since the riots, where he urged security forces to maintain stability in the restive region.

Normally, new laws are subject to at least three readings by China's top legislature, the National People's Congress, before they are passed. The armed-police law was passed after only the second reading in the legislature's bimonthly meeting this week.

Under the legislation, county-level governments will no longer be authorized to call up armed police. Instead, the mobilization and deployment of armed police will be centralized and fall under rules to be issued by the State Council and Central Military Commission. The change is an apparent bid to prevent small protests from escalating into confrontations between villagers and paramilitary forces, whose presence would sometimes inflame tensions.

The law also aims to add greater procedural protections for citizens, prohibiting illegal searches, seizures and arbitrary detentions by the armed police and explicitly ordering them not to cover up crimes.

The People's Armed Police was established in 1982 as an internal security force to protect politicians, infrastructure and resources and has about 680,000 members, according to the state-run Xinhua news agency. Over the years it has taken on a broader range of duties. It has also been involved in disaster-relief efforts and in missions such as protecting the Olympic torch during last year's world-wide relay.

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The New York Times  
August 11, 2009

American Graduates Finding Jobs in China

By HANNAH SELIGSON

BEIJING – Shanghai and Beijing are becoming new lands of opportunity for recent American college graduates who face unemployment nearing double digits at home.

Even those with limited or no knowledge of Chinese are heeding the call. They are lured by China's surging economy, the lower cost of living and a chance to bypass some of the dues-paying that is common to first jobs in the United States.

"I've seen a surge of young people coming to work in China over the last few years," said Jack Perkowski, founder of Asimco Technologies, one of the largest automotive parts companies in China.

"When I came over to China in 1994, that was the first wave of Americans coming to China," he said. "These young people are part of this big second wave."

One of those in the latest wave is Joshua Arjuna Stephens, who graduated from Wesleyan University in 2007 with a bachelor's degree in American studies. Two years ago, he decided to take a temporary summer position in Shanghai with China Prep, an educational travel company.

"I didn't know anything about China," said Mr. Stephens, who worked on market research and program development. "People thought I was nuts to go not speaking the language, but I wanted to do something off the beaten track."

Two years later, after stints in the nonprofit sector and at a large public relations firm in Beijing, he is highly proficient in Mandarin and works as a manager for XPD Media, a social media company based in Beijing that makes online games.

Jonathan Woetzel, a partner with McKinsey & Company in Shanghai who has lived in China since the mid-1980s, says that compared with just a few years ago, he was seeing more young Americans arriving in China to be part of an entrepreneurial boom. "There's a lot of experimentation going on in China right now, particularly in the energy sphere, and when people are young they are willing to come and try something new," he said.

And the Chinese economy is more hospitable for both entrepreneurs and job seekers, with a gross domestic product that rose 7.9 percent in the most recent quarter compared with the period a year earlier. Unemployment in urban areas is 4.3 percent, according to government data.

Grace Hsieh, president of the Yale Club in Beijing and a 2007 graduate, says she has seen a rise in the number of Yale graduates who have come to work in Beijing since she arrived in China two years ago. She is working as an account executive in Beijing for Hill & Knowlton, the public relations company.

Sarabeth Berman, a 2006 graduate of Barnard College with a major in urban

studies, initially arrived in Beijing at the age of 23 to take a job that would have been difficult for a person her age to land in the United States: program director at BeijingDance/LDTX, the first modern dance company in China to be founded independently of the government.

Ms. Berman said she was hired for her familiarity with Western modern dance rather than a knowledge of China. "Despite my lack of language skills and the fact that I had no experience working in China, I was given the opportunity to manage the touring, international projects, and produce and program our annual Beijing Dance Festival."

After two years of living and working in China, Ms. Berman is proficient in Mandarin. She travels throughout China, Europe and the United States with the dance company.

Willy Tsao, the artistic director of BeijingDance/LDTX, said he had hired Ms. Berman because of her ability to make connections beyond China. "I needed someone who was capable of communicating with the Western world."

Another dynamic in the hiring process, Mr. Tsao says, is that Westerners can often bring skills that are harder to find among the Chinese.

"Sarabeth is always taking initiative and thinking what we can do," he said, "while I think the more standard Chinese approach is to take orders." He says the difference is rooted in the educational system. "In Chinese schools students are encouraged to be quiet and less outspoken; it fosters a culture of listening more than initiating."

Mr. Perkowski, who spent almost 20 years on Wall Street before heading to China, says many Chinese companies are looking to hire native English speakers to help them navigate the American market.

"I'm working with a company right now that wants me to help them find young American professionals who can be their liaisons to the U.S.," he said. "They want people who understand the social and cultural nuances of the West."

Mr. Perkowski's latest venture, JFP Holdings, a merchant bank based in Beijing, has not posted any job openings, but has received more than 60 résumés; a third are from young people in the United States who want to come work in China, he said.

Mick Zomnir, 20, a soon-to-be junior at the Massachusetts Institute of Technology, is working as a summer intern for JFP. "As things have gotten more difficult in the U.S., I started to think about opportunities elsewhere," he said. He does not speak Chinese but says he will begin studying Mandarin when he returns to M.I.T. in the fall.

A big draw of working in China, many young people say, is that they feel it allows them to skip a rung or two on the career ladder.

Ms. Berman said: "There is no doubt that China is an awesome place to jump-start your career. Back in the U.S., I would be intern No. 3 at some

company or selling tickets at Lincoln Center.”

For others, like Jason Misium, 23, China has solved the cash flow problem of starting a business. After graduating with a degree in biology from Harvard in 2008, Mr. Misium came to China to study the language. Then, with a friend, Matthew Young, he started Sophos Academic Group, an academic consulting firm that works with Chinese students who want to study in the United States.

“It’s China’s fault that I’m still here,” he said. “It’s just so cheap to start a business.” It cost him the equivalent of \$12,000, which he had in savings, he said.

Among many young Americans, the China exit strategy is a common topic of conversation. Mr. Stephens, Ms. Berman and Mr. Misium all said they were planning to return to the United States eventually.

Mr. Woetzel of McKinsey said work experience in China was not an automatic ticket to a great job back home. He said it was not a marker in the same way an Ivy League education: “The mere fact of just showing up and working in China and speaking Chinese is not enough.”

That said, Mr. Woetzel added, someone who has been able to make a mark in China is a valuable hire.

“At McKinsey, we are looking for people who have demonstrated leadership,” he said, “and working in a context like China builds character, requires you to be a lot more entrepreneurial and forces you to innovate.”

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Story from BBC NEWS:

<http://news.bbc.co.uk/go/pr/fr/-/2/hi/business/8244599.stm>

Published: 2009/09/08 23:15:22 GMT

China's workers return to cities

By Rob Young  
BBC News, Changsha, China

Chu Ching-Hu is one of an estimated 20 million migrants who gave up on life in the city earlier this year when China was battered by economic storms from the West.

“ The Chinese migrant worker is really at the bottom of the world supply chain and they are the guys who can be easily expended ”  
Professor Kam Wing Chan

But it seems that pattern of migration is reversing as China's economy begins to pick up.

He had been working as a waiter in a city hotel in the south, but the 30-

year-old had to return to his home village in central China.

Now, as the world economy picks up and China's economic growth touches 8%, Chu Ching-Hu is heading to Guangdong province to work in a pottery factory.

He is just one of the millions of migrant workers in the country who lost their job amid the global economic downturn. The crash forced these workers out of the coastal cities they had been working in to return to the countryside.

Long journey

Sitting in a vast, humid waiting room in a railway station in Changsha in Hunan province, he explains why he has decided to return to the city again.

BBC AFTERSHOCK SEASON

# The BBC reports on the first anniversary of the credit crunch across radio, TV, and online. Read how former Fed chief Alan Greenspan believes the

"In our local area there are no factories. We live in the countryside where there is no money and we need to travel a long way to get any work."

He is indeed on a long journey. He left Jiangxi province at 8am. He will finally arrive in Guangdong at the same time the following morning. He is waiting in Changsha for the overnight train to the south and what he hopes will be a better life for him and his relatives.

"My family is back in the village. For family expenses we need to send money back home from working away. It will mean my parents can have easier lives and there will be better conditions for my kids."

Getting better

He is making this mammoth journey with Gan Lei Chun who is taking Chu Ching-Hu and two others to work in his son's factory making chinaware.

Sitting among the boxes that contain some of the migrants' possessions, he says the family business has been affected by the recession in their Western markets, but says that things are looking up.

"Some foreign buyers had paid deposits for their orders, but when it came to it they couldn't afford to pay the rest of the price. But recently the economy has started to improve. Business is going to get better."

The government in Beijing says 95% of the migrants who made the long journey back to the countryside are now back in the cities, either working or looking for work.

It has been estimated by Western academics that about 10 million of them cannot find jobs.

But a recent study has suggested that even those who are lucky enough to

get a job are being employed for fewer hours and are being paid less.

"The Chinese migrant worker is really at the bottom of the world supply chain and they are the guys who can be easily expended," says Professor Kam Wing Chan, an expert on China's internal migration at Washington University in Seattle.

Casual labour

Liu Zhao Xiang is one of dozens of men who are hanging around under a motorway bridge in the centre of Changsha.

" It's harder to get work this year because there are too many workers "

Liu Zhao Xiang

All are dressed in the clothes of their trade and some have even brought their pneumatic drills with them. Others have small, painted signs by their feet, listing their skills.

Liu Zhao Xiang was paid the equivalent of \$10 (£6) the previous day to knock down a wall, but he has been hanging around in this casual labour market for hours now and he has not seen a single potential employer.

Among the car fumes and honking car horns, this 55-year-old man with a lifetime of hard work etched on his face says things are tough.

"It's harder to get work this year because there are too many workers."

It seems surprising these construction workers cannot find a day's pay here. Changsha, like every other city in China, seems to be a huge building site. The central government's massive economic stimulus plan means new roads, railways and clinics are being built all over China.

'I just cried'

Someone who is benefitting from the government's spending binge is 22-year-old Tan Mei, who came back to her family in Jiuhua, a few kilometres from Changsha, earlier this year.

She had been working in a factory making parts for mobile phones.

"My family's financial position was not good so I had to get work to support them. I missed my family and my home so much, I just cried," she says.

"But the factories were hit by the economic crisis and they didn't need so many workers."

She has managed to get a place on a government-funded training course, learning how to assemble parts at a local DVD factory.

The factory boss says that if Tan Mei passes the course, there is a good chance she will get a job there.

'Wise policy'

The man who oversees the training is Wu Anguo, the head of the Social Affairs Bureau in Jiuhua.

"Many people lost the income they need to survive," he says.

"The Chinese government encourages training for those who've lost their jobs and offers subsidies to pay for the training programmes. It is a wise policy."

But the future for China's estimated 150-million migrant workers is far from certain.

Many of the jobs have been created thanks to government spending programmes. They will not last forever, even if the level of spending is increased in the short term.

The migrants' desire for a city job and a better life is understandable and is also encouraged by the government.

But whether they will have enough factories, hotels and building sites to work in depends to a large extent on whether consumers in developed countries start buying Chinese-made goods.

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Times Online  
August 6, 2009

China's looming problem: how to look after its millions of old people  
By 2050, a quarter of China's population, or about 320 million people, will be over 65

Jane Macartney in Beijing

China's economic miracle of the last decade has amazed the world. Now many wonder whether the Chinese can help to lead the world out of recession. But China has a huge looming problem of its own: it will be the first country to grow old before it grows rich.

Its enormous population is ageing rapidly. By 2050 about one quarter of all Chinese will be aged over 65. This is one of the consequences of the country's three-decade-old "one couple, one child" family planning policy.

This puts China in a bind. With a population of 1.3 billion – the world's largest – and one that is set to peak at 1.46 billion in 2026, the authorities cannot afford to relax their tough birth control policies. But without more younger people who is going to support the hundreds of millions of elderly? The percentage of elderly is projected to triple from 8 per cent to 24 per cent between 2006 and 2050. That means about 320

million old people.

Officials are already talking anxiously about the 4-2-1 phenomenon. It is almost certain now that China's generation of only children will find themselves as adults trying to support two retired parents and four ageing, and possibly ailing, grandparents. How are those costs to be borne?

More births would certainly be one way to reduce the burden. But the possibility that the Communist Party will back away from its "one child" system is virtually negligible. The authorities take considerable pride in a policy that they say has prevented at least 400 million births. But they are also well aware of some of the unanticipated shortcomings of regulations aimed at reversing the population explosion nurtured by the Chairman Mao in the 1960s in his enthusiasm to defeat potential invaders with human wave warfare.

After all, the greying of the population has been accompanied by a more masculine population. A serious gender imbalance has emerged in a society where sons – alone able to carry on the family line in a country where ancestry is treasured – now outnumber daughters by a ratio of 120 to 100. The normal ratio would be about 106 male births for every 100 female.

Such factors are putting pressure on the authorities to make exceptions and introduce relaxations. They long gave up the unequal battle to limit farmers – reliant on a son's labour – to one child, allowing them to have another if the first is a girl. Many ethnic minorities, such as Tibetans or Uighurs in the far West are allowed at least three and in practice officials just turn a blind eye to far larger families.

The booming financial metropolis of Shanghai stunned the public last month when it announced that it was encouraging couples eligible to have a second child to do just that. It has been several years since China gradually introduced a special dispensation whereby it allowed couples who are both only children to have two babies. The aim was to lift fertility rates from a disturbing low of 1.7 to 1.8 by 2010. A rate of 2.1 is necessary for population maintenance.

Officials have reason to wonder whether reminding couples they are allowed a second child will have any impact. A Shanghai survey from among those eligible found only 18.5 per cent would want a second baby while 59.5 per cent would pass up the opportunity and 22 per cent were not sure.

Beijing and the southern city of Guangzhou began encouraging eligible couples to have a second child in 2006. The only province where the practice remains banned is central Henan, the most populous with more than 99 million people. It is especially necessary in cities such as Shanghai where the number of over-60s already exceeds three million, or 21.6 per cent of the population – already far above the national average.

Put off by the cost of a second child – not to mention the inroads into their leisure time – many younger couples are choosing to have only one child and the trend is particularly evident in cities where the cost of living is higher and residents enjoy a lifestyle unimaginable among their

parents' generation.

The furore that accompanied the announcement has sent Shanghai officials running scared. They are anxious that their encouragement not be seen as a policy change and have removed the report from government web sites. But they still say that couples will be encouraged because the generation of only children is reaching child-bearing age.

Just this week the government introduced a pilot pension scheme for its 900 million farmers – a move that could ease the financial burden on their children and also discourage larger families. Currently there is no welfare in place for elderly farmers, unlike urban residents whose jobs generally make them eligible for at least some small pension.

Pressure on the “one-child” policy will remain relentless – from farmers eager for more offspring to work their fields and from the elderly who fear there will be no one to care for them in old age. As Toshiko Kaneda, a Japanese analyst, wrote: “Unlike developed countries where economic development preceded population ageing, China faces the massive demands of population ageing at one of the fastest rates ever and while its economy is still not fully developed – hence without the funds necessary to address the demands.”

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