



The Costs and Benefits of Growth



CHINA'S TREMENDOUS GROWTH IS MATCHED ONLY BY THE DANGERS AND CHALLENGES IT HAS CREATED

None is bigger than the threat to the environment. Feeding a fifth of the world's people on 7% of its arable land was never easy - and that land is now shrinking at a rate of 1 million hectares a year. "If you travel out of town you don't find any countryside at all anymore," complains one resident of Shanghai, "Just more cities."

The endless grey factories and tower blocks of China's development zones are soaking up the biggest rural migration in human history. The plan is to move as many as 400 million people to the cities in the next 25 years, people who will need new roads, housing and other infrastructure on a truly massive scale.

Such is China's economic frenzy that a country which was once almost self-sufficient now imports not only grain but also huge quantities of other resources. It is the world's largest consumer of copper, aluminium and cement and the second biggest importer of oil.

While this appetite sparks fears about the long-term effects on the world's raw materials, China's own natural resources - its air, land and water - are already suffering badly. China has already become the world's second biggest generator of carbon dioxide emissions and could overtake the US as the biggest source of greenhouse gases in three decades. Already relying on coal for 75% of the country's energy needs, the government has responded to a series of power blackouts by building new, mainly coal-fired power plants, raising the prospect of ever more coal dust and acid rain. Beijing is trying to reduce air pollution by urging residents to switch their heating to natural gas. But the huge rise in the number of cars on city streets does not help.

Car ownership has been doubling every few years. If per capita ownership were to reach US levels, China

would have to find room for 600m cars - more than exist today in the entire world.

Turned to Dust

Fly west from the capital and you get a bird's-eye view of perhaps the most serious threat of all. Dusty beds of dried-up rivers run through endless grey hills and deserts below. More than half China's citizens face serious problems of water shortage or contamination. "When I was young, water was everywhere," said Dai Qing, a prominent writer. "The edges of Beijing were rich with lotus-ponds and rice fields. But now it's totally disappeared. The nearest water is more than 100m below ground. Yet people still want houses with swimming pools, like in the US," she said.

Dai Qing led an unprecedented campaign against the Three Gorges dam on the Yangtze river. Now in its last phase of construction, the dam is set to be the world's largest hydroelectric project, generating power for China's expanding cities, and protests among critics. There have already been many problems with sedimentation and flooding, she said. "But China's top leaders have prevented any mention of these in the media - even on the internet where they have their own police."

Upstream from the Three Gorges, the city of Chongqing hopes to benefit from the dam because big ships will be able to reach it from the coast. But with China home to 16 of the 20 most polluted cities in the world - according to the World Bank - and Chongqing prominent amongst them, the great river is sometimes scarcely visible through the smog. The city also faces serious sanitation problems, because its sewage and waste water goes straight into the river - a situation that is only now being addressed. "In the dry season

when the flow is less, the waste doesn't dilute as fast, so it becomes a health problem," said John Aspinall, who is helping supervise construction of a sewage treatment plant.

Human cost

China's economic reforms have benefited hundreds of millions of people, giving them a better diet and better standard of life. But while attention focuses on the damage done to China's natural resources as a cost of those reforms, the harm done to its most vulnerable people should not be overlooked.

Michael Ma, an environmental business consultant, has found Chinese workers packed into dark, smoky factories in scenes he describes as reminiscent of 18th century Europe. "Some multinationals are as guilty as local companies of taking advantage of loose environmental and labour controls", he said. "They find loopholes so they can make quick money. And if there's any problem - they just move deeper into the countryside."

Despite the scale of the challenges China now faces, all is not gloom. There seems to be a new public awareness building of the dangers of destroying the resources on which China's long term health and prosperity depend. Pressure from small grassroots groups has also achieved some limited success, raising hopes that the environment could be an issue that encourages the government to become more generally accountable.

Beijing has announced a series of tree-planting and other campaigns, although the State Environmental Protection Administration refused repeated requests for an interview to discuss them. There are now proposals to make it more expensive for companies to pollute than not to pollute - and to make environmental issues a factor when local officials' promotion prospects are assessed. But undoing the damage caused by breakneck growth will need more than that. "Destroying is easy", Dai Qing said, "protecting and treating are difficult".

Rich China

China's economic reforms have transformed the country's cities and the lifestyles of many residents. Even 10 years ago, most people were limited in what they could buy, and were reluctant to be seen as

Western-style consumers. BBC News went to one of Beijing's biggest new shopping malls to find out what people think of the changes.

Mrs Wang, retired



I've just bought this mineral water cooler from the supermarket downstairs. I don't have any particular aspirations for my lifestyle. We have enough to eat, enough money to pay the rent. We are just having a look around. There is no other place in the city that compares. These changes are good for us, we could not continue down that old path.

Ms Yang, hotel management

This mall is huge, you can buy anything here. After I have finished my lunch I am going to have a look around. There should be more places like this in Beijing - they have everything you could want, and even things you never realised that you wanted.



Ou dao, tour guide

It's very comfortable here. The things are elegant, and the prices are reasonable. But they are too expensive for me so I have not bought anything today. There aren't many customers here, because it's for people on above-average incomes. I am happy about the development of the city in this direction - but the old things need to be preserved.



Miss Lu

I came to have a look because I heard that there is everything here - entertainment, restaurants, relaxation therapies, things to buy. I think it is good that China is Westernising in this way. We all want the same thing - a beautiful life. I am a Communist Party member, I still hold on to my beliefs. But now we all have equal opportunities.



Ren Hong, shop assistant

We are not very busy here yet because we have only just opened and not many people know about the mall. My own family doesn't come here - they think the things here are incredibly expensive. They wouldn't even to come and have a look. They don't feel there is anything that could interest them here.



Yue Jiaqin, IT worker

I like to relax, to go out to parties, to travel. I like to have fun. I think this place is great, but these kinds of changes are having a huge impact on the city. If you look at the Buddhist temple across the road, you can see that the care gone into restoring it cannot even compare to the amount of work gone into making this mall.



Li Na, designer

I am here to buy a present for my boyfriend. I ignored him for a few days and he is angry with me so I want to make it up to him. I will also look for some clothes for myself. I am looking to spend between \$15 and \$40 on an item of clothing - things that I can afford. I like casual and fashionable styles - clothes with personality.



Mrs Guo, retired

This new mall is great - before there was nothing here. I am looking for a shirt for my son, he is too busy to shop. The city should not build too many of these because there won't be enough customers. Not everyone can afford to shop in places like this. I wouldn't come here for my underwear and things like that - just for special things.



Poor China

China's rapid economic progress has transformed its cities and coastal areas. But life for many millions of Chinese in the country's vast, rural hinterland is in some ways the same as it always was. BBC News Online visited two of



China's poorest inland provinces, Ningxia and Guizhou, to hear views on the growing gap between rich and poor.

Wang Ran, Guizhou Province

"The agricultural tax is high. Government officials say they are going to reduce the rural taxes, but they haven't and we don't know when they will. If they did reduce our taxes, that would really change our lives. We are so poor because there is no development here.



The government does give aid but for some reason there is hardly any allocated to this area. I have no way to buy fertilizer. We need economic help."

Qin Guiying, Ningxia Province

"My husband died a long time ago so I brought up my children myself. My son died in a car accident. I have two grandchildren and I live in an old sun-dried mud house. I have no money. The government gave us aid once three years ago, but never again. We cannot compare our lives to those who live in the city. I have no choices."



Yao Min, Guizhou Province

"Both our children have left the village to work in the cities. The central government leaders just care about themselves - not about the masses, not about the people. The local officials only pay attention to the one child policy, so that they can collect fines from those who have



more than one child. If families don't have enough money to pay, they take things from their houses. If we become sick this will be a disaster for the family."

Wang Yanlin, Ningxia Province



"Life has changed so much here since the mid 1980s, in terms of economy, lifestyle and transportation. We used to live in sun-dried mud huts but now I live in a brick house. My family has heating, and some families even have tractors. Some of us even live better than those city dwellers who are unemployed - but of course we cannot live as well as city husbands and wives who both have their own jobs."

Mrs Jin, Ningxia Province

"We don't understand matters of the state - we have to concentrate on making a living, on finding enough money to eat. We don't have time to pay any attention to politics."



Tan Huijue, Guizhou Province

"We have a huge burden: we are really poor. If I could choose a place to live, I would choose Guiyang [the provincial capital]. I certainly hope our place could develop faster. But the government has no ability to help us. We are so poor here."



Mi Yushan, Ningxia Province

"The wealth gap is certainly unfair! The price of chemical fertiliser is increasing but the price at which we can sell grain has dropped. We farmers have few fields. We have just enough food so that we don't get hungry - but we have little money left over. We have to work as temporary labourers in the town to earn money. Someone from Hebei province tried to buy our land a few years ago, and the government just closed their eyes so we had to buy it back ourselves."

