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# The unsustainable policy choice: China's dilemma of rapid population ageing

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## **Abstract**

Anyone following trends in international business and economics is aware of the rise of China as an economic giant. As a part of its development strategy China, in the late 1970s, adopted a strict birthing policy to curb population growth. This has resulted in China having become an ageing society. In this thesis a case study of China's political economy was used to try and explain in what way rapid population ageing will affect the country's ability to develop. The results show that overall China's development policies have not been considerate enough of their potential long term effect. Although ageing is only one of many interconnected challenges that China is currently facing it is clear that it can put serious strain on future development. The dependency ratio (the ratio of working people to each retiree) is falling and due to the primitive pension system and lack of structure to deal with old age care many senior citizens, especially in the rural areas are forced to live in abject poverty. Further threats of a population decline and with it a shrinking labour force are imminent.

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## **Foreword**

This paper could not possibly have been written without the support of a number of people. First I would like to thank my son for going amazingly well along with the idea of being moved across the Atlantic, far away from family and friends to accompany his mother in her studies and for showing wisdom and patience beyond his years when mommy time and time again was tied up in books or in front of the computer instead of playing with him. One day he will understand and hopefully be proud of his mother. Unlimited thanks to the rest of my beloved family, without whose moral support I might at times have been tempted to give up. Last but not least to my friends at the Kåmnärsvägen apartment complex for providing much needed fun and relaxation in between the busy and demanding academic schedule.

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Sigrun Hjartardóttir

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## **1. Introduction and research topic**

In the past half century, particularly since the economic reforms of 1978 China's economy has grown by huge increments. It has gone from being a relatively closed command economy to being increasingly open, dynamic and market friendly. For the people of China this opening up has brought about unprecedented changes. These changes have encroached on virtually all aspects of their lives from livelihoods to living arrangements to child-rearing and retirement. Nothing is the same as it was under Mao Tse-tung's strict rule.

There are very different views on China's, and in fact the whole of Asia's, modernization and (economic) development. Neo-liberal scholars of economics will argue that both have brought about prosperity and a higher standard of living for the peoples of the region. Post-developmentalists<sup>1</sup> however point to the dire costs at which 'development' has come. They feel it is to blame for worker exploitation, infringements on human rights, the undermining of local cultures, widening inequalities and environmental degradation.

As a part of reform, China adopted a very strict birth planning policy in the late 1970s. The policy, which soon became known as the One-Child policy (OCP) was very ambitious and basically decreed that reproduction, like any other commodity in the socialist economy, be planned by the state (White, 2003). The purpose was to curb population growth so as to secure China's development potential. As such the policy was successful and is believed to have prevented as many as 300 million births since it took effect (Greenhalgh, 2003). The irony is that due to the lack of social and indeed demographic consideration in the policy's engineering China is now among the fastest ageing societies in the world. A fact that today jeopardizes the attainment of the very goals the policy was set out to secure.

This study will argue that China's growth and development is unsustainable in the long run and that one of the major underlying causes for this is the country's chosen approach to development and the curbing of population growth.

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<sup>1</sup> Rigg (2003:38)

## **2. Purpose and research question**

The research question sought to answer in this thesis is:

*In what way will rapid population ageing affect China's ability to develop?*

Development can be related to a variety of perspectives. In the context of Asia economic, societal, democratic or political development are all issues of interest, worthy of scrutiny. This thesis will focus on development within the context of sustainability. The purpose is to examine how China's development measures up to notions of sustainable development. In doing that special attention will be given to the One-Child Policy and its role in the nation's rapid ageing.

My ambition is to highlight the need for the birth of a joint discourse on development and the sustainable version of it. To illustrate this I want to use the case of China as an example. My pre-supposition is that unless the Communist Party starts to amend its development policies to include considerations of sustainability; the country stands at risk of losing much of the valuable progress it has enjoyed in the reform era.

### **3. Outline**

The following section, Chapter 4, discusses the method employed in the thesis. Chapter 5 covers, in the briefest of terms, China's development path. It starts with a section on the gains and sacrifices of China's growth during reform and then moves on to address what the intended role of reform was, besides lifting China out of poverty. Finally Chapter 5 addresses the making of the One-Child Policy which will help set the stage for understanding the importance of the research question. Chapter 6 covers the conceptual framework which clarifies the terminology used in the thesis. Chapter 7 is a discussion on the theoretical framework that forms the basis for the analysis. It starts by addressing Rostow's classical stages-of-growth theory and in the process highlights the problems we would have applying that to the case of China. What follows is a discussion on the critique offered by the sustainability discourse and then the shortcomings scholars have had in addressing demographics and population studies within that framework. Chapter 8 then contains the analysis. Here the main problems with China's ageing situation are illustrated, scrutinized through the lense of the theoretical perspectives covered in Chapter 7. Finally Chapter 9 presents a summary of the main arguments as well as the author's final thoughts.

## 4. Method

This thesis employs an explanatory single-case study. According to Yin (2004) a criterion to determine the compatibility of a case study can be seen as follows:

“Case studies are the preferred strategy when “how” or “why” questions are being posed, when the investigator has little control over events, and when the focus is on a contemporary phenomenon within some real-life context.” (p 1)

The absence of fieldwork limits the choices of suitable methods. The case study method in fact suited the purpose so well that it was hard to motivate other choices. One way to go could have been to do a multiple or comparative study in lieu of focusing on a single case. A research problem in such a study could e.g. have focused on how population ageing affects countries at different stages of development differently.

However as the primary interest lies in China and development there it felt logical to stick to that particular case only. As Yin points out a single case study may be rationalized in instances where the case in question “... represents an extreme or unique case” (p.40). China is clearly such a unique case, one that warrants a study of its own. Doing a multiple or comparative study would also run the risk of being less focused. Focus is vital in a relatively short paper as this one. This is not to say that a comparative study as the one mentioned would not have been interesting and/or relevant.

Case studies have been criticized for not being rigorous enough when it comes to methodological considerations and thus their results have been accused of being biased and /or unreliable as well as lacking in ability to generalize about the topic (Yin, 2004:10-11). To elude or diminish the risk of this Yin greatly emphasizes the importance of the research design defined as:

“...a logical plan of getting from here to there, where here may be defined as the initial set of questions to be answered and there as some set of conclusions (answers) about these questions” (p. 20).

He then goes on to identify five points as important to consider when deciding on the design. What follows are these five points as they relate to this research.



1. **A study's questions:** The main question was developed after doing a rough literature review on the OCP which helped summarize what questions had already been asked. This exercise did not so much provide answers as it aided in the development and definition of more insightful questions. As a result the research question is clearer and more focused and has thus helped guide data collection and analysis in a constructive manner. Oppositely a poorly or vaguely defined question would increase the risk of the empirical material not addressing the initial question (Yin, 2004:21).

2. **Propositions (if any):** The proposition posed is that in order for development to be sustainable a country or more correctly the society within its borders needs to have a level of balance. Balance between young and old, rich and poor, coastal and inland regions to name a few. Although the research focuses on the balance (or actually the lack thereof) of the age-structure of the population it also highlights how the problem of ageing factors into a variety of other issues compounding the problem.

3. **Unit of analysis:** Defining the unit of analysis is fundamental in case study research. This is the case of China and ageing as a factor in development. Ageing impinges on a variety of issues social as well as economic. Therefore the unit of analysis is best suited to be the country's political economy. The rationale for this choice is that decisions of development are political (the one to implement the OCP certainly was), that is *what* to develop and *how*. Inevitably such decisions have ripple effects for society. An example would be the increasing need to provide care for the elderly by individuals outside of the family.

Looking at the political economy will help us understand why the OCP came into being, and how and why society accepted such an invasive reach into (what in the West would be called) the sanctity of the home. It is further believed that insight into China's governance is key in hoping to explain past actions and trying to predict future events.

4. **Logic linking data to the propositions:** This point is not too clearly illustrated in Yin's book. Following what it does say, about pattern matching I think that can be applied here. There is a pattern to China's looming problems and in my view they stem from imbalance.

5. **The criteria for interpreting the findings:** The criteria for interpreting findings is to be found in the theoretical framework utilized and the proposition set forth. Both are patterns to which China's experience or current situation can be measured to see if they match.

The ontological and epistemological positions taken in the thesis, much in the spirit of interpretivism, are based on the view that it is important to bear in mind hidden power relations and the historical-social context in which processes take place. The interpretative stance further fits the position taken towards human beings, the nature of society and the relationship there between. That is the belief that human beings are irrational and that we constantly contribute to our own ever evolving social reality. Although we contend to have free will (some more than others) it is still believed that most of us are guided by the structures we have built for ourselves when making choices in life. There is therefore no such thing as a neutral life or social world, free of values, to be examined. On that note it is conceded, and must be noted, that my lived experiences have necessarily coloured the way I have viewed and interpreted the material used as the basis for the analysis in this thesis.

It therefore perhaps logically follows that I am partial to the hermeneutic mode of analysis. Its central principle states that the meaning of a *piece* can only be understood if related to the *whole* (Alvesson & Sköldbberg, 200:53 emphasis added). Considering the lack of fieldwork, and therefore the use of empirical data already interpreted by others, hermeneutics is particularly well suited to the task. Finally it is my personal belief, that if we hope to understand much less explain anything about China, Chinese politics or social reality, the necessity of context cannot be overstressed.

## **5. The background of China's development**

It is easy to be dazzled by China's economic growth rates. The country's development record since the onset of reform in 1978 has to be, by any definition, considered remarkable. Sustaining mostly double-digit economic growth numbers is a challenge for any economy. What is remarkable about China is that it managed to do so at the same time as other socialist economies lay in ruins, a financial crisis swept the region and in face of formidable internal obstacles (Perry and Selden, 2003). China's 'stellar' record of growth aside a review of the country's development raises legitimate questions about the sustainability of China's future development.

### **5.1. Big gains – big sacrifices**

Since Mao's 'abdication' and subsequent death in 1976 China has undergone unprecedented changes. These changes have been a multi-faceted process touching on virtually every aspect of society and the economy.

Throughout this change period the economy and society has reaped big gains but has also had to offer big sacrifices. Notable headway has been made in the raising of living standards and reduction of poverty (World Bank, 2001; Ravallion & Chen, 2007), education reform (Law, 2002; Zhang & Minxia, 2006) and life expectancy at birth (China Human Development Report, 2005).

But all success comes at a price and to achieve these gains the Chinese people have had to sacrifice a lot. The egalitarianism that used to symbolize the country is gone and inequality is now among the highest in the world (Blecher, 2003; Wu, 2004). China's famous iron rice bowl has been abolished and with it the high level of security (of employment, health care, social benefits) offered by the state to people in urban areas (Leung & Nann, 1995; Chan, 2001). Last but not least the Chinese have largely had to give up autonomy over reproduction (White 2003; Greenhalgh, 2003; Greenhalgh & Winckler, 2005; Mcloughlin, 2005). Jointly these changes, mostly unilaterally decided by the Chinese Communist Party (CCP), have led to a marked increase in dissidence and social disharmony (Hurst and O'Brien, 2002; Cai, 2002; Pei, 2003b; Lee, 2003; Mallee, 2003) the absence of which had traditionally denoted Chinese society.

There are no doubt many who would not mind taking credit for China's remarkable progress in the reform period. The whole of the East Asia region has been lauded as a poster child for the success of neo-liberal development strategies (World Bank, 1993; ADB, 1997; Stiglitz and Yusuf, 2001; Quibria, 2002.). This is not completely accurate in the case of China who, as some would argue, grew *because* of state intervention not *in spite of it*. The approach chosen, dubbed "crossing the river while feeling for stones", did entail much liberalization of the economy especially concerning foreign trade and FDI with the establishment of the so called Special Economic Zones (SEZs) along the eastern coastline (Saich, 2004:18-19, 242). That notwithstanding the CCP made sure never to relinquish (total) control over the economy and even less so over society.

Instead what was attempted was to pick and choose from capitalism that which the leadership deemed useful to its agenda and fuse it with communism to build what Deng Xiaoping called 'socialism with Chinese characteristics' (ibid:78). However as Pei (2003a:73) points out "the widening gap between the country's increasingly open and market-oriented economy and its closed political system raise concerns about the sustainability of Chinese policy".

## **5.2. The role of reform**

The role of reform was not only to get the economy back on its feet. It was also, and more importantly, supposed to re-strengthen and maintain Party legitimacy and power over society which by then hinged on the ability to deliver economic prosperity. It was never meant to encourage gradual political pluralism let alone democratization. This can be seen in the rather stop-and-go nature of the implementation process. Reform agendas have been interchangeably adamantly pursued and brought to a halt at signs of an increase in social instability (Saich, 2004:57-83; Tanner, 2004). Social stability is viewed as one of the most important features of Chinese society. Not because it is an essential part of some ancient Confucian mantra but rather because CCP leaders know that longstanding instability could (and likely would) lead to an upsurge or even revolution that might topple the Party. Famous of course are the events on Tiananmen Square in 1989. A scenario they for obvious reasons would rather avoid repeating (Shue, 2002; Li, 2005).

### **5.3. The one-child policy**

By 1979 China's post-Mao leaders had become seriously concerned that China's gigantic population, then already numbering 1 billion, accompanied with high fertility would upset their plans for development and modernization. Not satisfied by the fertility drop brought on by the "later, longer, fewer" campaign in the 1970s the Deng leadership decided it was time to recruit science as an ally in the fight against population growth (White, 2003).

In retrospect it is the choice of scientists recruited to tackle the problem that is most questionable. These were not population, or even social scientists, nor were their roles to come up with some neutral fact-based "population science for science's sake". The key engineer of the policy was a missile scientist and weapons designer by the name of Song Jian, who as such was heavily influenced by techniques and rationales usually employed in defence strategies<sup>2</sup> (Greenhalgh, 2005).

To see population as an object to scientifically govern in order to enhance human welfare, order and utility in a developing economy was actually borrowed from Western science (Greenhalgh, 2003:164-6). Song however arbitrarily modified these scientific theories to develop his own Sinified brand of population control that later became full fledged policy (ibid:179).

The total lack of social considerations in the OCP can be explained by both the scientists who designed it as well as the prevailing political context of the time. Its long run socio-economic cost however will never be accurately estimated. Direct or indirect economic costs aside, such as a shrinking labour force or heavier burden of health care costs pr. tax payer, what this almost mechanical approach to solving the country's "urgent development problem" failed to consider, much less predict, were some of the horrific social consequences such a draconian policy would produce. Such as sex selective abortions and skewed sex ratio at birth (Banister, 2004; Bignami - Van Assche, 2005), increased female infanticide (Johnson et al, 1998; Chu, 2001), social instability (Wasserstrom, 1984; White, 2003) and even domestic violence (Lee & Kleinman, 2003).

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<sup>2</sup> To understand this seemingly very irrational choice it is important to understand the prevailing political context. It dictated that only political leaders were deemed qualified to decide what the "correct" policy was. Scientists were in other words only supposed to come up with the "truths" that suited political purpose at the time. An excellent reading on the origins of the OCP is Greenhalgh (2003) and (2005).

#### **5.4. Summary**

This chapter has given a very basic overview of China's development since reform. It shows us that China's development, by the CCP's own admittance, was not exactly a methodically planned out process. On the contrary it was more of the learning-by-doing variety. Despite many wanting to laud the 'East Asian Miracle' as a poster-child for the success of neo liberal policies China's leadership never relinquished control of either the society or the economy. This goes in hand with the sub-role intended for reform; to strengthen party legitimacy and control. The OCP can be seen as a good example of a plan that was poorly executed due to the short-sightedness of Chinese policy. While one might in principal agree with the need to curb population growth the manner by which the CCP deemed acceptable to reach this goal is proving to have unanticipated long term affects.

## 6. Conceptual framework

To limit the possibility of misunderstanding it is vital to define the concepts used in a study. This study will discuss sustainable development in the context of an ageing population, specifically how the latter has implications for the former. It is difficult to discuss China's development without also touching on the issue of modernization as these words are by many used interchangeably. These concepts and others will be discussed and defined in the following section.

### 6.1. Development

There are many ways to conceptualize development. To some it represents something inherently good; to others it has necessarily negative connotations<sup>3</sup>. When it comes to the development of Asia Rigg (2003:31-9) has divided (albeit roughly) experts into two opposing groups; developmentalists and post-developmentalists.

The former consists mostly of economists that put primary emphasis on fiscal issues such as economic growth, rates of poverty and foreign direct investment. Overall this group sees development as a positive thing for the region, pulling it from relative backwardness into modernization bringing with it prosperity and greater well being for its citizens<sup>4</sup> (see World Bank 1993, ADB 1997, Yusuf 2001, Quibria 2002).

The second group is comprised of social scientists of various other disciplines. They would argue that what we have been witnessing in Asia is a race-to-the-bottom. Development that is exploitative and destructive in nature as it perpetuates poverty, infringes human rights, undermines local cultures, widens inequalities and last but not least is non-sustainable (Amsden, 1994; Kolko, 1997; Hart-Landsberg and Burkett, 1998; Chan, 2001; Reynolds, 2001; Helgesen, 2002).

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<sup>3</sup> See further Rigg's (2003) interesting account of the importance of semantics and the pitfalls inherent in attempting to translate 'concepts' from one language to another (p.50-56).

<sup>4</sup> This does not mean to imply that they don't concede that there are problems as well.

This is of course a simplification of a very complex and wide ranging issue. In truth both sides have something to their case. For the purpose of this thesis and my analysis development is taken to encompass aspects of both economic and human development and can therefore be seen as sympathetic to both perspectives described above.

If we define development to be "...a process whereby the real per capita income of a country increases over a long period of time while simultaneously poverty is reduced and the inequality in society is generally diminished" (Meier, 1989:6) we manage to address not only the fiscal considerations but include what development economists would maintain should be the end goal of economic growth, to improve human welfare.

## **6.2. Sustainable development**

In 1987 the World Commission Environment and Development (WCED), in what is most often referred to as "the Brundtland report", broadly defined sustainable development as "...development which meets the needs of the present without compromising the ability of future generations to meet their own needs" (p.43). Although this particular definition has been accused of being too normative and vague it did succeed in placing the issue of sustainable development firmly on the global agenda.

For many sustainable development still mostly connects with environmental preservation but there exist a large number of different definitions (Pezzey, 1992 offers a good overview) of which no *one* can be said to capture its essence more correctly than others.

The concept as it will be defined here was put forth by economist Edward Barbier (1987:103 quoted in Pezzey 1992:55):

"...the concept of sustainable economic development as applied to the Third World... is therefore directly concerned with increasing the material standard of living of the poor at the 'grassroots' level, which can be quantitatively measured in terms of increased food, real income, educational services, health-care, sanitation and water supply, emergency stocks of food and cash etc., and only indirectly concerned with economic growth at the aggregate, commonly national level. In general terms, the primary objective is reducing the absolute poverty of the world's poor through providing lasting and secure livelihoods that minimize resource depletion, environmental degradation, cultural disruption and social instability."



The reason this definition was chosen from the mass of others is that it offers a vision of sustainability as not only an environmental issue but addresses social and cultural sustainability as well. This is thought to be of particular relevance to the analysis in this thesis.

### **6.3. Modernization**

There is a tendency in neo-liberal developmental literature, to equate economic development (or even plain growth) with modernization. In fact these words are used interchangeably by many. However modernization touches all areas of society. In the words of Brohman (1996) "...modernization theory extended the analysis of development into a more interdisciplinary realm with the addition of theories of social and institutional change to complement those focused on economic transformation." (p.15).

Modernization is taken to mean the integrated changes that occur within society, including economically, as practices, identities, roles, values and attitudes transform and modernity replaces tradition (Martinuessen, 1997:56). Classic modernization theory generally poses tradition and modernity as direct opposites and there is a tendency to take modernization to mean little other than assimilation to the countries of the North West (ibid:35). This contention has been partially modified and it has been conceded that low-income countries can (if not should) follow their own development paths (So, 1990, Ho, 2003).

### **6.4. Ageing population**

A population is said to be aging when over an extended period the average age of its citizens rises or when the ratio of people older than 60 starts to increase at the expense of the younger age groups. According to UN demographic experts this trend is "...one of the most distinctive demographic events of the twentieth century" and will continue to be important throughout the twenty-first. (UN 2002:1).

### **6.5. Washington consensus**

The author of the widely publicized phrase 'Washington consensus', an economist at the World Bank by the name of John Williamson, originally invented the phrase to mean the lowest common denominator of policy advice

being addressed by the World Bank to the countries of Latin America in the late 1980s. It has since, according to Williamson, however taken on a new and very different meaning. Under this meaning the phrase is used as a synonym for neo-liberalism. This he fears may have without merit invoked prejudice against "... many of the economic reforms favoured by international development institutions" (Williamson, 2000:251-2).

Considering that this latter understanding of the phrase has become well known in development policy circles this is the meaning that will be employed here. That is, the phrase is defined as policies that reject state interventions in the development process and instead call for de-regulation of markets, trade and financial liberalization, abolishment of price subsidies, curtailment of government spending, privatization of government enterprises and encourages the attraction of foreign direct investment (Rigg 2003:10).

## **6.6. Summary**

This chapter has (hopefully) clarified the meaning applied to the key concepts used in the thesis. Many of these concepts carry different meaning with different scholars or within different disciplines. Here the meaning of development as well as modernization encompasses a wider understanding than mere economic growth. Likewise sustainable development encompasses more than environmental or ecological sustainability. The reason for this is that when addressing the research question we are not merely looking at the economic aspects of China's future development. We are no less looking at the social dimension and as such the overall socio-economic affects of ageing. The parts about 'Ageing society' and 'Washington consensus' require, I believe, no summarizing.

## **7. Theoretical overview of (sustainable) development**

The theoretical framework for this study rests on the premise that for development to be sustainable strategies need to encompass a wider conception of development than the widespread neo-liberal (definition of) Washington consensus propagates.

### **7.1. Mainstream development theories**

Classical development theories arose in the US and Europe in the post-war era. Although they can be seen as being comprised of several different theories<sup>5</sup>, albeit all rooted in Western economic history, the one that was perhaps most widely publicized (at least among laymen) was Rostow's (1956) stages-of-growth theory. It holds that countries develop by going through a number of stages that will take them from being relatively simple agrarian economies to being technologically advanced industrial economies based on mass consumption.

This was to be achieved through raising savings and investment, usually through some kind of advancement in agriculture that would free up labour and produce surpluses that could be invested in manufacturing industries. These processes would then lead to (and call for) a more educated population with subsequent advances in science and technology and so the cycle continued until Western standards of living were achieved.

Although Rostow's theory fell out of fashion by the late 1950s some of its hallmarks (such as development as economic growth based on industrialization, the critical role of savings and investment, the need for state intervention in development planning and chronological development based on the experience of the West) formed the conceptual framework for other development research and therefore continue to be relevant (Brohman, 1996).

Over the past two decades neoliberalism<sup>6</sup> has increasingly taken over as the paradigm in development studies and theory. With it, in more recent time periods, has come an almost pathological belief, by some, that "markets" can

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<sup>5</sup> Brohman 1996: 11 offers an overview

<sup>6</sup> Neoliberal policies here mean the ones denoted as characteristic of the Washington consensus (see footnote 5 above).

solve any economic (and presumably developmental) problem if simply left undistorted by state intervention (Williamson, 2000:252).

The focus of these theories extensively revolved around growth. Social and cultural factors were attended to only as they facilitated (or impeded) growth. Although this changed somewhat as development theories were expanded to include more diverse factors (e.g. values, norms, attitudes and customs) and were inducted into the larger discourse of modernization they have still been unable to either adequately explain or predict the development of China, or most other developing countries for that matter (Martinussen, 1999:5-6; Pei, 2003a:73).

Apart from that they further raise questions of sustainability. How sustainable are policies that for a long time largely viewed the 'Third World' as one big homogenous area? How sustainable is it to virtually promote the exclusion of millions of poverty stricken members of these societies and in the process undeniably encourage social disharmony? How sustainable is it for these countries to cut expenditures on public goods such as education, health care and social welfare in order to fulfil the prescriptions of policies that show little understanding of local conditions? On the contrary these are the aspects which in the long run are most likely to be conducive to growth and overall (not just economic) development in these areas whose both internal and external contexts differ greatly from that of the West.

## **7.2. Development as a path to sustainability**

It has been more than three decades since the Club of Rome<sup>7</sup> started advocating the rethinking of the development agenda, encouraging the linking of sustainability and equality to the dominant focus on growth.

Many undoubtedly relate the sustainability discourse to environmentalism and with good cause. The large scale infrastructure projects (roads, dams, railways, power lines) advocated by mainstream economics and carried out under the

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<sup>7</sup> The Club of Rome is a non-governmental organization (NGO) and global think tank that works towards the solving of what they refer to as the 'world problematique' which includes issues of sustainability and demography. The organization's first published report "the Limits of Growth" focuses extensively on environmental and equality issues and heavily criticized mainstream development policies for disrespecting the natural limits the planet poses for growth. ([www.clubofrome.org/about/global\\_issues.php](http://www.clubofrome.org/about/global_issues.php)) [viewed 2006-11-22]

auspices of national and local governments in many low-income countries have indeed in many cases proved to be highly damaging to local eco-systems. This has been frequently pointed out by sustainability scholars as well as the fact that the people making the biggest sacrifices are rarely those that reap the benefits (Parnwell and Bryant, 1996).

Nonetheless sustainability is about more than soil, water and trees. The UN in its *Johannesburg Declaration on Sustainable Development* sees economic development, social development and environmental protection as equally important factors calling them "...the interdependent and mutually reinforcing pillars of sustainable development" (2002, § 5). The fact is that even though heavy industry does leave large footprints in natural ecosystems it is not solely to blame for degradation. The other culprit is excessive poverty and development strategies that are exclusive in nature.

Poverty and the need for its eradication is a recurring theme in sustainability discourse. Not least thanks to Agenda 21 (AG21) or the "Rio Declaration" which firmly raised the issue of poverty eradication as one of the overarching objectives and necessary requirements for sustainable economic growth and development (UN, 1992:§ 3.2). It therefore cautions against development strategies that do not give due consideration to the resources on which growth is based as they will ultimately result in declining productivity. This issue was revisited in Johannesburg in 2002 and is still raised in the 2005 report by the Department of Economic and Social Affairs' [DESA] division for Social Policy and Development, aptly named *the Inequality Predicament*. In it the peril of ignoring inequality in pursuit of development are pointed out (p.1) as well as the fact that "A healthy, well-educated, adequately employed and socially protected citizenry contributes to social cohesion". Meadows et al (1992) similarly speak of a sustainable society:

"...[as] one that can persist over generations, one that is far-seeing enough, flexible enough, and wise enough not to undermine either its *physical* or its *social systems* of support" (emphasis added).

It might be tempting to believe that the sustainability discourse with its lofty aspirations of equality, environmental protection, respect for limits, alleviation of poverty and social harmony is somehow uncontroversial. That is not so. Despite an international call, such as by the Rio Earth Summit, for (socio)

economic and environmental activities to be planned parallel with each other, there seems to be precious little dialogue going on between 'the mainstream' and 'the critical' in this respect. Development specialists in both camps seem to be struggling with this new paradigm. And while that is the situation the world's poor will continue to suffer.

The issue might be as simple as experts not knowing where to begin. Carew-Reid *et al.* (1994, quoted in King *et al.*, 2000:280) maintain that what the Rio Declaration desperately lacked was any sort of prescription of methods to be applied in the integration process of these two equally important factors. It is further argued that the objectives set forth, while admirable and certainly worthy, were never adequately financed and were without any *real* political support (emphasis added). For instance the strong emphasis on the basic needs of the poor of the world has not gained undivided acceptance either in the theoretical debate or in the practical management of international development aid (Martinusen, 1997).

But even if there *were* a consensus on how best to go about this integration, it is not enough that experts at some abstract level agree on the benefits of such a cohesion of goals from a theoretical point of view. In order to enjoy the fruits of integrated economic and environmental planning we need social, cultural and political conditions that support its practice (Parnwell and Bryant, 1996). This also brings to mind the importance of the global/local nexus in implementing *any* policy.

### **7.3. The significance of demographic change for development**

For a long time there has been a shortage of a unified framework within which to view population in the context of sustainable development. The discourse on sustainability has long concerned itself mainly with rapid population growth as a threat to the carrying capabilities of the planet. This fear is not new and has been around since Malthus<sup>8</sup>. And it is true that a book on development is hard found that does not devote space to a discussion on the need for population growth curtailment. That having been said this is not an undisputed opinion.

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<sup>8</sup> An economist according to whose nineteenth century predictions population would grow faster than food production capacities leading eventually to massive famine and death (Neumayer, 2006).

Some, such as Boserup (1965, 1981) argued that population growth is the prerequisite for technological advancements and productivity improvements from which humanity is bound to gain (quoted in Martinussen, 1999:144-5).

But new times demand new practices and approaches. The “truths” we previously held almost as self-evident do not apply any more. That low-income countries have growing populations and high-income the opposite is no longer a valid statement. China, largely still a low-income country according to UN standards, has among the lowest fertility rates on record and is expected to age on par or even faster than the United States one of, if not *the* richest country in the world. What this calls for is a new way of thinking about population and development (HelpAge International, 1999; UN, 2004).

In a recent publication expert demographers at the International Institute for Applied Systems Analysis [IIASA] have constructed a framework that conceptualizes the demographic component of sustainable development. They call this concept ‘population balance’, an approach that does not solely look at population as a burden but as a necessity for future sustainable development in the form of human capital. According to the theory in order for human society to be sustainable:

“...consideration should be given to both population growth and ageing; to both demographic and socioeconomic characteristics of individuals; and to demographic, socioeconomic and environmental conditions of societies” (Lutz *et al.* 2004:323)

Demography is essentially about proportions and so the theory holds that the challenges ahead are related to finding the right “mix” of proportions between age groups (or other subpopulations) to sustain human societies. What we should aim for is the point at which “individual welfare and intergenerational equality” peaks in the long run. This “mix” is contextual and can vary according to various cultural, economic and environmental circumstances (ibid:324)<sup>9</sup>.

As mentioned above the dominant thought on population and demography has been the fears of its exponential growth as a process that can only end in tragedy as food shortage and environment disasters claim an increased number of lives. However, UN and IIASA forecasts predict the 21<sup>st</sup> century will

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9 For a simplified explanation of how the model behind the theory works see Lutz et al., 2004:325-331

see the end of population growth. This will most likely happen within the lifespan of today's children (Lutz, 1996; Lutz *et al.*, 2004; UN, 2004)

Population projections are not an exact science. The further ahead experts try to predict the more uncertainties are inherent in the projections (National Research Council, 2000:3). However the below replacement fertility rates, a reality in 65 countries comprising about 43% of total world population (UN, 2004), are alarming. The thought of a rapidly declining population base should be just as disconcerting as the thought of an exponentially growing one (Longman, 2004). Which scenario reveals itself as being the more likely one in the long run, is not really the issue as far as this paper is concerned. However, that either seems plausible should act as a reminder of the importance of balance and as such lends credence to the theory posed above.

### **7.3.1. Demographic determinants of ageing**

Kirk (1996) has concluded that pinpointing the exact causal factors of the demographic transition is impossible. This is based on the fact that no country has experienced it in the same way. That does not negate the fact that the transition *has* happened or *is* happening in virtually every country in the world.

Although varied in scope and speed, all countries have experienced changes in three major components: fertility, mortality and migration. The first two are major contributing factors but migration less so although still relevant. Following advances in medicine mortality rates fall followed somewhat later by a fall in fertility.

Decisive factors of fertility decline have been established as being higher levels of education, better access to contraception, postponement of marriage and motherhood and improved economic standing (Caldwell, 1982; National Research Council, 2000). Here China is the obvious exception having achieved lowered fertility rates largely through rigid birth planning (Greenhalgh 2003, 2005; Merli and Smith, 2002; Nie and Wyman, 2005). In the developing world, thanks to small steps such as improved access to clean drinking water, overall hygiene and the near eradication of infectious diseases such as malaria and small pox life, expectancy has greatly improved. For the first time in history all



people, given that they survive childhood; can reasonably expect to live past the age of 50<sup>10</sup> (HelpAge International, 1999).

Migration can act to mitigate the effect of ageing within countries. Migrants are mostly young people, workers looking for a chance at a better life (Li, 2006). This inflow of young people helps level off some of the negative effects of the low mortality – low fertility condition (Lutz *et al.*, 2004).

### **7.3.2. Challenges faced by ageing societies**

Nearly all of the industrialized West has experienced or is in the (latter) stages of a demographic transition, generating a population unbalance. As a result populations in Western Europe and North America are ageing. In fact many countries of the European Union will see the percentage of citizens over sixty range from 36% (Sweden, Denmark, Finland and Luxembourg) and reach as high as 44% (Spain and Italy) by 2050 (Walker and Maltby, 1997 quoted in Maltby and Deuchars 2005:20). This change has been identified by the European Commission "...as one of the key common economic and social challenges to be faced at macro-level policy level" (ibid:21).

What this inevitably does is raise questions of the viability of intergenerational social support systems which are of extreme importance to both older and younger generations. In addition longevity is causing healthcare costs, as a percentage of GDP, to soar the largest portion of which is being spent combating age-associated diseases (UN 2001:1; Halliday, 1999). This increased cost in form of health care and pension is likely to impose more heavily on the working population (which is declining as fertility lowers) in form of taxes and other contributions (UN 2001:33). A declining working population further implies the possibility of declining productivity.

The paradox of Asia's experience is that it is ageing faster than it is developing. Fertility has dramatically decreased<sup>11</sup> at the same time as these countries are still struggling to find adequate solutions to the social service 'deficiencies' of the elderly. Contrary to the West, where the need has been – and still is – to improve existing practices and institutions, Asia has had to create institutions

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10 The UN argues that due to the HIV/AIDS pandemic there are regions on the African continent where mortality is in fact rising.

11 With the exception of Burma, Cambodia, Laos, Indonesia and Malaysia who will still have less than 10% of their population aged over 65 by 2025 (Phillips, 2000:xv)

and processes where there were (almost) none. And that in a region that remains conflicted about where, between the modern (with specialized state institutions) and traditional (with the family), to place the responsibility for the problem. So for China for instance, in addition to posing serious financial and thus development pressures, the ageing issue is forcing a re-evaluation of age-old values such as Confucianism, filial piety, patrilineality and patrilocality (Logan *et al.*, 1998; Phillips, 2000; Dooling *et al.*, 2005;).

#### **7.4. Summary**

Chapter 7 has covered a brief explanation of Rostow's stages-of-growth theory as an example of classic development theories; highlighting the difficulties we would have in applying mainstream theories to China's development. In the process it raises questions about the sustainability of models that are based on theories that seem to treat the world as largely homogenous. This brings us to the critique offered by scholars of sustainable development. It is through the lens of this critique that the analysis of China's situation will be covered. Finally the chapter highlights the significance of population change for development; first in more general terms before focusing in on Asia and China specifically.

## 8. The problems of ageing; an analysis

“At the beginning stage of the one-child policy no one really realized that ageing would be such a serious population or social problem”

*Professor Peng Xizhe – Shanghai’s Fudan University*

To get a better idea of the scale of the problem China is dealing with it is fitting to begin by stating some numbers. It was on October 1<sup>st</sup> 1999 that China officially became an ageing society. At that point, 10 percent of the population was aged 60 and above. 7 percent were at least 65 or older. By 2000 these numbers equalled about 132 million persons. Projected to rise to 200 million by 2020 and reach as high as 400 million by 2050. This means that by then more than one in every four Chinese will be over the age of 60 (Wong and Jun, 2006:235; UN, 2001:178).

The issue of ageing in China is not a single, simple or straightforward problem but rather a combination of interrelated challenges that each act to amplify the difficulty of the situation and at the same time prohibits an obvious solution. One might say that a certain snowballing effect takes place.

### 8.1. Current and imminent effects of ageing

One of the most obvious effects, one that is already talked about, is the dependency ratio. That is the ratio of working people to each retiree. As the population ages the dependency ratio increases leaving fewer hands to support each older citizen. It is true that this problem is not particular to China. As noted in Chapter 7 above many European nations are facing the same problem. These however are high-income countries with mature pension and health care systems.

What makes this transition more difficult for a (overall) low-income country like China is the fact that it is ageing faster than it is developing. Pensions, whether private or public, are rare and the window of opportunity to rectify the situation is closing fast. This leads to many retirees being at high risk of living in poverty (Eberstadt, 1998; ADB, 2002).

Without a secure pension the elderly are very dependant on kin for support after they retire, which incidentally is the grand tradition in China. Children should take care of their parents as they age. This is a tradition that has not

changed with reform. The dilemma is that societal norms and values have or are changing as the society modernizes (Tsui, 1989; Wong and Tan, 2006; Pimental, 2006), but the government still expects and largely depends on traditional familial care for the elderly (Logan *et al.*, 1998:855; Phillips, 2000).

Scott (1990) has shown that people that experience sudden changes to their moral economy may grow to resent them and resort to all kinds of tactics to make that grudge known and resist the power of the enforcer (quoted in Lee and Kleinman 2003:295). This is in line with China's experience regarding changes in familial care which have been known to result in intergenerational conflict and even legal disputes as recorded cases of elderly parents taking their children to court charging neglect show<sup>12</sup>. Others have committed suicide as form of the ultimate protest (Lee and Kleinman, 2003:301).

What we have to keep in mind is that these changes to traditions, by many viewed as fundamental in Chinese culture, come on top of other changes, dilemmas and insecurities already suffered by the Chinese in the reform era. The abandonment of the *danwei* (work unit) with all its benefits is one such major shift. With little or nothing to replace it senior laid-off workers are left with few options to support themselves. The deterioration of familial care then adds insult to injury.

Confucianism dictates the reverence of old people and in China those that have reached a certain age have come to expect to be venerated and taken care of by their child(ren). The deterioration of the traditional self image of family, which decrees filial piety and that collective welfare is valued higher than individual desires, is breeding resentment.

In 2002, then Premiere Jiang Zemin, made officially public the CCP's development goal of building *xiaokang*; a society where economic well being is balanced with sometimes conflicting goals of social equality and environmental protection. There is in fact a resemblance between the idea of *xiaokang* and the conceptualization of sustainable development for the purpose of this thesis

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12 "China's ageing population", BBC News online, Sept. 1st 2000 [viewed 2006-12-07]

(see p. 15 above). *Xiaokang*<sup>13</sup> in essence describes a society where everyone is at least moderately well off which brings us to the issue of equality.

*Xiaokang* is indeed a worthy goal but lofty aspirations aside this is not the reality in today's China. As pointed out in the 2005 China Human Development Report "disparities between those who benefit from economic advancement and those who are left behind are sharpening, and statistics at the macro level cannot disguise the vast gaps in development between regions, urban and rural areas, as well as between men and women and social groups" (p. 3).

As a social group the elderly and ageing are at a disadvantage. Some are cheated out of their rightful; meagre as it is pensions (Roberts, 2005:47). Others have had to resort to begging as form of survival. Sociologist Professor Yuan Xin of Nankai University in Tianjin estimates that as much as 90% of the staggering 900 million that form the rural population are without sufficient pension or medical coverage. A precarious situation considering that rural peasants reaching the age of 60 increase by 850 000 each year and are estimated to hit 120 million by year 2025<sup>14</sup>.

A study looking into the situation of the rural elderly revealed that "45% (of the 10 400 surveyed) were not living with their children, 5% did not know where their next meal would come from, 69% had only one set of clothes and 67% could not afford medicine"<sup>15</sup>.

Although inequality is sometimes deemed as an inherent and necessary evil in a capitalist market economy (so as to provide incentive) the Chinese, after decades of socialist fostering, are less tolerant of inequality than their American and European counterparts. In a 2002 survey conducted among 7 000 urban households over 80% of respondents deemed income distribution inequitable, 34% of which commented that it was 'very inequitable' (China Human Development Report, 2005:17). It is exactly this kind of inequality, encouraged by short sighted development policies, that is the reason why China is so poorly prepared to effectively handle the ageing situation. The country, especially the rural areas, is simply lacking the basis for continued or rather

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13 "All about Xiaokang", People's Daily online ed., Nov. 10th 2002 [viewed 2006-12-07]

14 "Poor rural elderly deserve attention", China Daily online ed., Dec. 3rd 2006 [viewed 2006-12-15]

15 Ibid

uninterrupted development and growth. If it can't handle the situation effectively now how can they hope to when millions more will join the 60+ age group every year in the coming years?

As of late China's citizenry has become a much more rights conscious group (Perry and Selden, 2003). The multi-faceted changes to people's lives, especially elders, such as introduced here have left many destitute and despairing. With little, if anything, left to lose people are more unpredictable and therefore more of a danger to peace and stability. This prospect is a disconcerting notion in a society that values stability, social as a matter of tradition, economic as a matter of necessity, above all else. Besides issues of tradition and threat to party legitimacy, instability such as potentially caused by this enraged and betrayed social group would be disturbing for economic growth and prosperity.

Stability, predictability and efficiency (usually provided by the rule of law) are the basis for sustainable economic development (Tong, 2006:132). No economy with a society where disharmony and inner conflict is rife can realistically hope to enjoy uninterrupted levels of growth and progress. Such a society is not working at its most efficient which is bound to divert the attention of leaders, at least partly, away from economic policy issues. Every moment spent pondering the ageing issue is a moment not being spent on other important issues. Every penny spent on support systems for the elderly (as opposed to them already being in place), be it housing, health care or living assistance, is a penny not being spent on education, infrastructure and other factors conducive to growth. The point is that allowing the situation to have gotten so badly out of hand is now catching up with the leadership and will certainly, if it is to be handled and solved satisfactorily, slow down the pace of China's development.

Another important aspect of this discussion is the fact that the post-Mao leadership's claim to power and legitimacy is largely based on its ability to deliver economic prosperity. It is at this point impossible to say what might happen if the Party is one day unable to deliver on this important promise (they are already struggling with increased reporting of cadre corruption undermining their credibility (Saich, 2004:335) but it makes continued growth

doubly important and puts the Party in a 'catch twenty-two' sort of predicament. They need growth to maintain stability but at the same time need stability to induce and maintain growth. Not an easy situation but if the CCP has proven anything since its foundation in 1949 it is that it is remarkably resilient and has in the past weathered seemingly impossible storms in face of unbelievable odds (e.g. Nathan, 2003:6).

The stability that has been enjoyed by China during reform is the kind that can only be offered or 'guaranteed' by an autocratic polity. It may have worked thus far but as China gets more heavily involved in the global economy and especially since its ascension to the World Trade Organization in 2001, it can no longer employ the same tactics to secure stability as it has in the past (Tanner, 2004). The mere appearance of impropriety on CCP leadership behalf could prove very costly for the country in economic terms. Tiananmen Square could repeat itself if the CCP does not tread lightly in its coercion of 'peace' and 'harmony' within China. This is in tune with what Pei (2003a:73) has pointed out (Chapter 5 above) about the gap widening between the country's market economy and command polity. Wang (2003:38) goes so far as to state that the country may be "in the midst of a deep and perhaps overwhelming crisis of governance".

A third factor in the discussion is the labour market. China's rise to major contender in the global business arena has been made possible not least due to its flexible and above all cheap labour force. Although it is still to peak at 900 million between 2010 and 2013<sup>16</sup> the decline in fertility will cause it to shrink rapidly after that. Retirees already outnumber children (age 0-15) two to one<sup>17</sup>.

Not only that but if China plans to follow the development models of its neighbouring countries of Japan, S-Korea, Singapore and Taiwan it needs to invest in expanding the service sector where a more sophisticated branch of 'goods' are 'produced' and for which the masses making up the current labour force are not skilled. With unemployment high and rising (China Human Development Report, 2005:39) as State Owned Enterprises (SOEs) are being restructured and in many cases shut down the service sector is a major source

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<sup>16</sup> "China faces challenge of an ageing society", People's Daily online ed., Feb. 28th 2006 [viewed 2006-12-15]

<sup>17</sup> "China urged to address ageing", BBC News online, Oct. 24th 2004 [viewed 2006-12-15]

of future employment. The education of China's labourers needs to happen fast if China is going to make the most of its one-time population bonus<sup>18</sup> mentioned above. In fact Chinese firms are already suffering from a scarce supply of skilled labour (Clouse, 2006:37). Here again the rural areas are the Achilles' heel, being largely un- or underdeveloped as a result of China's policy tolerance (even promotion) of uneven development (Saich, 2004: xvii). We must also consider that not only will the labour market decrease in absolute enumerative terms but a larger portion of it will be needed to work in social service related work, providing care for the growing proportion of elderly and ill. This limits the size of the domestic labour and consumer market.

From what we have read here we can see that ageing, while not directly responsible for *all* of these multitudes of challenges, at least indirectly acts to compound them. Without meaning to imply that the Chinese state has intentionally dragged its feet or is blatantly disregarding its citizens' welfare it has to be said that there is a definite lack of preparedness detectable on their behalf. This is characteristic of China's overall development policy. Preciously little attention seems to have been devoted to considering the long term effects of these policies. Seemingly, and perhaps in perfect tune with the "crossing the river while feeling for stones" nature of development the view on potential problems seems to have been "crossing that river when we come to it". Unfortunately for the Chinese people that kind of thinking has not yielded as good a result as the former.

## **8.2. Future prospects**

Much has been written on China's population quantity but less on its quality. In light of the discussion in this chapter thus far it is appropriate to consider this concept briefly before we conclude this analysis.

As has been pointed out in previous chapters, one of the determining factors in ageing is declining fertility. This trend is generally considered to be connected to women's advanced education, access to health care and urbanization (paid employment).

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<sup>18</sup> A period during which child fostering declines rapidly and the ageing population is still proportionally small "China faces the challenges of an ageing society", People's Daily online ed., Feb. 28th 2006 [viewed 2006-12-15]



China's current Total Fertility Rate (TFR, defined as the total number of children born to each woman during her child-bearing years) is below the UN estimated replacement level of 2.1<sup>19</sup>. What this means is that gradually the population will start declining. Surely China, with its 1.4 billion citizens, can handle a decline some might think? Probably, but it leaves the question of the quality. Who will likely be bearing the majority of the children of the future? Under the current, and modified, OCP rural couples are allowed to have two children if the first is girl or if the spacing between children is more than five years (Peng, 2004:136). A choice many are likely to take advantage of considering that farming provides a certain incentive for child rearing<sup>20</sup>.

In the cities the OCP is still strictly enforced with possible exceptions being made to parents who themselves are both single children. However, signs of internalization of the policy have begun to make its mark on the fertility preferences of the younger generation<sup>21</sup>. More people are opting not to have children at all and others indicated, in a recent Shanghai based study, that even if they were allowed to they would not have more than one child (Nie and Wyman, 2005). This supports the argument that fertility, once lowered, can be very hard to raise, especially among the better educated. A recent Swedish study suggests a negative relationship exists between women's educational levels and their TFR (Björklund, 2006:22). Considering the aforementioned gap between education, living standard and development in urban vs. rural spaces it does not bode well for China's future population quality.

There will come a day in the not so distant future when the CCP will want or need to abandon the OCP. According to this the majority of population growth can then be expected to be among the less educated rural dwellers that make a less valuable net contribution to the economy than urban ones. This may sound cynical but is not meant to be. The state of affairs in China simply should invite that all possibilities be weighed and measured. This prospect is simply another encouragement for the CCP to start viewing its population strategy within the framework of sustainability and in line with economic and social development.

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19 This is not undisputed however most estimates fall within this range (e.g. Peng, 2004:135-6)

20 An extra child will in due time provide an extra pair of hands to work in the fields. Further with rural migration increasing rural daughters are often sent to the urban areas to work, sending remittance to their rural families to supplement income (Li, 2006)

21 "Fler barn i Kina uppmuntras", Dagens Nyheter online ed., Nov. 10th 2006 [viewed 2006-12-19]

## 9. Conclusions and final thoughts

The focal point of this study has been the question: *in what way will rapid population ageing affect China's ability to develop?* To answer it I have taken stock in theories of sustainable development (in a wide sense) in hopes of highlighting the need for a discourse to take form that incorporates both economic growth *and* sustainability, not as mutually exclusive goals but as mutually reinforcing ones.

To answer the question, what population ageing will do is increase already huge burden on a society and an economy fraught with developmental challenges in abundance. What this study has shown is that China's overall approach to development suffered from a lack of consideration of their long term affect. The population issue, once merely a problem of scale is now a multifaceted socio-economic challenge reaching into virtually every aspect of peoples' lives. The Chinese are not alone in their suffering from short sightedness. Given the state of affairs in climate change and global warming it seems that we all are or will, in one way or another.

While one can sympathize with the conditions that initially brought about such a strict birthing policy the time is ripe for re-evaluation. Cai Fang, at the Chinese Academy of Social Science argues that "China has reached the point where a reasonable population structure has become more important than the pressure brought on by population growth". This is clearly illustrated in this paper, both empirically as well as theoretically, reminding us of the importance of balance. Accordingly the CCP leadership has begun experimenting with modifications to the One-Child Policy.

The consequences discussed here can of course not all be tied directly to the process of ageing *per se* but some merely indirectly. What they do is tie into China's development (past and future) at large. Illustrating clearly the interconnectedness of the social and economic spheres of any country, the interplay between people's economic and social wellbeing and what happens when one is pursued to the disadvantage of the other. Poverty, insecurity, inequality, instability and human misery are all relevant factors here. It may therefore be said that theories of sustainable development, as conceptualized here, go a long way in explaining China's current situation and prognosis.

Reading this text one might feel that China's prospects are dim and their problems severe if not downright insurmountable. Of course that is not so and if anything the CCP regime has shown in the past its remarkable ability to overcome seemingly insoluble challenges, but it will not be easy. What China is facing now are problems of delayed reform and a reform agenda that allowed, and even encouraged, for the country to go from being one of the most egalitarian societies on earth to being one of the most unequal. No such society can hope to uninterruptedly continue on its path of development. But sometimes things need to go seriously wrong before we realize that a change is long overdue. For the Chinese people much has gone seriously wrong, let us hope that the CCP leadership is ready for a change.

My stated ambition in this thesis was to highlight the need for the two research fields of development and the sustainable version of it, to really start 'talking to each other'. I feel that the case of China has served as an excellent illustration of this need. For the sake of future generations, let it be a lesson to all of us.

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