

# CHINA BALANCE SHEET

## POPULATION & DEMOGRAPHICS

The direction that China and U.S.-China relations take will define the world's future. For the United States, a rising China increasingly affects American prosperity and security, calling for some clear-eyed thinking and tough economic, political, and security choices. As the twenty-first century unfurls, the stakes have never been higher for getting U.S. policy toward China right. By untangling the complex, sometimes contradictory, strands of this vast and dynamic country, *China: The Balance Sheet* lays the foundation for informed and effective U.S. policy toward China, the world's emerging superpower.

### BACKGROUND

- China's population of 1.3 billion is an implacable burden for the country's political, social, and economic development. **Keeping such a sizable population fed, clothed, sheltered, and generally satisfied consumes enormous resources.**
- Beyond the sheer enormity of China's populace, certain other population and demographic trends, such as **internal migration, aging, and a skewed gender ratio, have a multiplier effect in exacerbating China's host of socioeconomic challenges.**

### CURRENT SITUATION

- China's National Bureau of Statistics reported that the country's population grew by nearly 7 million people in 2006, reaching 1,314,480,000 at the end of 2006. China is home to 20 percent of the world's population.
- China's National Population and Family Planning Commission reported that the number of **internal migrants increased from about 53.5 million in 1995 to more than 140 million in 2004 and would continue to grow for the near term.**
- **Migrant workers today account for 20 percent of China's working-age population** (15–64 years old). Yet, according to the United Nations' projections, China's working-age population will peak around the year 2015 and then start shrinking.
- Despite the fact that only 11 percent of China's present population is over 60, the United Nations projects that **the proportion of elderly will increase to about 28 percent in 2040, by which time more than a quarter of the world's elderly population will live in China.**

For further information, see Chapter 3:

“China's Domestic Transformation: Democratization or Disorder?”

*China: The Balance Sheet: What the World Needs to Know Now about the Emerging Superpower*

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# POPULATION AND DEMOGRAPHICS

- Males account for 51.5 percent of the Chinese population. The ratio of newborn males to females was 119.25 to 100 in 2006, **whereas the global norm at birth is 105 boys to 100 girls.** The skewed gender ratio results from the one-child policy, the traditional preference for a male child, advances in sonogram technology to determine the sex of a fetus, and widespread availability of abortion in China (sex-selective abortion is illegal in China, but occurs nonetheless).

## IMPLICATIONS

- Rural-to-urban migration is a double-edged sword for China. Migration enables surplus rural labor to find urban jobs and accumulate savings, and areas that employ migrant workers benefit from a ready supply of cheap labor. However, large-scale migration rapidly increases the rate of urbanization in China. **In January 2006, the State Council, recognizing emerging challenges, passed new guidelines on the protection of rural migrant workers' rights, including timely wage payment and provision of education to their children.**
- China has yet to develop a successful and well-funded pension system, and hence the great majority of Chinese continue to rely on the traditional form of old-age insurance: **children.** Ten years from now, as China's baby boomers begin to retire, the first single-child generation will assume the burden of caring for the elderly.
- In terms of absolute numbers, with 134 million people above the age of 60, **China already has the world's largest elderly population.** That figure is likely to hit about 397 million by mid-century.
- **Because of the skewed male to female ratio, experts estimate that China will be home to as many as 30 million single men by 2020.** This surplus male population could result in an increase in crime, the sex trade, and bride trafficking—and, potentially, could further complicate adequate provision of elder care in a society where daughters-in-law are typically relied on to take that responsibility.

*Vast migrant worker "towns" are springing up on the edges of major cities where China's domestic challenges come together in microcosm: a weakening social safety net; environmental, health, and sanitation troubles; poverty; and rising levels of disaffection.*

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*"Unlike in the West and other developed economies, China will grow "old" before it becomes "rich."  
—Richard Jackson and Neil Howe, *The Graying of the Middle Kingdom: The Demographics and Economics of Retirement Policy in China*, April 2004*

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*China faces the starkest gender imbalance in the world. The increasing surplus of bachelors is potentially a source of social stress—for example, it could fuel the sex trade and the trafficking in brides from other Asian countries.*