HOW IS CHINA REALLY DOING?

The BCI 2008 includes 23 countries for which we know the current BCI values but lack the data to compute backwards a value for 2000 and thus establish a trend. China is one of these countries, and the total population of the countries without enough data is 1.6 billion people. Meanwhile, according to the new World Bank tables, China is the country that brings poverty figures down in the world, with 650 million less people in extreme poverty in 2005 than in 1980. Since those tables also say that the total number of extremely poor people in the world decreased by 600 million, in reality, according to the World Bank, the absolute number of the extremely poor (but not its proportion to the growing total population) actually increased in the rest of the world.

In fact, only one point in that evolution is known for China: the income poverty figures for 2005 and the previous values are estimates.

In fact, one of the conceptual weaknesses of the income poverty estimates is that, throughout the transition to a market economy, income may grow without peoples' life changing. Think of the commune system where millions of peasants were self-sufficient. They now receive a salary and have an income, but they also have to pay for the food they used to get free.

Should Social Watch similarly attempt to provide a guess for the recent evolution of the Chinese BCI? We think not. On the one hand the reliability of our index is based on its data being verifiable against those published by trusted international sources. On the other, the index should be used to deduct a trend and not the other way around. It could be assumed that the recent economic growth in China has been followed by a similar improvement in education and health statistics. But in an historical perspective there is also evidence for the opposite: Chinese economic growth seems to have started AFTER a basic improvement in health and education for all had been achieved.

We will have to wait for reliable statistics to be compiled to be able to determine a recent trend for China.