

China's Quiet Export: Children

By 1979, with the national population close to 1 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.

Many Chinese parents prefer sons to daughters. Sons carry on the family's ancestral name, while daughters do not. They are responsible to care for their parents, which is important in a country with limited social security assistance. Especially in rural areas, the thinking that "raising a daughter is like watering someone else's fields" is deep-rooted.¹

With the advent of the one-child policy, illegal ultrasound scanning to determine babies' gender became widespread. For instance, between 2000-03, authorities in Huaiyuan County, Anhui Province, prosecuted 50 officials and doctors and closed 215 clinics for performing ultrasound scanning and selective abortion.²

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 new-born girls, there were 1,168.6 boys.

For a woman who bears an unwanted child, 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 birth".³ An estimated 95% of the children available for adoption are female.⁴

Besides females, handicapped babies and those with obvious medical or cosmetic problems are also abandoned. Parents may not wish to "waste" their one-child quota on a baby with cloudy prospects.⁵

U.S. parents adopt around 120,000 children a year, of whom one in six originates from foreign countries. The largest source, China, accounted for over 6,800.⁶

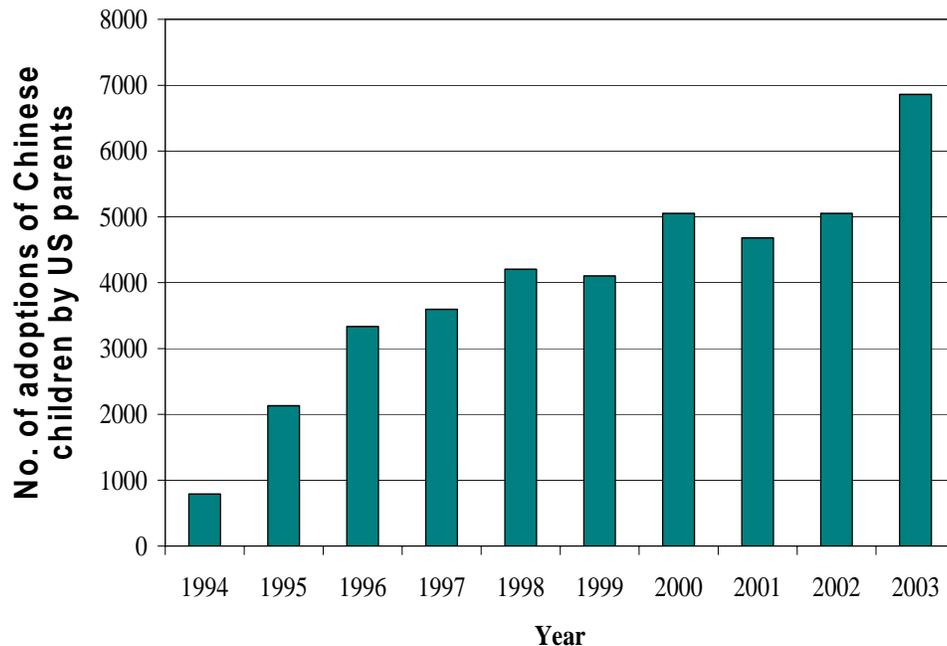
¹ "Gender imbalance prompts more care for girls in China", Xinhua, 24 October 2003.

² Xinhua, op. cit.

³ Xinhua, op. cit.

⁴ Great Wall China Adoption, website, March 2004.

⁵ Bazzoli, "International Chinese Adoption", *Shared Blessings*, Winter 1998, <http://www.night.net/rosie/9802-ics-article1.html> op. cit.



U.S. adoptive parents favor China as a source for children because “compared to domestic adoptions, the process is relatively short (about 18 months), uncomplicated, fairly certain to result in the assignment of a girl and unlikely to result in a birthparent returning to claim the child.”⁷

Another reason is that: “Chinese children have been well cared for and are generally healthy. Birth mothers typically live a simple life on a farm or in the country and have little access to drugs or alcohol.”⁸

U.S. families seeking to adopt a Chinese child must apply through an adoption agency to the China Center for Adoption Affairs (CCAA).⁹ The CCAA matches parents with available children and sends pictures and medical records to the applicants through the adoption agency. All children are screened for HIV and Hepatitis B.

The costs of adoption include a fee of about US\$6000 to the adoption agency, a donation of US\$3000 to the orphanage, fees for passport, notarization, and certification, and one parent’s travel to China. One adoption agency estimates the total cost to be US\$19,000-22,000.¹⁰

⁶ http://travel.state.gov/orphan_numbers.html

⁷ Bazzoli, op. cit.

⁸ Great Wall China Adoption, website, March 2004.

⁹ <http://www.china-ccaa.org/>

¹⁰ Family Resource Center and Homecoming Adoptions, websites, March 2004.

In Singapore, an average of 700 children are adopted each year, of whom six in ten originate from foreign countries. By agreement between the Chinese and Singapore governments, effective from April 2004, all Singaporeans seeking to adopt Chinese children must apply to the CCAA through two authorized agencies – Fei Yue Community Services and Touch Community Services. The procedures take 11-12 months and cost about US\$10,000.¹¹

Prior to 2004, Singaporeans could adopt Chinese children through commercial agencies. These allowed applicants to visit China to choose their child. The Greenhouse Adoption Agency charged between USD\$10,500-13,000 for a child from China or Indonesia.¹² By contrast, CCAA offers adoptive parents only one child, based on their preferences over gender, age, and provincial origin.

Mr Julius Tan, who attended a forum on the CCAA procedures remarked, “What happens if we don't like the child at first look? ... It's human nature to want to choose. We have to be sure we make the right choice, for adoption is a lifetime commitment.”¹³

¹¹ “Sorry, no choosing allowed”, *Straits Times*, March 27, 2004.

¹² “Baby adoption agency does it without profit”, *Straits Times*, February 17, 2004.

¹³ “Sorry, no choosing allowed”, *Straits Times*, March 27, 2004.

Discussion Questions

1. On what dimensions of an adopted child is there asymmetric information between the adoptive parents and the mother who gave birth to the child ("birth mother")? To what extent does this information asymmetry also arise between the adoptive parents and an orphanage?
2. Referring to the combination of the one-child policy and societal preference for male children, explain why children available for adoption from China are relatively healthier than those from other countries. Would this still be true if Chinese parents had *no* preference for male or female children?
3. In the case of children available for adoption from China, is the extent of adverse selection greater among male or female children?
4. What measures can parents wishing to adopt Chinese children take to resolve their asymmetry of information?
5. How would vigorous enforcement against ultrasound gender scanning and selection abortions affect China's supply of children for adoption?