



## Demographic Profiles : China

### Demographic Profile China Part 5: Outlook

**Looking ahead to 2050, China may regret its longstanding one-child policy. In a rapidly aging society, not having enough children to support the elderly might become the real problem.**



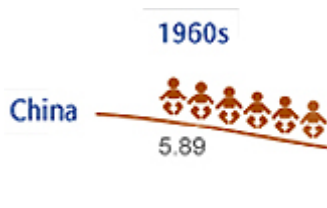
A elderly woman learns how to swing at a playground in Beijing. By 2050, the number of people over the age of 80 will be more than 80 million, seven times the present figure (Photo: Reuters)

Three decades after the one-child policy was introduced, urban China is haunted by the "4-2-1 problem" – one adult has to care for two parents and four grandparents. This dilemma illustrates a radically altered population profile.

By mid-century, China's population will shrink by as many as four million people a year after having peaked at around 1.5 billion around 2035, according to the United Nations. Less than two thirds of the population will be of working age, compared to nearly three quarters today. And more than 20 percent of the population will be over 65 years old, almost triple the proportion today.

Life expectancy is estimated to reach 80 years compared to 73 years now, while the fertility rate will probably remain below replacement level. Consequently, in 2050, for every 100 working-age Chinese, there will be about 60 elderly Chinese to take care of, compared to less than 20 in 2008.

Investment bank Goldman Sachs warns that this sharp rise in the old-age dependency ratio will occur "at lower levels of per-capita income than in other countries," making China's economy and society especially vulnerable.



**Infographic (click on the image to enlarge)**

A five-country comparison, including China, of the average number of children per woman (Graphic: Allianz)

This growing elderly population will suffer from increased chronic disease and disability. The spread of middle-class lifestyles and improved living standards are expected to increase the population's exposure to smoking, unhealthy diets, and lack of physical activity. Meeting the needs of the elderly will result in soaring health care costs to be borne by a shrinking working-age population that will have left the aging countryside for China's cities.

"China faces a grim situation with an imperfect rural pension system and the mass migration of young people to cities," concludes the National Population Development Strategy Research Report published by the Chinese government in January 2007.

### **Urbanization and migration**

China is on the move. Over 70 percent of Chinese are expected to be living in cities by 2050, compared to less than half in 2005. But this mass movement also brings advantages. With low birth rates, China's cities need a steady influx of workers to fill the gaps in their aging labor forces. Meanwhile, China's rural workers need jobs.

The balance is delicate. China's manufacturing economy has to create millions of jobs to avoid social unrest. At the same time, growing cities have to be developed in an orderly, sustainable way. In 2007, Beijing city officials complained that migration was stretching the capital's infrastructure to its limits.

The green city of Dongtan near Shanghai is meant to usher in a new era of sustainable urban development. According to its architects, the city will ban cars, recycle virtually everything, produce its own food, and generate its own energy. But Dongtan, with its planned capacity of some 50,000 inhabitants, could be a drop in a huge bucket.

China is stepping up its efforts to move Han Chinese to work in ethnic minority provinces such as Tibet and Xinjiang, running new oil and gas installations and state-owned farms in China's "Wild West." This has heightened tensions with local populations that resent losing jobs, land, and water to outsiders.

In the future, these expanding minority populations will compete with increasing numbers of Han migrants. Protests against Beijing's efforts to suppress native cultures and religions have also made international headlines.

One thing that could improve China's demographic prospects, says Goldman Sachs, would be further easing of its population control policies. The World Bank suggests allowing each woman aged 35 and over to have two children beginning in 2010, followed by an annual lowering of the 35-year age limit by one year. This could sustain China's population growth and improve the nation's population structure. Other China watchers speculate that the Chinese government may soon ditch its one-child policy entirely.

editor: James Tulloch

publishing date: August 25, 2008

Part 1: People Power

Part 2: Fact Sheet

Part 3: Trends and Impacts

Part 4: Government Policies

**Part 5: Outlook**

Part 6: One Nation, One Child?

Part 7: China Feels Its Age

Part 8: The Rural Revolution

### Comments

[See all comments \(0\)](#)

[Post comment](#)

© Allianz 2007, All Rights Reserved