

Notes from Asia Pacific, late January 2013

The demographic time-bomb

For ageing babyboomers from the West – like the author - living or working in the Asia Pacific, an overwhelming impression is of youth. Everyone seems so young – in the streets, in public transport, eating out, at shows and concerts. And the impression extends to education. The schools are teeming with children, young teachers and alarmingly young-looking school principals. Many Asian countries have been extending the university sector to take in more of the burgeoning 15-24 age-group. And in countries such as Hong Kong and Singapore where the state has exercised caution in expanding publicly funded higher education too quickly, the private college sector has rushed in to fill the gap.

But all that is changing. In most Asian countries, low fertility rates, greater educational participation, changing social attitudes and improvements in healthcare and life expectancy have all led to the prospect of rapid change to an older society. Fewer workers will be supporting an increasing elderly dependent population and fewer children and young people will be coming through the education system and entering the workforce. Commentators vie for metaphors to describe this shift – a “precipice”, a “bullet train”, a “time-bomb”. But all are agreed – it’s happening fast and everyone who lives in or trades with this region will feel the effect.

Nowhere is this more dramatic than in China. In 2010, there were 116 million people there aged 20 to 24. By 2020, that number will have fallen to 94 million and by 2030 to 67 million – a reduction of some 60% over 20 years. The shift from high birth and death rates to low birth and death rates has been much faster in China than in the West. It will take less than 30 years for the share of the population aged over 65 in China to rise from the current 9% to 25%. In Western ageing societies like Italy and Germany that change took a century.

It is too easy to place the speed of change in China entirely at the feet of the notorious “one child” policy in most of the country. The time-bomb is ticking in other Asian countries too, where more young adults are delaying parenthood and having fewer – or no – children. In Singapore, the Government is striving to find ways to encourage young Singaporeans to have more babies, and in countries like Korea attention is focusing on reducing the costs of child care and education for families, most of whom feel they have to spend high proportions of household income on private tutoring. These policies may make things a little better in the mid-21st century. But they cannot recreate the lost generation in the next 20 or 30 years.

The economic, policy and social effects of these changes - particularly in China - are an enormous challenge to Governments, industry, policy makers and commentators. For many this is new territory. As one economic commentator¹ has pointed out, “China will be the first major economy to grow old before it becomes rich”. Young Chinese adults are described as “the 4:2:1 generation”, with each young person facing the prospect of caring for two parents and four grandparents. This is particularly daunting for a society still strongly influenced by the Confucian emphasis on the duties of families to care for their elders. Most Chinese are shocked by press accounts of Westerners bundling their aging parents into care homes.

¹ Feng Wanng, “Racing towards the precipice”, China Economic Quarterly, Brookings Institute, June 2012

Less is written, however, about the implications of these changes for education. The microeconomics of the Asian education industry over the next twenty or thirty years will be startling. On the demand side, the number of children coming through the system will reduce and this wave will ripple through the system from the primary to the secondary schools and then to further and higher education. And this comes just at the end of a time when many Asian countries have been putting huge efforts into expanding school provision to meet the UN Millennium Development Goals of universal access to schooling.

Just when many are turning their attention from quantity to quality, demand is shrinking. Many schools will have to merge, and some will have to close. The top Asian universities may have a secure future – and China, for one, has made a concerted effort to get more universities into the world top 200 – but the future of many of the others must be at risk. At a recent higher education conference, there was talk of a quarter of the universities in Korea being at risk of closure.

In theory this might seem an opportunity to improve quality, by getting rid of the weaker institutions and the poorer teachers and lecturers and building on the successes of the good ones. But life is not as easy as that. Children in rural China will have to travel even further to school than before and the social system is not geared up to support them. Public resources will increasingly be diverted from the poorer (and ethnically diverse) west of the country into the populous east to meet the needs of its dependent population.

On the supply side, most of the teachers and school principals of the next twenty to thirty years are young teachers now, with fewer needed to come into the system, and there is more competition from other sectors for the best graduates. It will no longer be enough to attract better-qualified young teachers and improve their pre-service training. It will all be about continuous professional development of an ageing generation of teachers, who will feel increasingly unsettled and at risk of institutional change, and will themselves be worrying about supporting their own ageing parents. A familiar story for some of us in the West.

For international organisations, such as Cambridge, working in Asia, we need to stand by to work with national and provincial governments as they tackle these unprecedented problems. The keynote will be delivering quality education to smaller numbers, motivating and developing the existing teacher workforce and supporting children of all nationalities studying in Asia to get the best possible preparation for the responsibilities that they will inherit in their own countries and internationally. Quite a task.

Weathering the weather

While the West freezes and Australia deals with a heat-wave and fire, floods are affecting Asia Pacific. This can provide an interesting challenge - met in a typically Cambridge way - as the following story about a Cambridge International Examinations training day illustrates.

“Strong rains throughout the night and most of the day led to the most severe flooding Jakarta had seen in the past 5 years; the government declaring an emergency disaster situation.

In the morning we arrived with difficulties through more than knee-deep water to find about 40 of 160 delegates present. More kept arriving for the next hours, with one group having been delayed for 9 hours and arriving by police emergency truck. By 1300hrs we'd reached the maximum number able to make it - seventy. Catering and the bus with the trainers were both delayed with uncertain ETAs.

We decided to proceed with an on the spot contingency plan: following refreshments at 0930hrs a quickly assembled team of ad-hoc facilitators initiated self-organised discussion groups in the 6 subject areas according to an agreed structure. These continued successfully until 1130.

The plan was to schedule an early lunch and continue with a trainer led session before sending delegates home early to ensure safe return. However, at 1145 it emerged that the car with the trainers was absolutely cut off by floods and prevented from reaching the venue. We instructed the driver to turn around and deliver them safely back to the hotel.

In the meantime the flooding had become worse and we shifted our primary objective from salvaging the training day to ensuring the speedy and safe return of delegates back home to their families. An emergency operations team was assembled and a centre of operations established.

At that point we also made and announced the decision to cancel the training for the following day since the best available intelligence at the time indicated that the situation would continue as bad or worse.

While team members began to gather intelligence and publish updates on the flooding, transport and accommodation situation, the caterers arrived and lunch was served. Then delegates were individually advised on their best options and gradually sent on their ways as appropriate. We also hired an evacuation truck to assist some groups without other options in their safe return to their hotels. By 1500 the last delegates had left the venue."

Of course, this is nothing new. Chapter 4 of ["Examining the World"](#), published to coincide with Cambridge Assessment's 150th anniversary a few years ago contains many instances of the impact of events and developments.