

Opinion: China allows 2 children per family, expects big economic changes

By Project Syndicate, adapted by Newsela staff on 01.22.16

Word Count **699**



A migrant woman plays with her young child at a community center in Heiqiao Village, a dusty sprawl in suburban Beijing, China, Nov. 6, 2011. In Beijing, shipping containers double as a community center. Photo: Jonathan Kaiman/Los Angeles Times/MCT

LONDON, England – For almost forty years, Chinese families were only allowed to have one child. This year, a new law went into effect allowing families to have up to two children. The change will have a big effect on the country's population, as well as the level of business activity.

In the late 1970s, the Chinese government established a one-child rule in order to limit the growth of the population. The effects of the law were significant. In 1970, before the rule went into effect, families living in cities had about three children on average. In 1982, families had an average of just over one child.

This Is Getting Old

By limiting births to one per family, the rule reduced the number of young people in China. This threw off the population's balance, causing there to be more old people than young people.

The question now is whether the country's new two-child rule will undo the effects of the one-child rule. The Chinese government hopes that the new rule will help fix some of the country's problems.

The greatest benefits of the rule change will take time to appear. Some effects will become apparent more quickly. One major effect has to do with family spending and Chinese businesses. The new rule will likely lead to an increase in the number of children per household, which in turn will cause families to spend more money. This would help Chinese businesses.

Toy Story

Currently, families in China save an unusually large amount of money. This forces many Chinese businesses to sell to other countries. The economy, or level of business activity and the availability of jobs, would improve if Chinese families started spending more and saving less, allowing businesses to sell more goods and services within China.

As families start having second children, they will have little choice but to spend more. After all, children are expensive. The added spending will affect some businesses more than others. At first, the increase in the number of children will boost sales of children's books, toys, and bicycles. With time, demand for housing and medicine will increase too.

The two-child rule will also change the balance of China's aging population. The number of young people in China went down under the one-child rule. In 1970, more than half of the people were under the age of 20. By 2010, only about a quarter of the people were under 20. Meanwhile, the share of people above the age of 60 doubled during that time. Overall, the Chinese population has gotten older.

Under Pressure

This has put pressure on young people in China. A large portion of the population is elderly, and more and more elderly people retire each year. There are not enough working people to support them. The imbalance presents challenges for families. Most people born under the one-child rule will have to support two parents without any help from siblings.

When the two-child generation becomes middle-aged, its members will each have to support only one elderly person, on average, helping to fix some of the problems created by China's aging population. It will take many years, though, for these children to start

working. In the meantime, things may actually get harder for some families. There will now be more very young people in China, balancing out the high number of old people. Middle-aged people will have to support them both.

Don't Forget Your Homework

One of the biggest effects of the new two-child rule will have to do with education spending. According to a 2009 survey, a one-child family spends about a tenth of its income on education. Having a second child will increase that amount significantly.

There is a catch, though. Having two children will likely mean that families spend more on education overall, but it may also mean that they spend less per child. Families may not be able to spend as much on one child if they have to pay for a younger brother or sister as well.

Nonetheless, China's shift to a two-child rule is expected to have many benefits. It will help balance the country's aging population and will lead to increased spending, giving businesses a major boost.

Quiz

- 1 Read the sentence from the article.

A large portion of the population is elderly, and more and more elderly people retire each year.

Which of the following words, if it replaced the word "portion" in the sentence, would CHANGE the meaning of the sentence?

- (A) part
- (B) volume
- (C) percentage
- (D) section

- 2 Read this sentence from the introduction [paragraphs 1-2].

The effects of the law were significant.

Which of the following phrases from the article helps you understand the meaning of the word "significant"?

- (A) allowing families to have up to two children
- (B) as well as the level of business activity
- (C) the rule reduced the number of young people
- (D) The greatest benefits of the rule change

- 3 Which statement BEST shows the author's concerns about a possible negative effect of changing the one-child law?

- (A) A large portion of the population is elderly, and more and more elderly people retire each year. There are not enough working people to support them.
- (B) The imbalance presents challenges for families. Most people born under the one-child rule will have to support two parents without any help from siblings.
- (C) When the two-child generation becomes middle-aged, its members will each have to support only one elderly person, on average, helping to fix some of the problems created by China's aging population.
- (D) There will now be more very young people in China, balancing out the high number of old people. Middle-aged people will have to support them both.

- 4 What is the MAIN purpose of this article?
- (A) to explain economic challenges in China and present solutions to fix them
 - (B) to tell an engaging narrative to get people excited about the changes to China's one-child law
 - (C) to present reasons why the change to China's one-child law is a positive one
 - (D) to give different sides of the debate about whether the one-child law should be changed

Answer Key

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