



Illustration by Hellorf

# Support, incentives for birth also count as a kind of family planning: expert

## Editor's note:

In this interview, Zhou Haiwang, deputy director of the Shanghai Academy of Social Sciences Institute of Demographic Studies, shares his insights into China's demographic situation, its implications on the economy, and the options the country has in remedying the imbalance. The World Population Day fell on July 11.

Wan Lixin

## Q: Why is population growth not the same as population development?

A: Demographic growth used to refer to quantitative population growth, while population development also takes into consideration factors such as general scale, structure, quality, and its compatibility with socio-economic development. These insights make the assessment more scientific. So, it is not simply about population increase or decrease, like our perception of economic development.

We used to consider GDP (gross domestic product) growth as an unmixed blessing. However, now we are beginning to take into account its structure, future prospects, and income distribution. As a result, we tend to view the economy more in terms of development rather than simply growth. Therefore

we advocate population growth in the light of quality.

## Q: How has our population policy evolved?

A: In 1980, the state considered implementing rigorous population control with the stated aim of quadrupling our GDP by 2020. Since then, particularly in first-tier cities like Beijing and Shanghai, many families have chosen to have only one child. As the policy was enacted, in rural areas and some underdeveloped regions where social awareness and social security had not yet reached an adequate level, having a second child was allowed when the first happened to be a girl. Some ethnic minority groups were even permitted to have three children. The policy enforced in 1980 primarily focused on population control.

Around 2000, people's perspective on population slowly began to change, especially after 2001 when the whole country entered the era of an aged society. As early as 1993, Shanghai began to see negative net growth of population with household registration. It began to sink in that the age structure was a salient feature in the population issue. Among academics there emerged a view that persistently strict population control could lead to accelerated population aging and a reduction in the labor force.

In 2006, I published an article proposing that Shanghai should be the first to

readjust its population policy as part of a pilot scheme. However, such academic discussions did not have a palpable impact on government policies. It was not until late 2012 that two children were allowed for parents who were both the only child, as a major readjustment to the existing family policy. Subsequently, in late 2015, a proposal was made to allow two children for all would-be families. Finally in late June 2021, the central government decided to implement the third child policy.

## Q: What are the considerations behind these changes?

A: The policy changes implemented in the past 10 years were closely connected with the country's demographic situation. For instance, since 2012, our labor force, or those aged 16-59, has been decreasing, exacerbating the issue of aging. Currently the number of elderly exceeds 280 million. As the population aged and labor force shrank, negative population growth was observed for the first time in 2022, and there has been heightened awareness that the pressing issue is not so much controlling the total population as addressing the structural imbalance in our population.

Hence our evolving view on population in connection with the changing situation.

The adoption of the changed policies seems to have its effect, but only on a short-term basis. Since three children

were generally allowed in 2016, there was a temporary surge in the birth rate that year, but it dropped again in the following year and has remained consistently low. Last year, the number of newborns was already below 10 million.

So our policy readjustments tend to have a diminishing impact on addressing our structural imbalances. In view of this, some scholars, experts and government departments have been advocating further readjustments to the population policy, with incentives already being offered to newborns in some regions. For instance, preferential policies in house purchases, or mortgage loans.

All these policies seek to address the excessively low fertility rate.

## Q: Have our demographic dividends vanished?

A: As I said, while our labor force has been shrinking since 2012, the country's total labor force is still substantial. For instance, the population aged 16-59 years still accounts for 870 million, which surpasses the labor force of all developed countries combined. If we calibrate our labor force in light of metrics generally adopted in developed countries, as the 15-64 demographic, it would be more considerable, at about 960 million.

In our country, male workers retire at 60, while females at 50 or 55. So if we