

(Discipline: Demography and Economics)

The Transitional Chinese Society

DESCRIPTION: China has been undergoing two exceedingly rapid transformations in the past half a century: a demographic transition with dramatic decrease in fertility and mortality, and an economic transition from a planned economy to a market economy. The compressed demographic transition has sent China to become a country with a low population growth rate and the largest elderly population, and unprecedented economic reform has lifted China to the ranks of middle-income countries. The demographic and economic transitions are not independent of each other, they are closely connected instead. Thus, this course not only introduces various demographic events and socio-economic reforms, but also explores the linkages between population change and socio-economic development. We raise a series of questions: What are social and economic implications of one-child policy? How will China's imbalanced sex ratio at birth influence the marriage market? Will China lose the competitive edge in labor-intensive industry in the near future due to low fertility rates? What's the impact of population aging on social security reform? How can China accommodate the expanding elderly population in the context of frequent migration of young people? Investigations into these questions may provide students with a deeper understanding on China's contemporary society.

CREDIT HOURS: 2 hours.

INSTRUCTORS: Assistant Professor SHEN Ke

PREREQUISITES: None.

METHOD OF PRESENTATION: The lectures consist of a solo presentation by the instructor, group discussions and student oral presentations. We also arrange 1-2 documentaries to give students vivid impressions on Chinese society. Occasionally, experts on specific topics will be invited to the lecture.

ADDITIONAL COSTS: No.

LANGUAGE OF PRESENTATION: English.

LEARNING OUTCOMES:

By the end of the semester, students will be able to:

- Describe the pattern of China's demographic transitions
- Evaluate China's population policies
- Analyze major socio-economic reforms in China
- Explore the impact of population changes on China's socio-economic development
- Compare China's demographic and economic transitions with their own countries
- Strengthen self-confidence and skills in oral presentation
- Construct an integral evidence-based research paper

REQUIRED WORK AND ASSESSMENT:

Students are expected to read the reading materials before class and to be actively involved in group discussions in class. Two lectures are set aside for student oral presentations. Enrolled students should select a topic regarding demographic and economic transitions in their own country, and make a presentation in class. At the end of the semester, student ought to hand in a 3000-word final paper, based on their oral presentation. The final project is an academic research paper, consisting of introduction, literature review, findings and conclusion.

Assessment of students' performance in this course includes:

- 1) Class participation (In-class discussions): 20%
- 2) Oral presentation: 30%
- 3) Final-term paper: 50%

CONTENT:

Lecture 1: Demographic and economic profiles in China

This session serves as an introduction to the course. It will describe the population size, structure and distributions, as well as major economic indicators in China.

LECTURE 2: Fertility Transitions in China

Students are expected to learn how and why China's fertility transits from a very high level to a low level. This session focuses on China's fertility trend and the consequences of low fertility on China's future development.

LECTURE 3: Fertility Policies in China

This session reviews the evolution of China's fertility policy, regional differentials in fertility policy, and socio-economic implications of the One-child Policy.

LECTURE 4: Mortality Transitions and Population aging in China

This session focuses on mortality transitions in terms of decline in mortality and increase in life expectancy. We also discuss how China faces the challenge of rapid population aging.

LECTURE 5: Migration and Urbanization in China

China's urban population has experienced dramatic increase in recent decades. This session focuses on the *Hukou* system, urbanization policies, as well as the status of enlarging rural migrant workers.

LECTURE 6: Evolution of Chinese Marriage Market

This session focuses on two characteristics of China's marriage market: universality of marriage and marriage postponement. It also sheds light on the marriage squeeze phenomenon resulting from imbalanced sex ratio at birth.

LECTURE 7: Dynamics of Household Structure

China's traditional inter-generational household has been transiting towards nuclear families. This session displays the changes in living arrangement, and discusses the consequences of different living arrangements on elderly care and elderly health.

LECTURE 8: Student Presentation

LECTURE 9: Education Reforms in China

This session introduces two major education reforms in China, dramatic expansion of tertiary education since 1999 and tuition waiver of compulsory education since 2005. We also discuss the social and economic implications of these two reforms.

LECTURE 10: Lewis Turning Point in China's Labor Market

There's hot debate on whether China has approached the Lewis turning point, namely, China has running out of its rural surplus labor. This session would list various evidences to explore this issue.

LECTURE 11: Minimum Wage Regulation and Employment

China established universal minimum wage regulations since 2004. This session reviews how the minimum wage increases in response to the labor shortage in the Eastern provinces.

LECTURE 12: Income Disparity and Social Inequality

Increasing income disparity has been of great concern accompanying with China's rapid economic development. This session will explore the reasons, consequences and cures for income disparities.

LECTURE 13: China's Social security reform

Population aging has raised concerns on the long-term financial stability of social security systems. This session will review the development of China's social security system, paying particular attention to the new rural cooperative medical system and new rural pension system.

LECTURE 14: Demographic Dividend and Economic Growth

This session introduces how China's past economic miracle was partly due to the demographic dividend. With the diminishing demographic dividend, we explore further institutional reforms to maintain the high speed economic growth in China.

LECTURE 15: Student Presentation

REQUIRED READINGS:

- Cai, F. "Demographic transition, demographic dividend, and Lewis turning point in China," *China Economic Journal*, Vol. 3, No. 2 (2010), 107-119.
- Cai, F. and Wang, M. "A counterfactual analysis on unlimited surplus labor in rural China." *China & World Economy*, Vol. 16, No. 1 (2008), 51-65.
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- Du, Y. and Pan, W. "Minimum wage regulation in China and its applications to migrant workers in the urban labor market." *China & World Economy*, Vol. 17, No. 2 (2009), 79-93.
- Eggleston, K., Li, L., Meng, Q., et al. "Health service delivery in China: a literature review." *Health Economics*, Vol. 17 (2008), 149-165.
- Giles, J., Park, A. and Zhang, J. "What is China's true unemployment rate?" *China Economic Review*, Vol. 16 (2005), 149-170.

- Gu, B., Wang, F., Guo, Z. and Zhang, E. "China's Local and National Fertility Policies at the End of the Twentieth Century." Population and Development Review, Vol. 33, No. 1 (2007), 129-147.
- Li, F., Morgan, W.J., Ding, X. "The expansion of higher education, employment and over-education in China." International Journal of Education Development, Vol. 28 (2008), 687-697.
- Liu, J., Chen, G., Chi, I., et al. "Regional variations in and correlates of disability-free life expectancy among older adults in China." BMC Public Health, Vol. 10 (2010), 446-453.
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- Peng, X., Guo, X., and Han, X. "Future prospects for population development in Shanghai: a population carrying capacity analysis." Asian Population Studies, Vol. 3, No. 1 (2005), 261-281.
- Wagstaff, A., Yip, W., Lindelow, M., and Hsiao, W.C. "China's health system and its reform: a review of recent studies." Health Economics, Vol. 18 (2009), S7-S23.
- Wang, D. "China's urban and rural old age security system: challenges and opinions." China & World Economy, Vol. 14, No. 1 (2006), 102-116.
- Wang, F. "The future of a demographic over-achiever: long-term implications of the demographic transition in China." Population and Development Review, Vol. S37 (2011), 173-190.
- Wang, Q. and Zhou, Q. "China's divorce and remarriage rates: trends and regional disparities." Journal of Divorce & Remarriage, Vol. 51, No. 4 (2010), 257-267.
- Weeks, J.R. Population: An Introduction to Concepts and Issues (10th Edition). Belmont, California: Wadsworth Publishing Company, 2008.
- Wong, D.F.K., Li, C.Y., and Song, H.X. "Rural migrant workers in urban China: living a marginalized life." International Journal of Social Welfare, Vol. 16 (2007), 32-40.
- Zhang, J., Han, J., Liu, P., et al. "Trends in the gender earnings differential in urban China, 1988-2004." Industrial and Labor Relations Review, Vol. 61, No. 2 (2008), 224-243.
- Zhao, Z. "Income inequality, unequal health care access and mortality in China." Population and Development Review, Vol. 32, No. 3 (2006), 461-483.
- Zeng, Y. "Challenges of population aging in China." China Economic Journal, Vol. 2, No. 3 (2009), 277-283.

RECOMMENDED READINGS:

- Chang, G.H. "The cause and cure of China's widening income disparity." China Economic Review, Vol. 13 (2002), 335-340.
- Chen, F. and Liu, G. "Population aging in China," in International Handbook of Population Aging. Ed. P. Uhlenberg. Springer Science + Business Media B.V., 2009. Pp. 157-172.
- Chen, J. "Rapid urbanization in China: a real challenge to soil protection and food security." Catena, Vol. 69 (2007), 1-15.
- Lewis, W.A. "Economic Development with unlimited supplies of labor." Manchester School of Economic and Social Studies, Vol. 22 (1954), 139-191.
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- Wang, F. "Can China Afford to Continue Its One-child Policy." Asia Pacific Issues, Vol. 77 (2005), 1-12.
- Yip, W., Wagstaff, A., and Hsial, W.C. "Economic analysis of China's health care system: turning a new page." Health Economics, Vol. 18 (2009), S3-S6.
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- Zeng, Y., Wang, Z., Jiang, L., and Gu, D. "Future trend of family households and elderly living arrangement in China." GENUS, Vol. LXIV, No. 1-2 (2008), 9-36.
- Zimmer, Z. and Kwong, J. "Family Size and Support of Older Adults in Urban and Rural China: Current Effects and Future Implications." Demography, Vol. 40, No. 1 (2003), 23-44.

INSTRUCTOR BIOGRAPHIES:

Ke SHEN is an assistant professor at the Institute of Population Research, School of Social Development and Public Policy at Fudan University. She received her Bachelor's Degree in literature at Peking University in 2004, and received her Ph.D. Degree in Economics at Peking University in 2011. Her Ph.D. dissertation was awarded as the "Excellent Dissertation of Peking University." Dr. Shen has a wide coverage of research interest, including population aging, fertility policies, social security system, and China's labor market. She has published several demographic and economic papers in international and domestic journals. She has been the reviewer of *China Economic Quarterly* and *Geriatric Nursing*.