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Shaomin Li Old Dominion University, sli@odu.edu

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Repository Citation

Li, Shaomin, "From Heresy to Policy: My Prescription for China's Population Policy 25 Years Ago" (2014). *Management Faculty Publications*. 24. https://digitalcommons.odu.edu/management_fac_pubs/24

Original Publication Citation

Li, S. (2014). From heresy to policy: My prescription for China's population policy 25 years ago. *Modern China Studies*, 21(2), 203-208.

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From Heresy to Policy: My Prescription for China's Population Policy 25 Years Ago

Shaomin Li

Old Dominion University

Abstract: Recently scholars have been calling for the loosening up of China's one-child policy, and even the Chinese government has begun to show some willingness to do so. The call is not new. In my doctoral dissertation 25 years ago I first showed that China should allow couples to have two children and could still achieve the same population control goal as the one-child policy. I am glad to see that what I proposed 25 years ago is repeated by many scholars and even acceptable to the Chinese government.

Keywords: China's population control, one-child policy, cohort fertility rate, period fertility rate

从异端邪说到可行政策:

25年前我对于中国人口政策的建议

李少民

美国欧道明大学

摘要:最近许多学者呼吁中国政府放松一胎化政策,而且中国政 府也开始表示愿意放松这一政策。这些呼吁并不新,我在25年所 写的博士论文,就已经指出一胎化的弊端并设计了可以达到和一 胎化有同样控制人口数量、但容许生两胎更加人道的政策。令人 欣慰的是我当年根据研究所提出的政策思路,现在可以实行了。

关键词:中国人口控制、一胎化政策、终身生育率、时期生育率

A quarter of a century ago in 1988, China's one-child policy was in full swing and some side-effects had begun to show. Concerned about it, I wrote my doctoral dissertation examining this policy under the guidance of late Professors AnsleyCoale and Norman Ryder at Princeton, both finding fathers of demography as a scientific study.¹ I was among the first to point out themajor flaws of the policy, and my view then was regarded as quite heretic: I proposed an alternative twochild policy that could achieve the same population control goal as the one-child policy. Needless to say, the Chinese government did not listen to me, and many of the social problems associated with the policy we worried then have become full-grown bitter fruits in China by now, which has triggered a hot debate among China scholars on whether China should keep or abandon the (infamous) one-child policy.

Twenty five years later, my research interests have wandered from demography to international political economy. But amid the debate, I found that the findings and policy recommendations in my dissertation is still relevant and worth to be re-capped.

First, I found that there is no empirical evidence that links population size or growth with poverty. The very assumption of the one-child policy, namely, that high birth rate will lead to lower economic growth, is not true. In fact China's own experience does not support such claim. From 1950 to 1979, the average number of children

¹ Shaomin Li, 1988, *China's Population Policy: A Model of a Constant Stream of Births*. Doctoral Dissertation, Princeton University.Shaomin Li, 1989, "China's population policy: a model of a constant stream of births." *Population Research and Policy Review*, 8, 279-300.Shaomin Li, 1989, "China's population control and socio-economic reforms: The Chinese dilemma." *China Report*, 25(3), 219-235.

per woman in China experienced one of the most drastic reductions in human history: from 5.8 to 2.7 per woman. However, this rapid decline in birth rate did not help the Chinese economy to grow at all; under Mao's communist economic policy, by the late 1970s, the Chinese economy was on the verge of a total collapse. The real economic growth took place after Mao's death and China started the economic reform. For example, from 1979 to 2007, the Chinese economy grew about 10% annually, or 1512% overall, while average number of child per woman only declined a mere 1% per year, or 37% overall. Rapid population growth may make a poor country poorer by increasing the dependency ratio temporarily, but population growth itself is not the root cause of poor economic performance. The root cause of China's poverty under Mao is the centrally-controlled economic policy that stifles productivity growth and innovation. The major driver of China's economic miracle is the creativity and individual initiative of the vast labor force released by the economic reform.

Second, realizing it is highly unlikely to persuade an authoritarian government such as China's to relinquish its grip on individual's right to have children, I then explored a more politically feasible and potentially humane birth control policy that allows more individual freedom while maintaining the numerical goal of the government's birth control. Birth rate can be viewed from a *period* or *cohort* perspective. If we follow women in a specific age group throughout their lifetime and record the number of children they have, we will get a *cohort fertility rate*; alternatively, we can record the number of children born by women of all ages in a given time, such as a year, and obtain the *period fertility rate*. A birth control policy such as China's is only

concerned with the period fertility rate, namely, how many babies are born per year. However, it is the cohort fertility rate, namely, the number of children a woman has during her lifetime, that is the most important for women. Intuitively, it is easy to understand that if all women postpone their first birth and keep a longer interval between births, the period fertility rate will be lower than otherwise. I developed a mathematical model to explore the implications of this policy in my dissertation. In general, the model reveals that it is not necessary to reduce cohort fertility (as the current on-child policy does) in order to lower the period fertility rate (which is the goal of the government); the latter can be achieved by gradually raising the average age of childbearing while keeping cohort fertility at a higher level, such as two children per woman (The logic here is the same as the U.S. Social Security pension's gradually raising the retirement age without reducing the pension amount). In the simulation I did for my dissertation, I allowed every woman to have two children provided that the average age of children bearing gradually rises for four years over a 20 year time span, the total annual births would remain the same as a stringent one-child policy! In other words, the government can still achieve its population control goal while increasing the citizens' fertility freedom by 100%!

In hindsight, the average age of childbearing rose from 26 to 27 from 1994 to 2006 in China, which is consistent with what my simulation modelprojected and with the historical trend documented by other newly developed countries. Thus, if the government changes its one-child policy to a two-child policy and encourages couples to slightly postpone the first birth and keep a slightly longer interval

between births, it will achieve the same population control goal as the one-child policy. The new policy is not only much more humane, but also corrects the upside down pyramid age structure of the Chinese population resulted from the one-child policy (i.e., four grandparents, two parents, one child), not to mention that it will also mitigate the social psychological issues associety full of the "little emperors."

The socioeconomic problems caused by the one-child policy seem to have been foreseen by Thomas Malthus who first raised the overpopulation concern some two hundred years ago but cautioned about making a deliberate policy to correct it when he said: "prudence cannot be enforced by laws without a great violation of natural liberty and a great risk of producing more evil than good."²

It is time to relax the one-child policy and allow couples to have two children before more damage occurs from this disastrous social policy.

² T. R. Malthus, "A Summary View of the Principle of Population," in D.V. Glass (Ed.), *Introduction to Malthus* (London: Watts, 1953).

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