



7th NTA Conference

NTA and China's Public Policy

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China: the Era of Great Change

1949-1978

- **Planned economy**
- **Low economic growth, high savings**
- **High fertility and low mortality rates**
- **National based social security system**

1978-2008

- **Market economy**
- **High economic growth**
- **Low fertility and low mortality rates**
- **Marketized social security system**

Backgroud of the evolution

- **The transition of social development**
 - **2003-**
 - **“Scientific development” and "homonious society “**
 - **Emphasize justice and equality**
 - **More government expenditure to the public service**
 - **Reconstruct the social security system**

Issue 1: Public vs Private

The evolution of China's healthcare system

- In 1999, China began to reform its healthcare system

Before reform

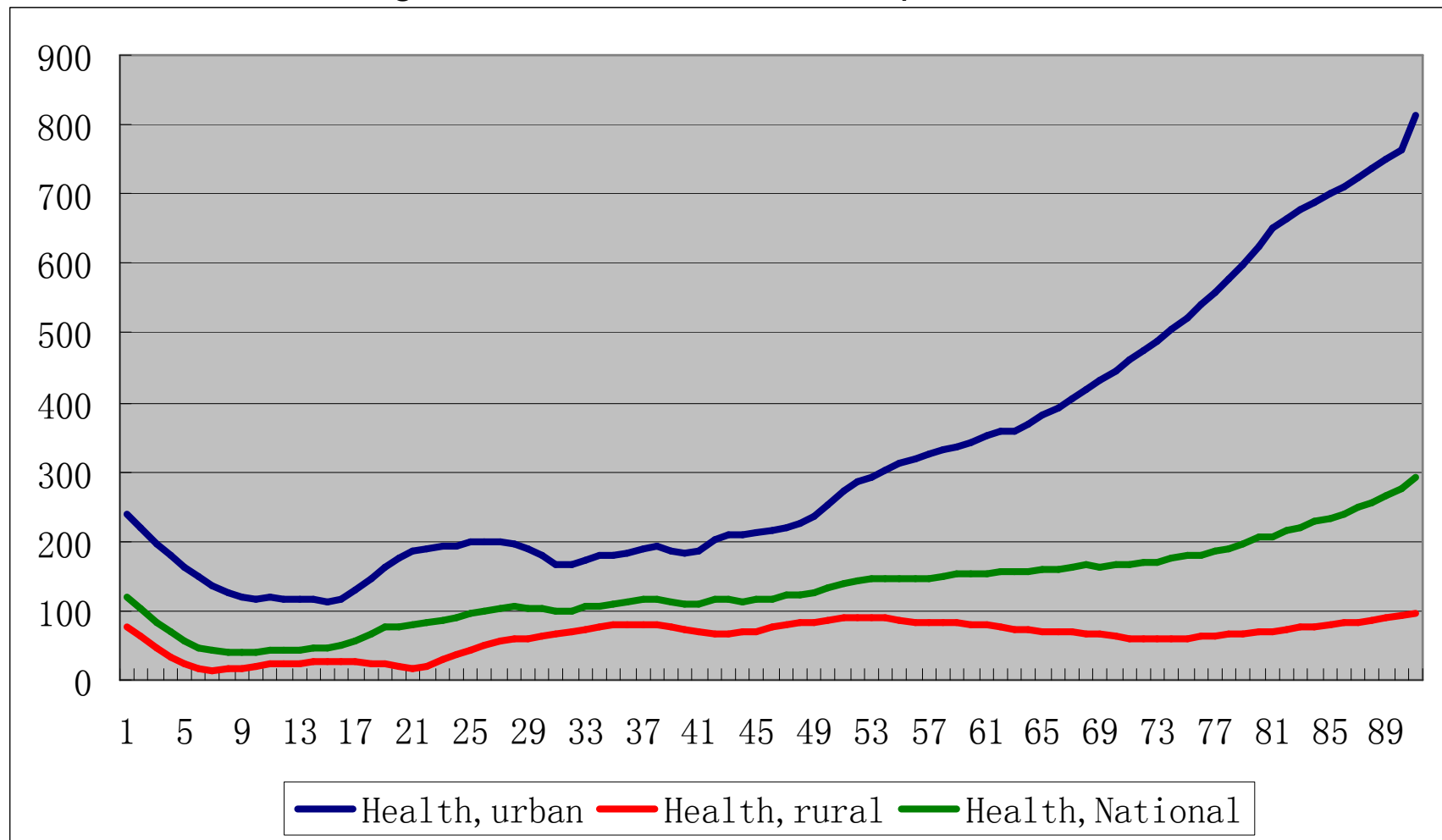
- Urban: Comprehensive Social Security for the employees (and their relatives)
- Rural: Cooperated Medical Service

After reform

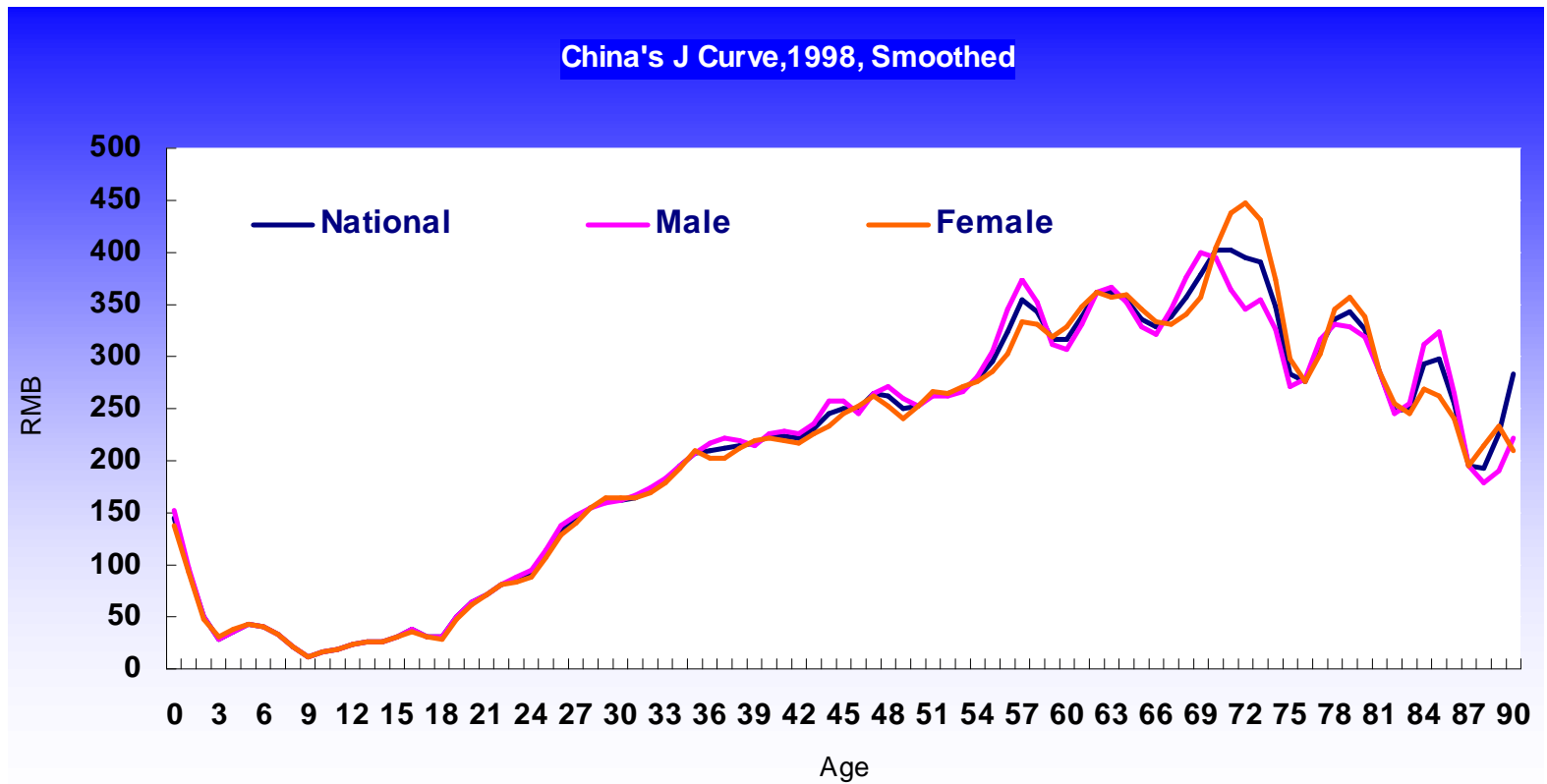
- Urban:
 - Employee's health insurance(1998-)
 - Citizen's social insurance(2007-)
- Rural
 - New Cooperated Medical Insurance(2003-)

NTA and Health

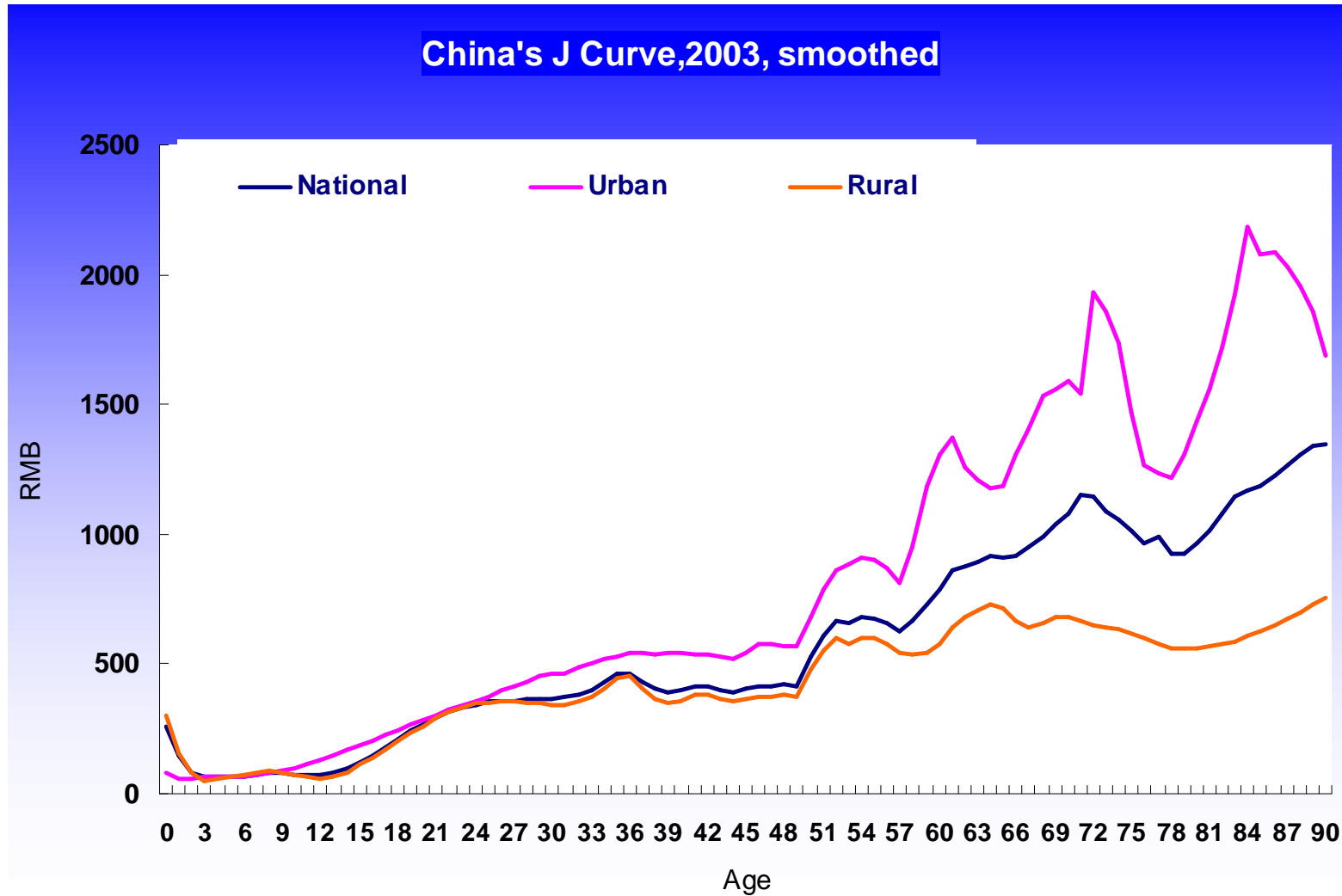
Age Profile of Health Consumption, 1995



The Change of J Curve

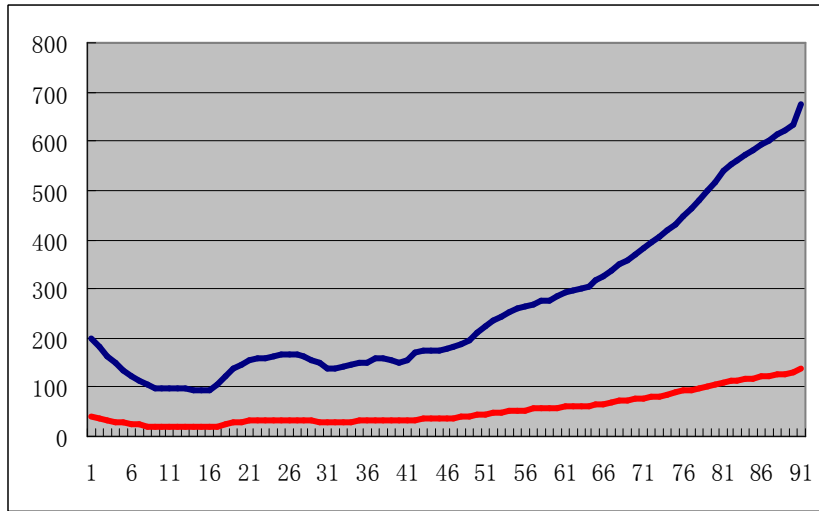


The Change of J Curve

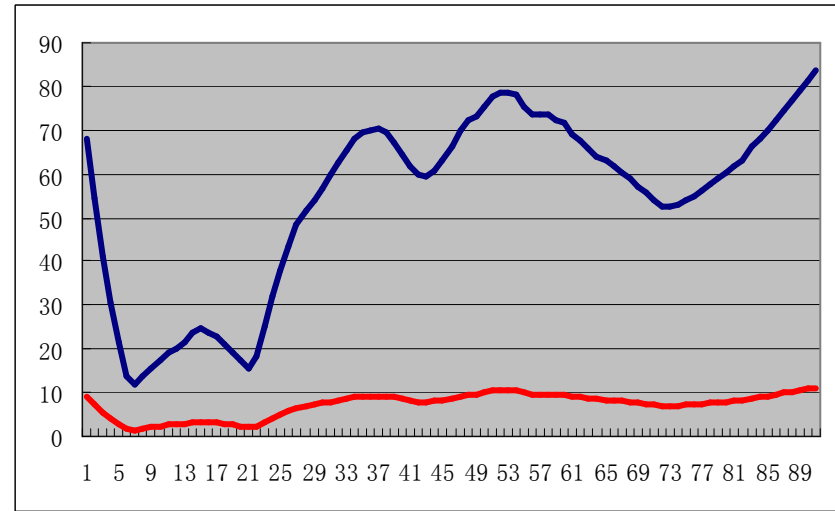


Health: public and private

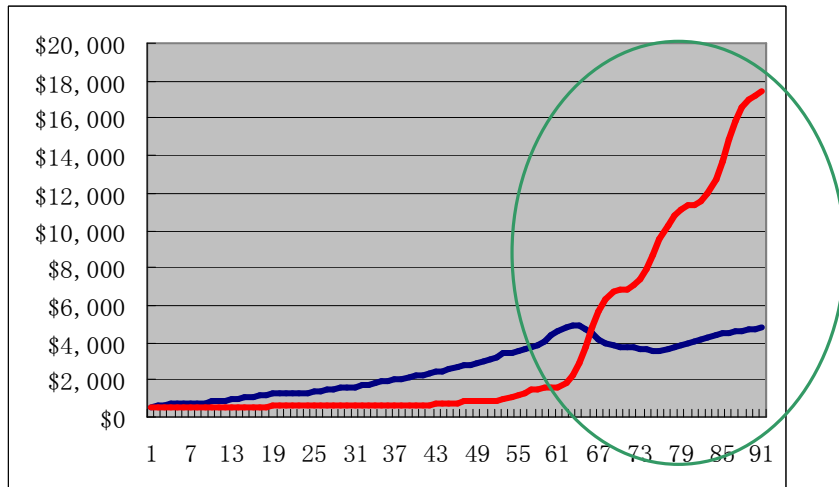
— Public
— Private



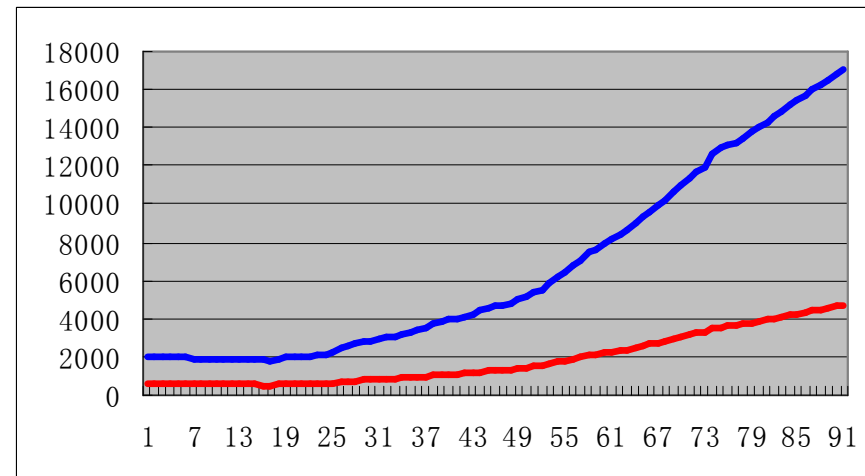
China urban 1995



China rural 1995



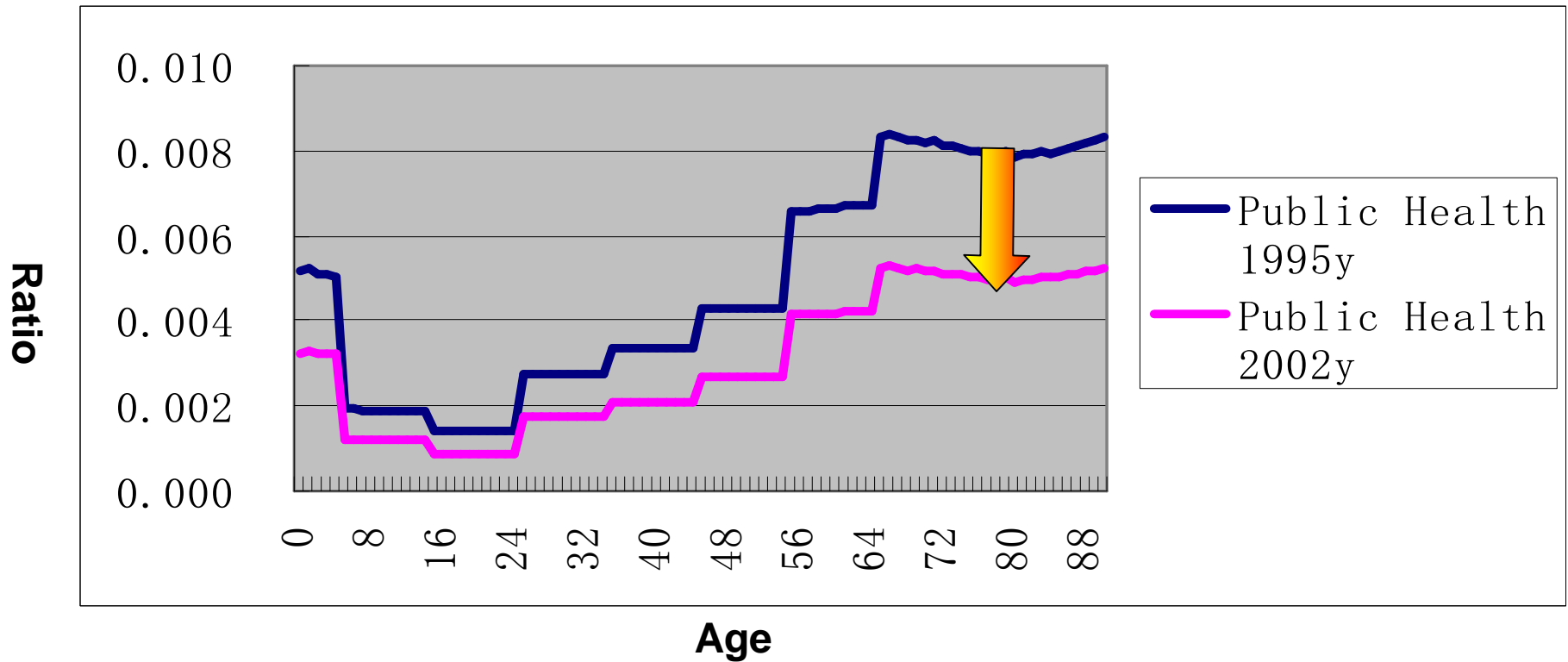
The USA 2000



Thailand 2004

Comparison

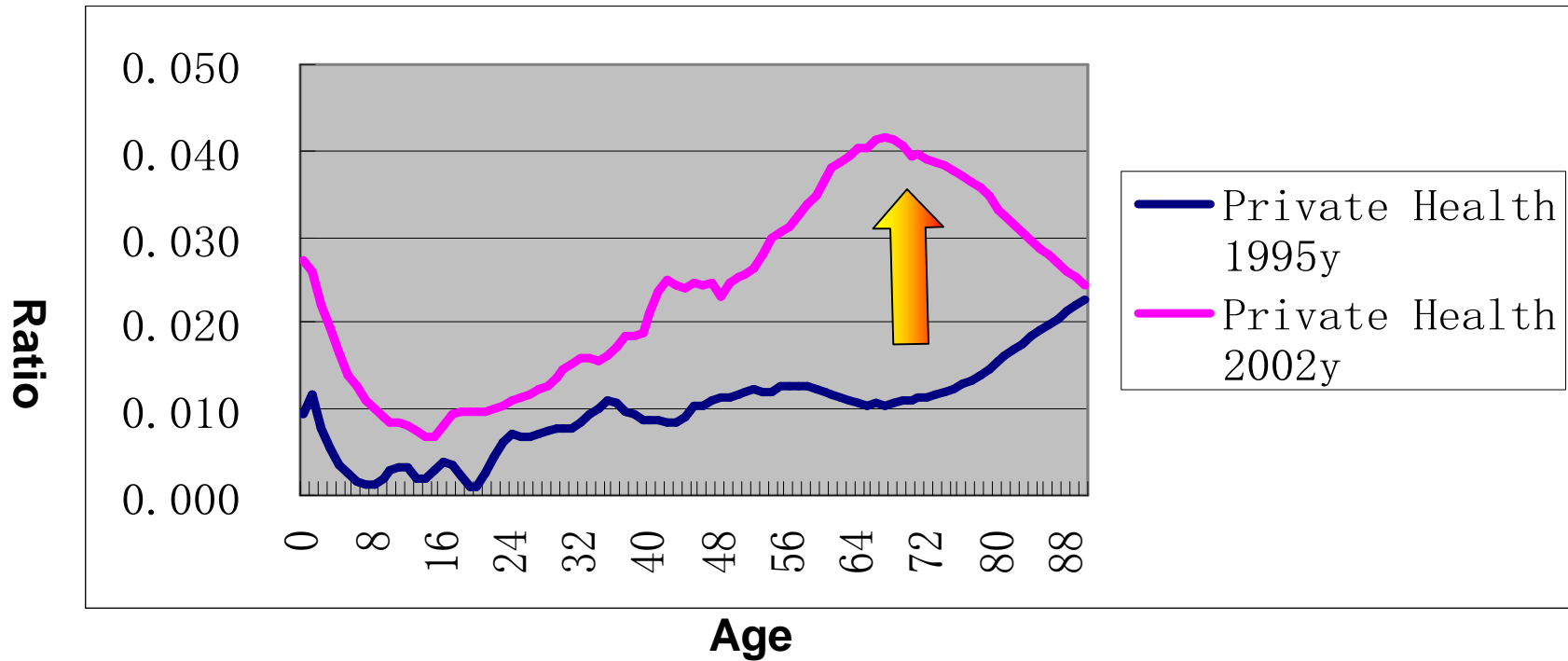
Comparison, China 1995 and 2002, per capita



(Normalized by average Labor Income of age 30-49)

Comparison

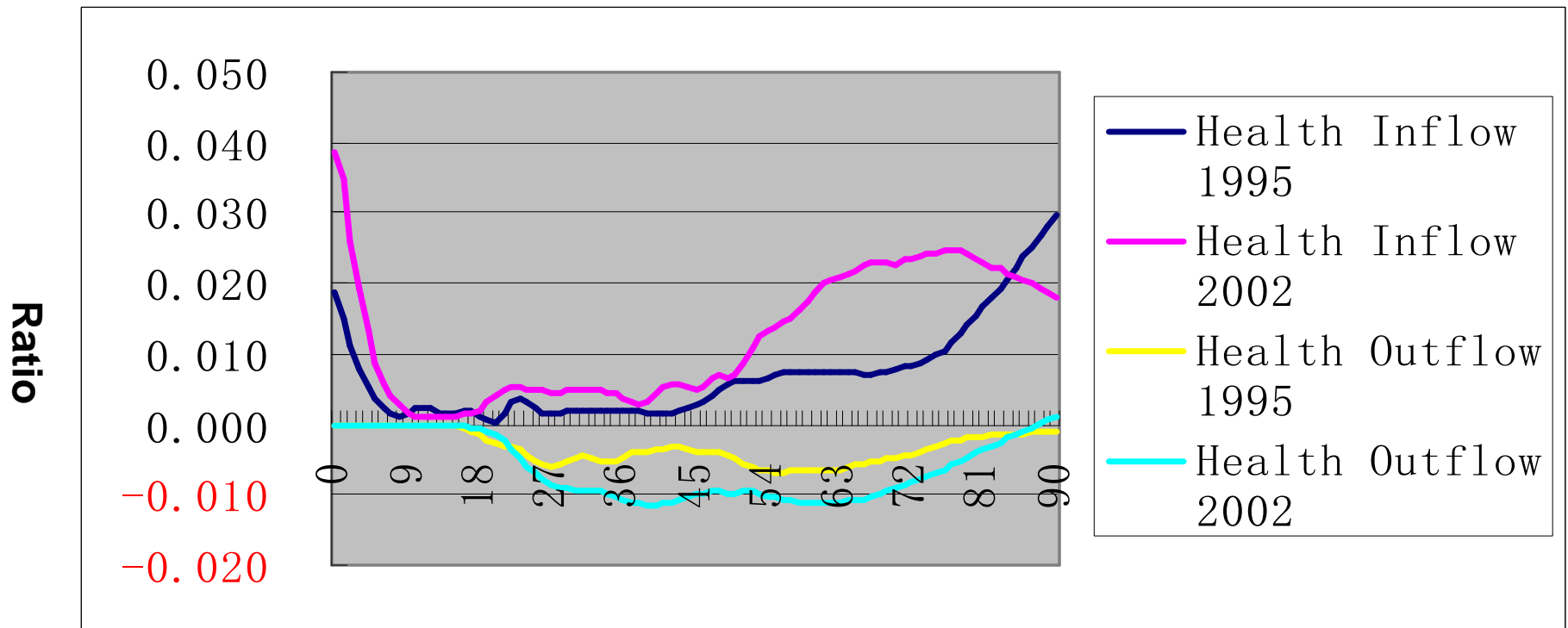
Comparison, China 1995 and 2002, per capita



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Comparison

Comparison, China 1995 and 2002, per capita



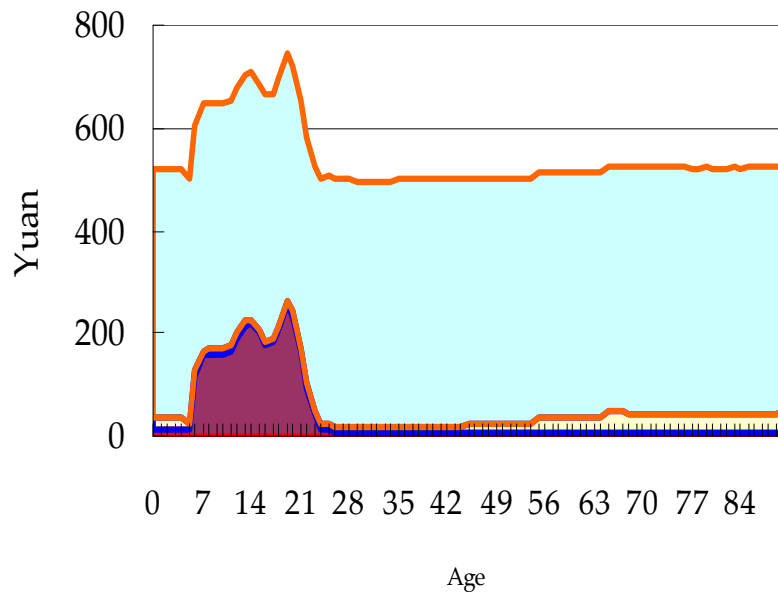
Age

(Normalized by average Labor Income of age 30-49)

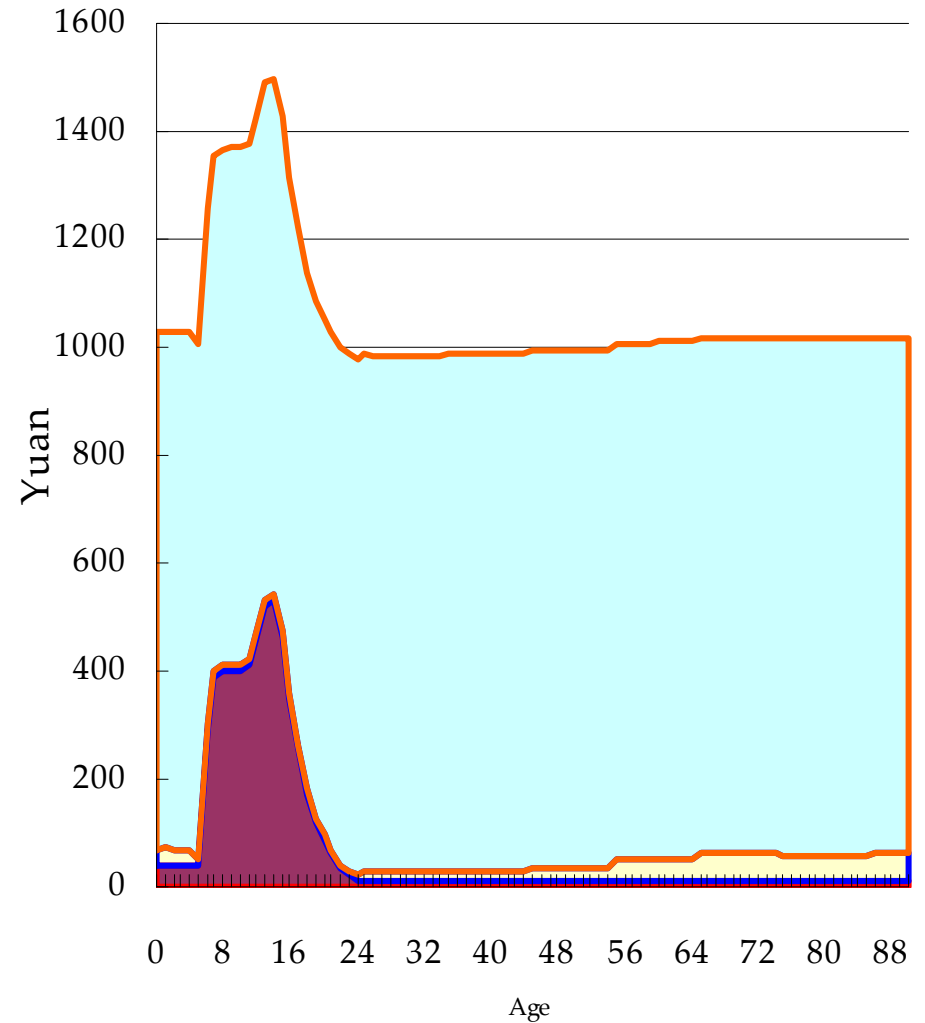
Consumption between health and education

- Public Consumption,Other
- Public Consumption,Health
- Public Consumption,Education

Public Consumption,China,per capita,1995

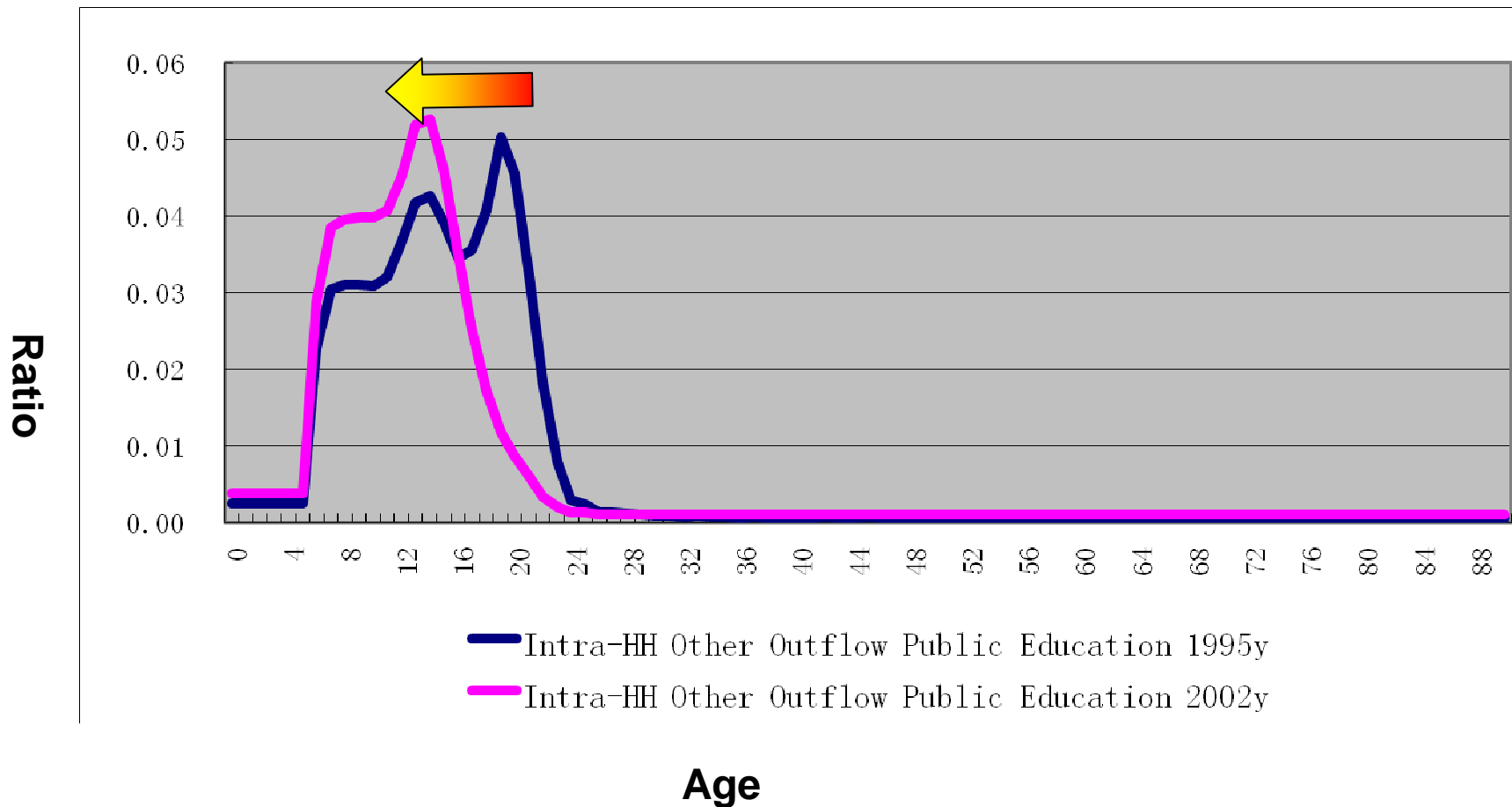


Public Consumption,China,per capita,2002



Public Education, Comparison

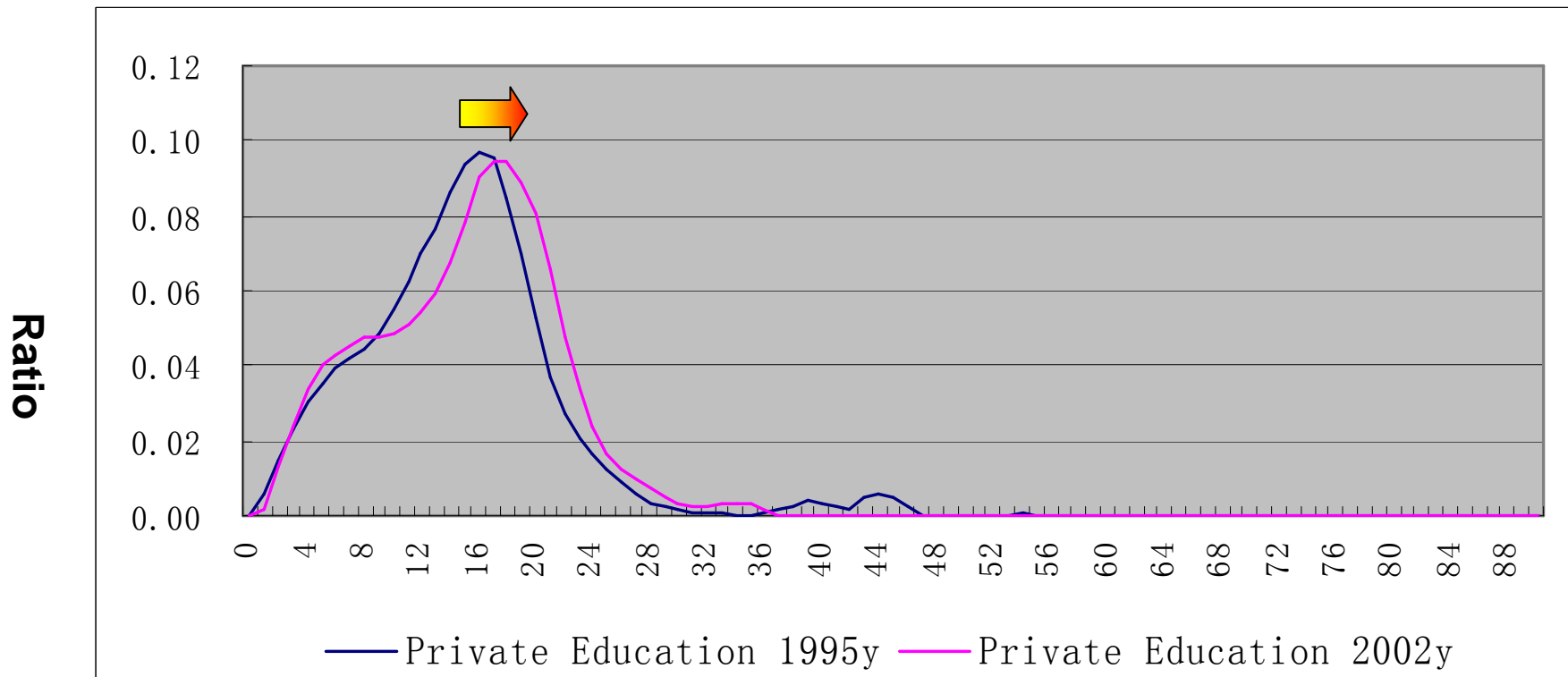
China 1995 & 2002, per capita



(Normalized by average Labor Income of age 30-49)

Private Education, Comparison

China 1995 & 2002, per capita

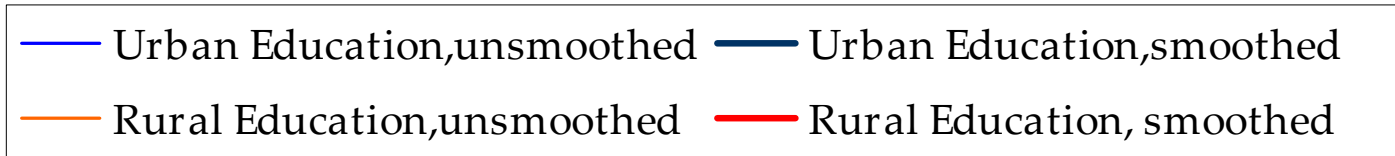


Age

(Normalized by average Labor Income of age 30-49)

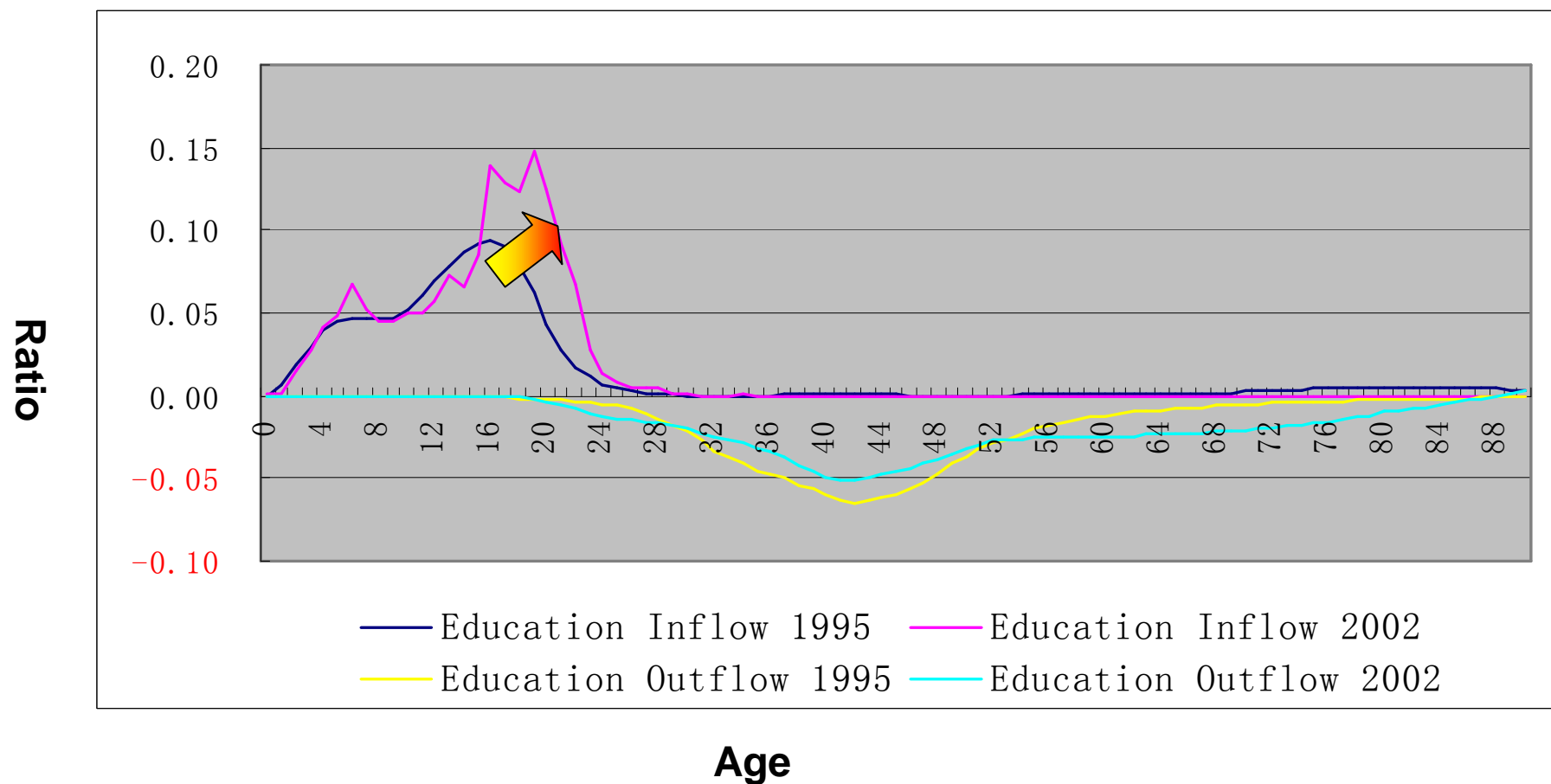
Private Education, Comparison between urban and rural

Education, Rural and Urban,China,percapita,2002



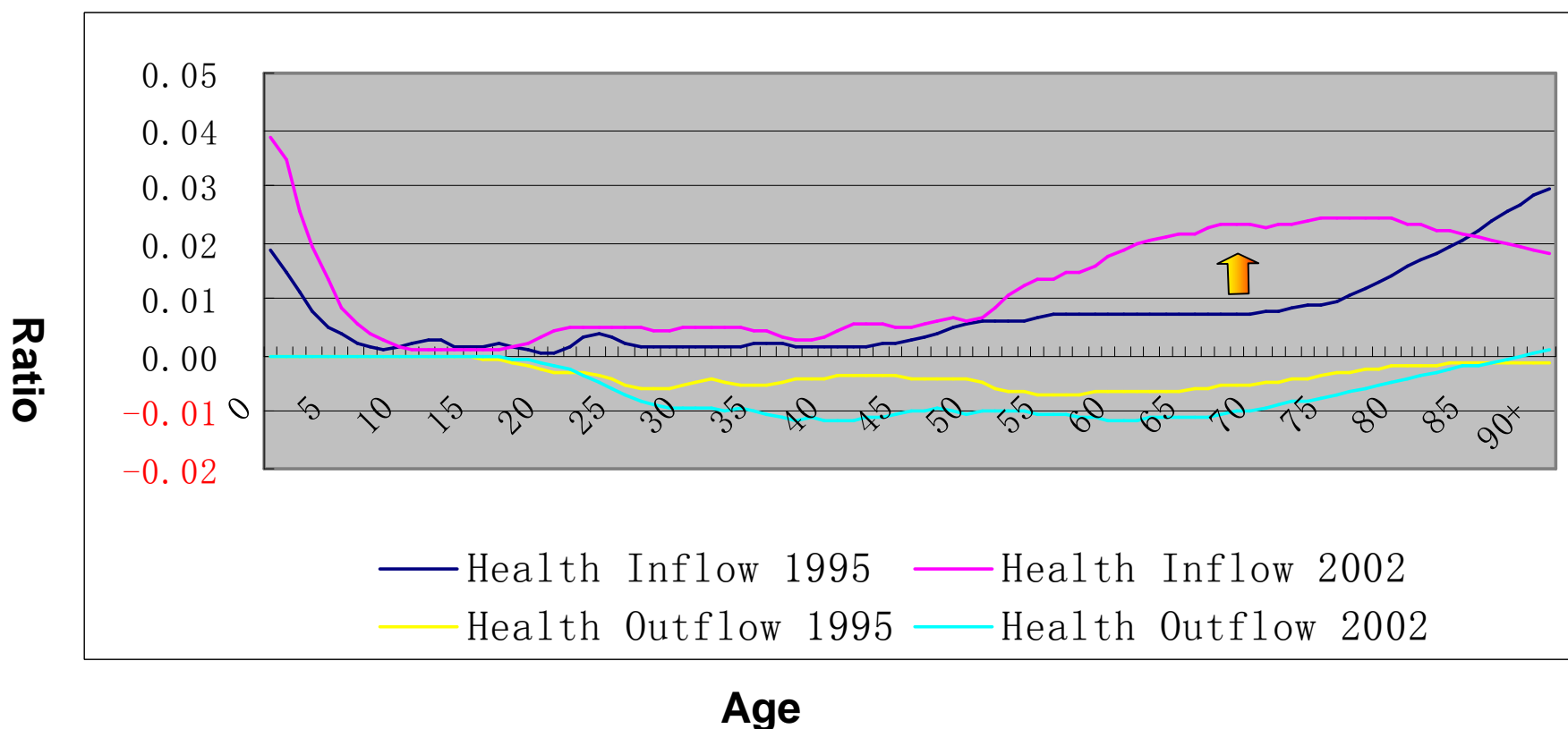
Intra HH Transfer: Education –Comparison

China 1995 and 2002, per capita



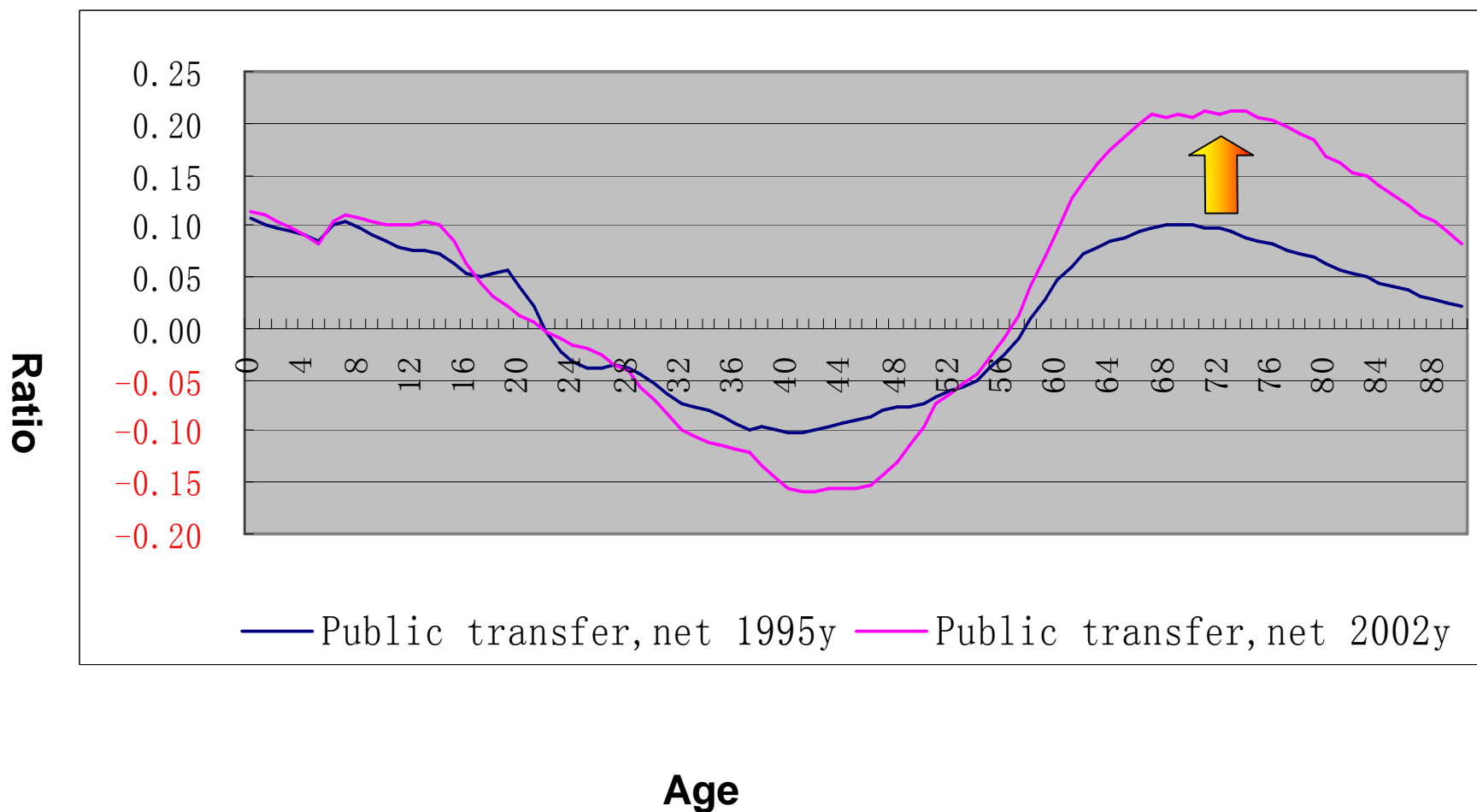
Intra HH Transfer: Health – Comparison

China 1995 and 2002, per capita



Public Transfer- Comparison

China 1995 and 2002, per capita

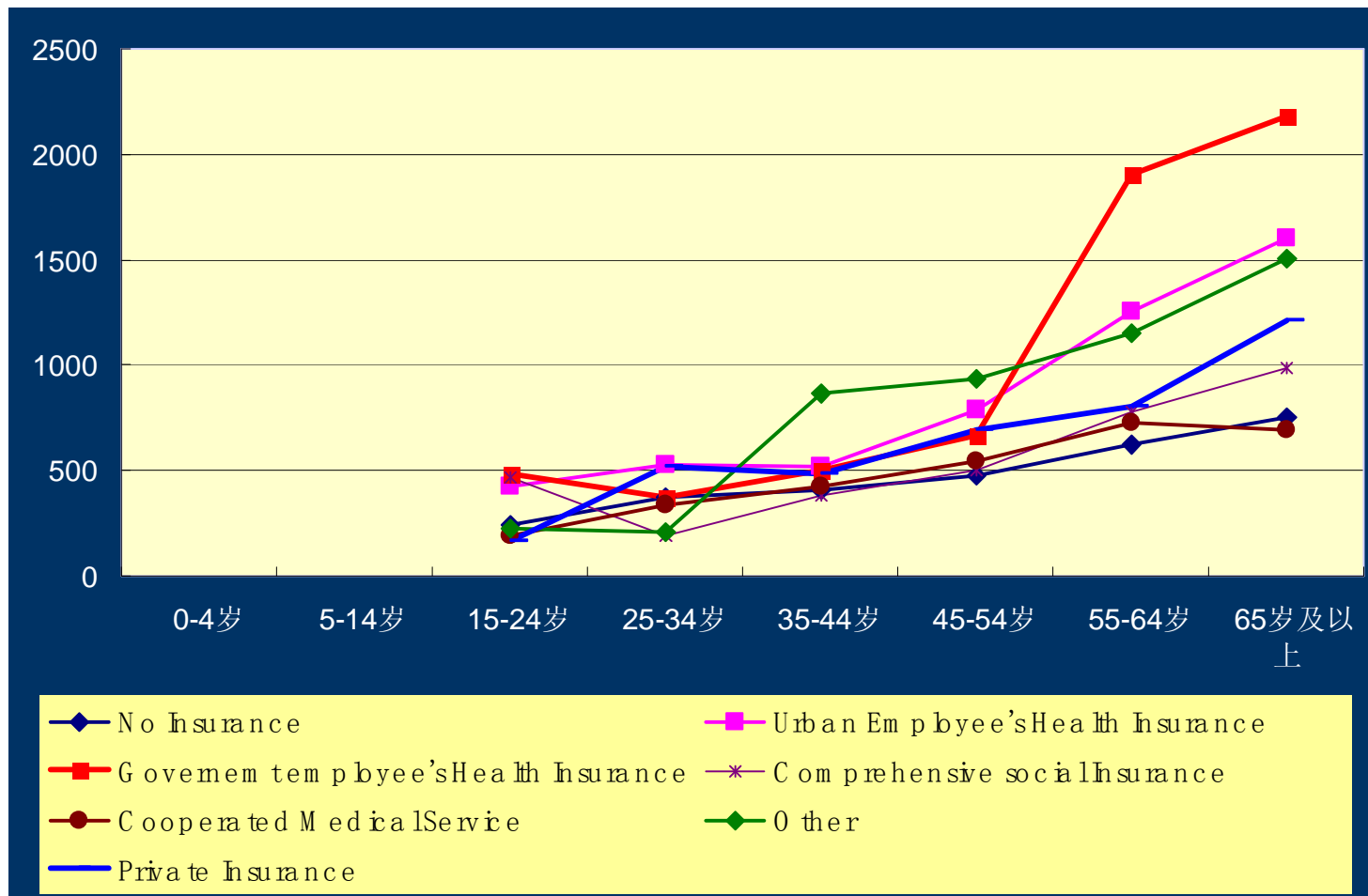


The future of China's healthcare?

- **Hot debate——**
- **“Subsidy the demand side or the supply side”**
- **“Social Insurance System or National Healthcare Service (NHS) system”**

The future of China's healthcare?

- The new healthcare system increase rather than control the cost



Issue 2: Gender

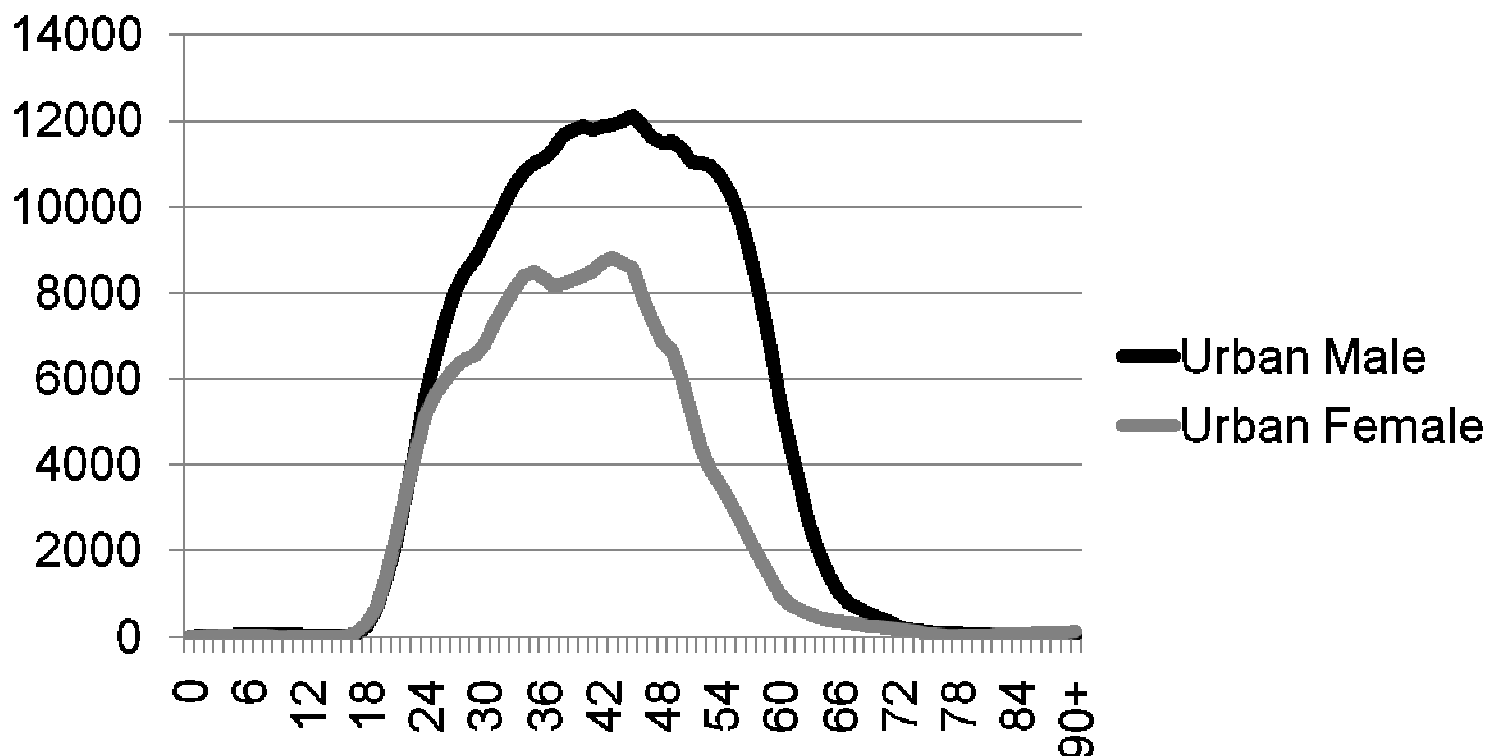
Background

- **Women liberation along with the revolution during the 20th century**
- **Unequally competition in a export-oriented and labor-intensive economy**
- **200 million migrated from the rural to urban for work**
- **Weakened of social security system**
- **Oversupply of cheap labor: Labor super market**

Labor Income

Preliminary result

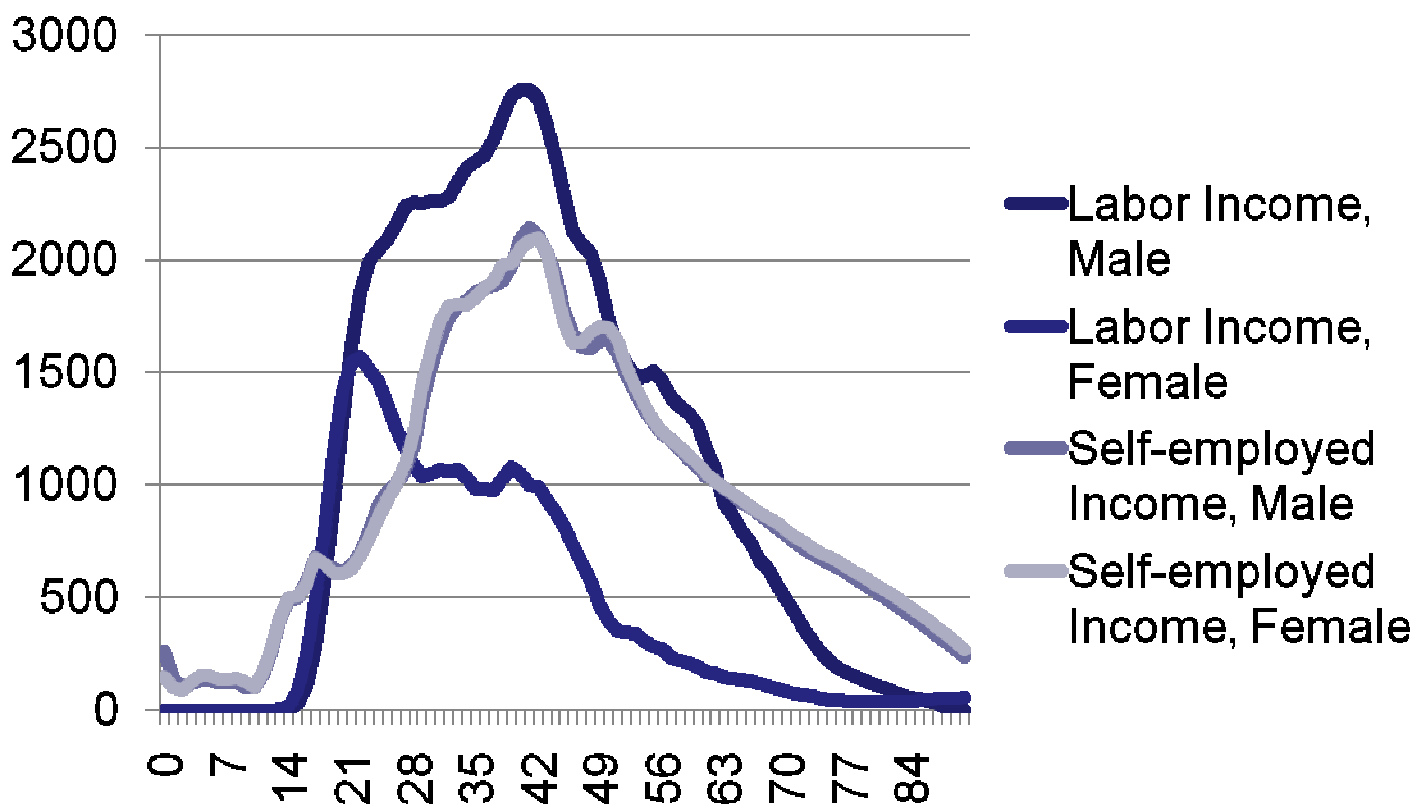
- Labor Income Urban, 2002, per capita



Labor Income

Preliminary result

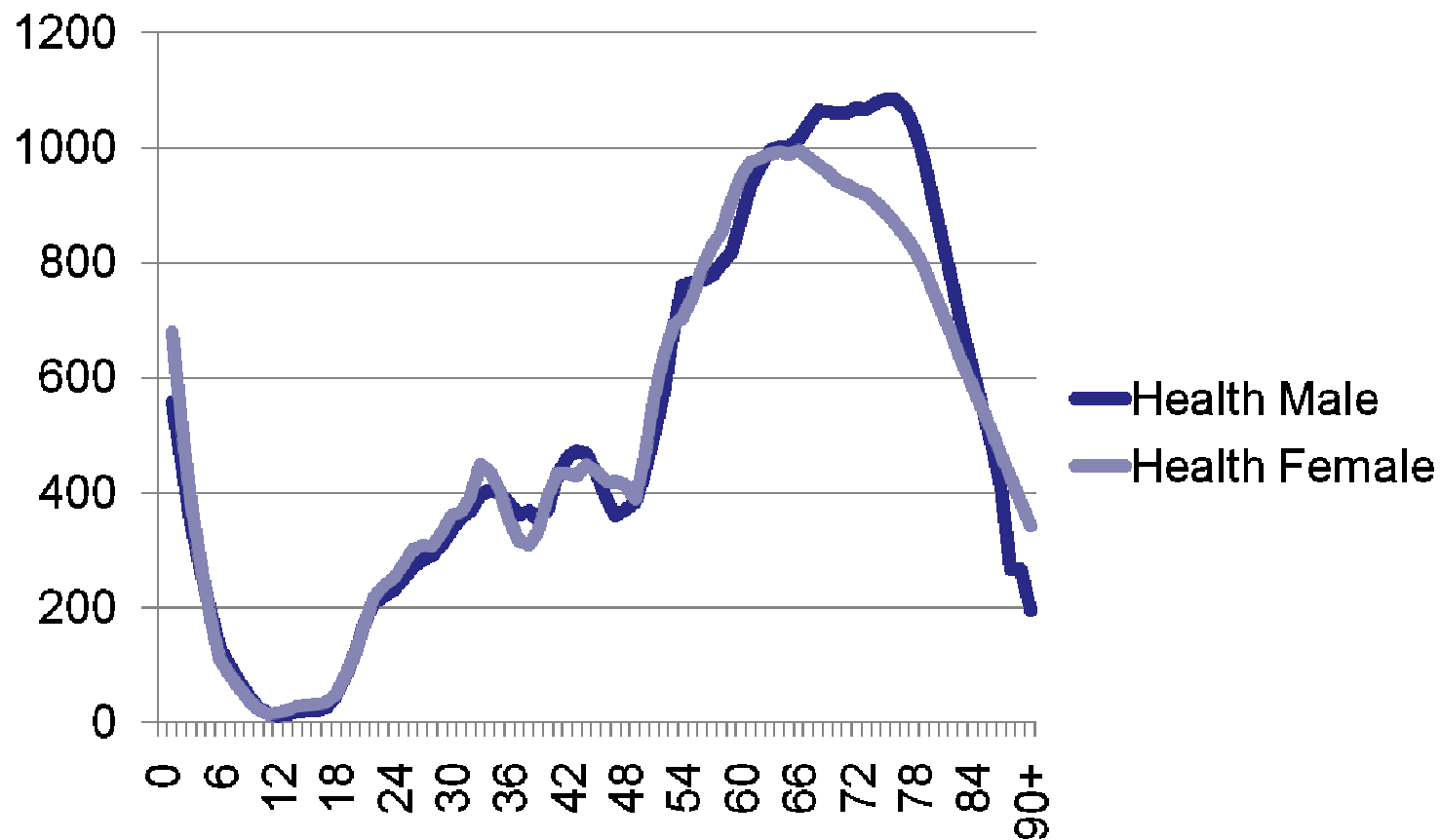
- Labor Income Rural, 2002, per capita



consumption

Preliminary result

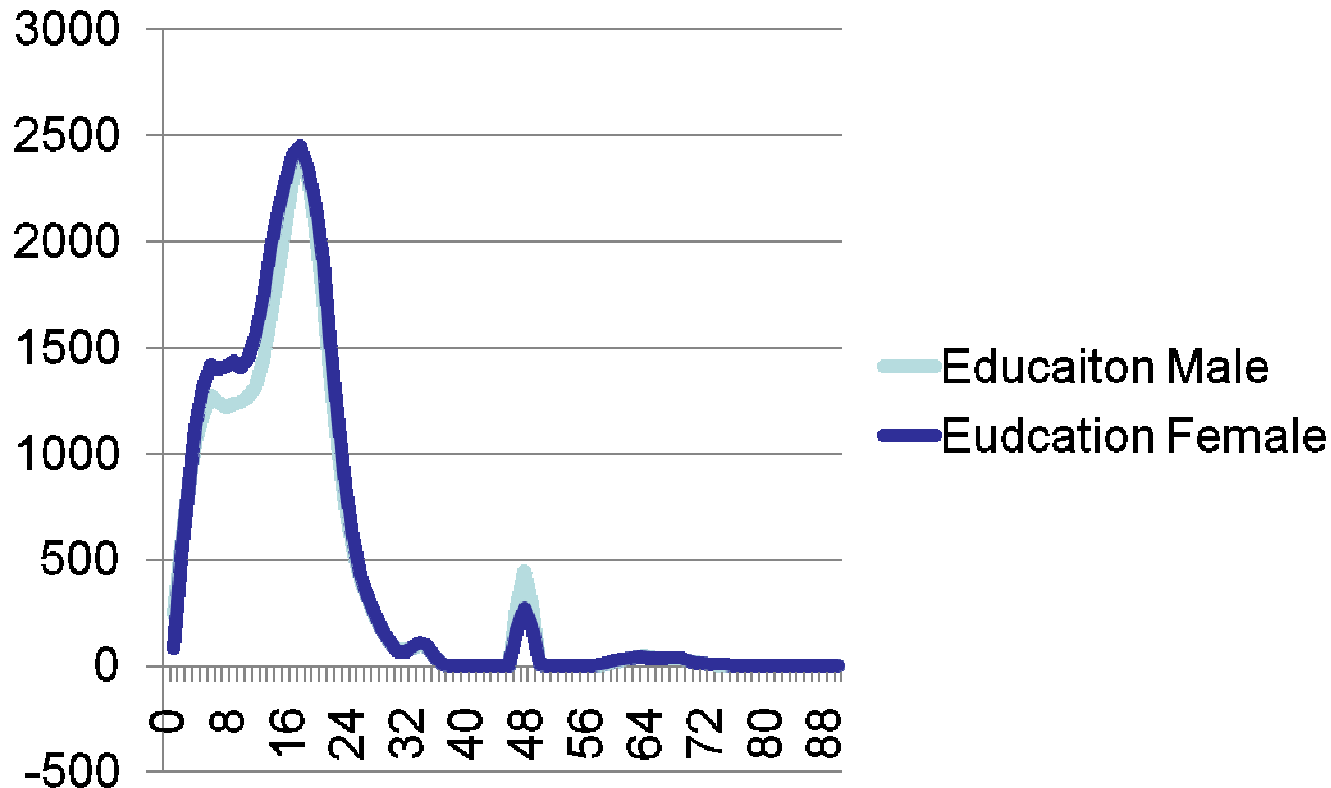
- Private consumption urban, 2002, per capita



consumption

Preliminary result

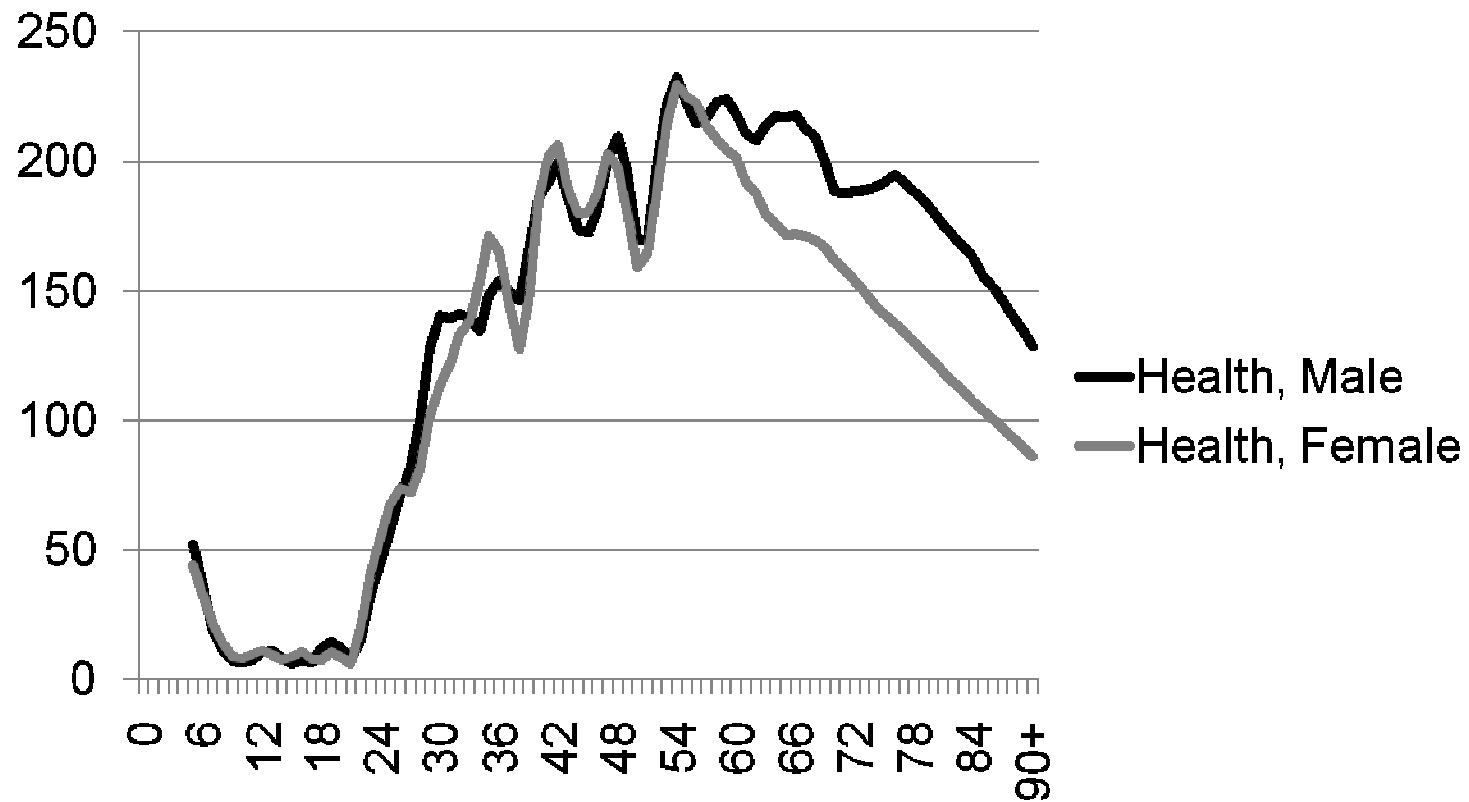
- Private consumption urban, 2002, per capita



consumption

Preliminary result

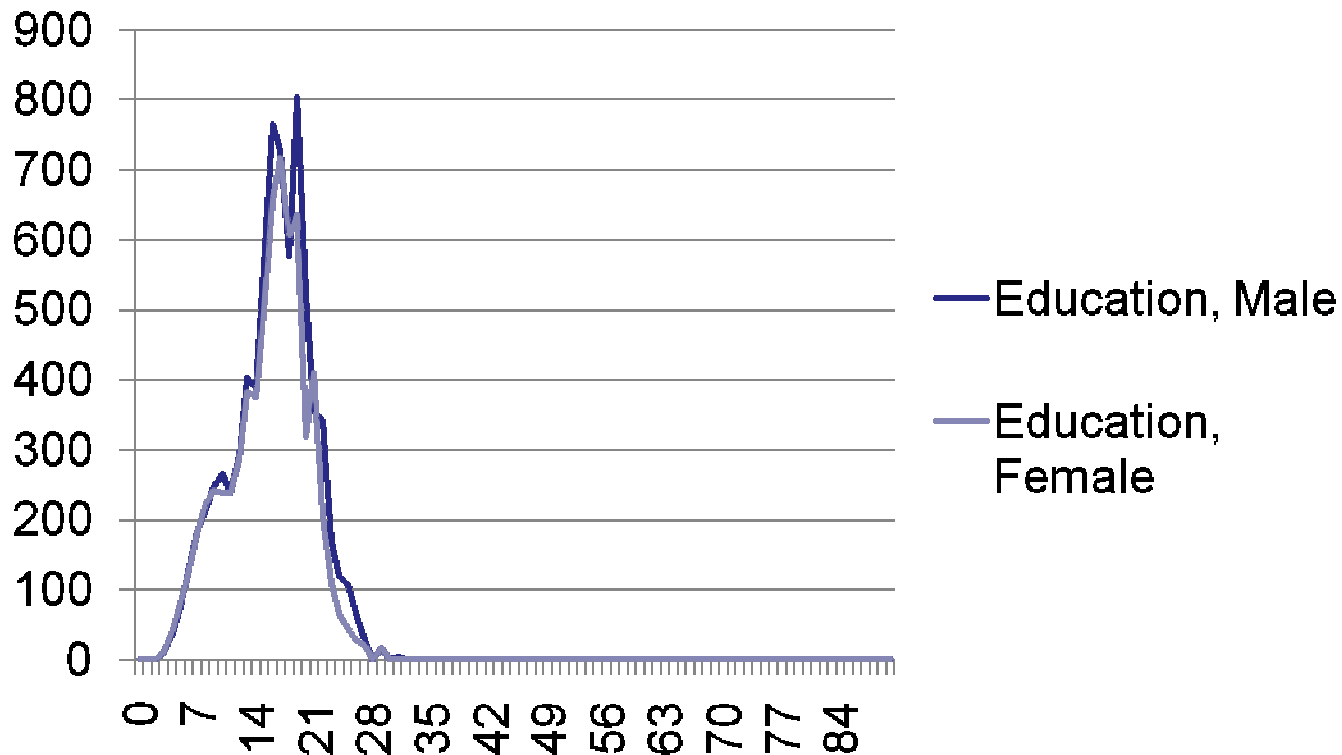
- Private consumption rural , 2002, per capita



consumption

Preliminary result

- Private consumption rural , 2002, per capita



Next step

- **Transfers between genders**
- **Estimate the transfer between the urban and rural by the immigration**

- **Thanks**

