

Nov 8, 2004

Change of Chinese heart on adoption

By Ivan Png

BESIDES filling our shops with cheap electronics, clothes and toys, China provides a substantial proportion of the foreign children adopted by Singaporeans.

Why does China have such a strong comparative advantage in providing children for adoption? There are two reasons. One is government policy. By 1979, with the national population close to one billion, the Chinese government imposed a policy to limit each family to a single child. Exceptions have been allowed only if a parent belongs to an ethnic minority or both parents are only children.

The other reason is cultural. Many Chinese parents still prefer sons to daughters. Sons carry on the family's ancestral name, while daughters do not. They are responsible for caring for their parents, which is important in a country with limited social security assistance.

Especially in rural areas, the thinking that says raising a daughter is like watering someone else's fields is deep-rooted.

With the advent of the one-child policy, illegal ultrasound scanning to determine the gender of babies became widespread. For instance, the official Xinhua News Agency reported that between 2000 and 2003, the authorities prosecuted 50 officials and doctors and closed 215 clinics in Huaiyuan County, Anhui Province, for performing ultrasound scanning and selective abortion.

Despite such enforcement, the consequence of the one-child policy combined with the societal preference for male children has been a sharp gender imbalance in births. According to the 2000 census, for every 1,000 newborn girls, there were 1,168.6 boys.

For a woman who bears an unwanted child (usually female), there are few options. To quote Vice-Minister Pan Guiyu of the State Population and Family Planning Commission: 'Some rural people just dumped female infants outside orphanages immediately after their births'. China's orphanages hold almost a million children, of whom an estimated 95 per cent are female.

With Chinese girls, the 'lemons problem', or what economists call 'adverse selection', is much less of an issue. Economists like to illustrate adverse selection with the used-car market. Why is Wong selling his car? Because he genuinely wants a new car or because there is something wrong with his car?

What about the supply of Chinese girl orphans? Why was baby Fen Fen placed for adoption? Probably because she is a girl and not because she has health problems nor because her mother had a risky lifestyle.

This year, the supply of Chinese children overseas is set to rise, as the government lifts a quota on foreign adoptions. (China accounts for almost one in three foreign children adopted by US parents. The flow of Chinese girls is one issue the United States administration won't be raising at the World Trade Organisation.)

However, over time, economic growth, urbanisation, improvements in education and the establishment of a social security system have been changing the popular mindset. Researcher Yang Yan at Beijing's Capital University of Economics and Business reports that even rural folks

have begun to revise their thinking. The new line is: 'Daughters can continue the family name, just like sons.'

If, in the future, Chinese parents are indifferent as to whether they have boys or girls, the Chinese supply of orphans will take on the characteristics of those from other countries - such as children with health problems or born out of wedlock.

This may in part explain the move by the Chinese government to control the adoption of Chinese children by Singapore parents.

From April this year, all Singaporeans had to apply to the China Centre for Adoption Affairs (CCAA) through two authorised agencies - Fei Yue Community Services and Touch Community Services.

CCAA offers adoptive parents only one child, based on their preferences over gender, age and provincial origin. In the past, Singaporeans could adopt Chinese children through commercial agencies. They were also at liberty to visit China to choose a child.

With the backgrounds of children available for adoption becoming more mixed, the Chinese government may just want to ensure Singaporeans do not cream off the most desirable kids.

Dr Ivan Png is visiting scholar at the Tsinghua University School of Economics and Management, and Kwan Im Thong Hood Cho Temple Professor and Professor of Business Policy at the National University of Singapore.