

OBSERVATIONS IN CHINA

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By Ruby Tsao

BEIJING GARDEN EXPO

April is a good time to visit Beijing before May 1 holidays. We took a subway to the new BEIJING GARDEN EXPO in southwest Beijing. This area used to be a landfill. Today, trash is turned to treasure. A 513 hectore park including a 246 hectore lake features main buildings for indoor exhibits; pavilions, walkways, bridges, streams, rock gardens, and trees and flowers sponsored by provinces and cities. Various modes of transportation are available for this large park. A shuttle bus took us back to the subway station before rush hour.

BOOK FAIR and BOTANICAL GARDEN

We saw Chinese people's thirst for knowledge at a book fair held in a park during April 11-20. All the stalls were crowded with people carrying bags of books. Old books could be exchanged or traded in. In April, flowers are blooming everywhere. The Botanical Garden has 187 species of tulips with 700,000 blooming at the same time at low levels and flowering trees blooming at higher levels. The rose garden will be blooming soon. It is a lovely park with the backdrop of XianShan 香山 with a lake for recreation.

ANTI-CORRUPTION

In a newspaper report, anti-corruption progress in China in the first hundred days of 2014 included 209 upper-level officials being investigated or punished for illegal activities, averaging 13 a week. In terms of numbers of high officials involved, Hubei Province had the highest number of 20, followed by Hainan, Guangdong, Sichuan, Fujian, Guizhou with at least 10. Budget for public expenses has been cut by 10.3 percent compared with 2013 in the ongoing frugality campaign on 3 categories: official vehicles, receptions and overseas travel under the 8 point rules. Upscale restaurants are either closing or adjusting prices to attract business from common folks. Work ethics standards are raised. Drinking alcohol at lunch time is not allowed, even in one's own home. Anyone at work can report on such violations.

Recently, examinations were held to select village magistrates from college graduates for Jiangsu Province. Some 17000 college graduates came to participate in the examination for 1319 positions

of village magistrates. One out of 105 applicants passed the examination on subjects of solving village problems. Over 82 percent of them choose to work in their hometowns. Using this model nationwide will produce a generation of good government workers in China actually doing work to serve hometown folks.

ACADEMIA

My husband George Tsao was a professor specializing in biochemical engineering at Purdue University. As a professor, he trained 72 PhDs, 64 post doctors, and many visiting scholars in the research of renewable resources utilization—bio-energy, bio-chemicals, syrup for soft drinks, DHA from algae, mushrooms from sawdust, biodegradable plastics, textiles, etc. A significant number of them have distinguished academic careers of their own. Since his retirement from Purdue, he has been a visiting professor for a few universities in China. He hopes the work on renewable resources will continue, to replace petroleum as the raw material for energy, chemicals, textiles... before we run out of petroleum in the next century. In China, George has long observed a great obstacle to academic progress from turf protection by individual professors. Lack of sharing of research progress or interchanges of knowledge seriously impedes research advancements. The purpose of our trip to Beijing was to make a donation to Tsinghua University on a renewable resource forum to promote academic exchanges by inviting experts to give lectures open to all interested faculty and students from all locations. Professor Liu, a visiting scholar with George at Purdue will be in charge of the project.

Prof. Liu told us when he first came to Tsinghua 20 years ago, he could not afford one piece of stainless steel equipment for fermentation requiring strict sterilization. Today all garbage cans on Beijing streets are made of stainless steel. His lab occupies an entire floor with shiny equipment. Rich Chinese people go to great lengths to make donations. There is a street nicknamed “Hong Kong Street” lined with new buildings donated by rich people from Hong Kong. Our donation is minuscule in comparison. We just hope to start a trend of academic exchanges.

Renewable resources include 1. Biomass--wastes from forestry, agriculture such as rice straws, corn stalks...and other plant materials. 2. Waste materials-- municipal wastes, solid wastes such as paper, cardboard. 3. Water resources. 4. Solar energy. 5. Wind Energy. 6. Hydro power. George is involved in the research of the first three---biomass, municipal wastes and water resources. His idea is not to use food, but to use wastes for bioenergy. This RENEWABLE RESOURCE FORUM will also include solar energy, wind energy and hydro power for interdisciplinary participation.

HIGH SPEED TRAIN

With most business out of the way, we took a high speed train to Nanjing at Beijing South Station connected with subway lines. There are over 100 trains a day leaving the station from Beijing to Shanghai with Nanjing as one of the stops. The cost was 445 yuan for second class which was spacious and comfortable. The speed was reduced a little at 301-305 km/hr for safer operation. It took about 4 hours to arrive at the downtown station in Nanjing. Green coverage is evident all along railways and highways. Massive plantings of trees are required by organizations and corporations every year on Arbor Day in March. Typically, airports in China have been built far away from city centers to allow for future expansion. With the increase of automobiles in recent years, drivers have to allow more time for traffic jams. If going by

air, it could take 4 hours driving to and from airports. Costs of taxi to and from airports easily exceed the air tickets. High speed trains are so popular that airlines have to discount some tickets by 80 percent making them about 1/4 cheaper than high speed trains.

MUSEUM OF NANJING MASSACRE-- In Nanjing, we visited the Museum of Nanjing Massacre. I will write a separate article on it.

POSTAL SERVICE—2300 years ago

George was born in Nanjing, although his hometown is a small village in Gaoyou (高邮) in Jiangsu Province-- the first city named for postal service established 2300 years ago. The word “高” meaning “high” was added in the name when the post building was raised so postmen could see it from a distance. George's cousin pointed out buildings from Qin 秦 Dynasty of 3rd Century BCE, Song Dynasty of 12th Century and Ming Dynasty of 15th Century. We saw the buildings serving as stations for changing horses to deliver mail at the highest speed possible, rivaling today's FedEx. There were buildings for lodging, meals and entertainment of visitors like motels today. We visited a Ming Dynasty "motel" built 600 years ago.

TOWNSHIP URBANIZATION

George's hometown is the village of Jieshou 界首. We visited his family--cousins, nephews, nieces -- and the ancestral home there. This village had a population of about 3000 farmers thirty years ago. Today the population is about 30,000. A cousin's son is running a clothing factory employing 900 workers making jackets shipped to Walmart from the headquarters in Yangzhou (about 2.5 million jackets).

Walmart conducts annual inspections on three things: human rights (workers are interviewed for management violations; terrorism (such as explosives hidden in containers) and quality control (on-going at each step of the process with year round on-site personnel).

There are 13 such clothing factories employing over 2400 workers; 6 shoe factories with about 1000 workers. There are also factories for machinery, plastics and solar panels as additional employers in town. The workers nearby mostly ride bicycles to work. A bus will pick up workers living certain distances away. There are schools from elementary school to high school levels and adequate health service available in town. Small farms are consolidated into bigger farms. Residents are making a better living as factory workers in a township big enough to provide better educational opportunities and health services. Perhaps this gives us a glimpse of urbanization of rural population. China plans to move 100 million rural population to urban

townships by 2020. Another urbanization trend is: 90% of cities have planned or are planning new annexation areas for expansion.

EMPLOYEE BENEFITS

I asked about employee pay, benefits, healthcare, etc. Workers' average pay in the factory is about 40,000 yuan (the exchange rate is about \$1 = 6 yuan) a year varying a little depending on efficiency, production of pieces... Social security is 28 percent of pay with employer paying 20 percent and workers paying 8 percent. Healthcare cost is 9 percent of pay with employer paying 8 percent and workers paying 1 percent. Medical expenses are 90 percent covered by employer with worker paying about 10 percent copayment. Serious illnesses such as cancer, kidney dialysis and some 20 other illnesses get secondary assistance in the coverage. Maternity leaves are 98 days with pay and all medical expenses covered. Workman's compensation is completely covered by the employer. Workers can collect unemployment benefits for up to 2 years or until starting the next employment.

HEALTHCARE—CHINA vs U.S.A

I inquired into conditions for farmers with no help from employers. They pay 120 yuan (US \$ 20) a year for health insurance, that's 10 yuan a month with 50-55 percent hospital costs covered and spending limits on drugs. Drugs are sold to them at cost. Farmers can pay 200 yuan a year into Social security to collect basic retirement benefits after age 60. They can collect more if they pay more into it up to 3 times the average local income.

Retirees pay no income taxes or medical premiums, and they pay only 5 percent of medical copayments. To give some examples of medical cost for retirees: George's sister-in-law in Nanjing was in the hospital for 38 days before our visit. The hospital bill totaled 10,000 yuan. She paid 1000 yuan including some expenses not covered. My cousin's husband in Beijing was in intensive care for over 2 months for breathing difficulty before he was transferred to a regular room for 2 weeks. The cost was approaching his annual spending limit of 300,000 yuan. When he got out of the hospital, his copayment was about 60,000 yuan including a private room and expenses not covered such as a personal helper. Medications did not exceed the spending limit of 20,000 yuan. Using Beijing as a big city example, there are 1926 health facilities, spending for medications averages 393.3 yuan per visit. Average 2013 life expectancy for Beijing residents is 81.51 years.

Today, 95 percent of China's population has health insurance. This is monumental progress for a country with 1.3 billion people--4 times the entire population of the US. In USA--the richest nation in the world, many Americans still cannot afford medical insurance.

TIME Magazine had a special report on healthcare costs by Steven Brill: "Bitter Pill" in March 4, 2013 issue. The conclusion is that costs are simply too high after years of heavy lobbying by the healthcare industry, and relentless increases automatically built-in to inflate profits for the medical profession. So far the

debate has been "who should pay for it", not "why healthcare costs are so high"? In the US, 62 percent of bankruptcies are due to inability to pay medical bills. A "Non-profit" hospital can be making over 700 million dollars profit annually with its CEO making over 5.9 million dollars a year. Spending on healthcare is almost 60 billion dollars a week in the US. World Bank and WHO surveys reported these figures: Per capita cost in 2013 for healthcare in the US is \$8508, in China, \$373; in 2012, percentage of GDP in healthcare cost, 17.9 percent of GDP in the US, 5.4% in China. In absolute dollars, there is a huge difference in spending to provide care for only a fraction of China's population. Today in the US, we still can't see the light at the end of the healthcare tunnel.