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March 17, 2021 Joshua Eisenman

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CHINA CAUGHT IN "LOW-FERTILITY TRAP" – DEMOGRAPHERS

A little over 10 million newborns were registered under China's household-registration system in 2020, down 15% from 2019. Several cities have reported large declines – among them Wenzhou, Hefei and Ningbo, which last year saw declines of 19%, 23% and 12%, respectively. Births at maternity hospitals in 20 cities declined 24% during the first 10 months of 2020. The number of women ages 15-49 has been falling by about 5 million per year from 2017-2019, and China's workforce is expected to shrink at least 0.5% per year. In response, last month China's National Health Commission permitted local authorities in the northeast, where birth rates have been especially low, to allow families to have a third child. But even if all restrictions are lifted it will have little effect at this point, Cai Yong of UNC-Chapel Hill notes, "The low fertility in China is here, is real and will continue." (*Wall Street Journal*, February 28, 2021)

BEIJING ENFORCES "PATRIOTS ONLY" RULE IN HONG KONG

In a near-unanimous vote, China's National People's Congress has approved changes that place pro-Beijing loyalists in charge of Hong Kong. The resolution creates a commission to ensure all prospective officeholders conform with the national-security legislation, thus ensuring an effective veto against "unpatriotic" candidates. "The decision is very clear-cut," said Premier Li Keqiang; it means "patriots govern Hong Kong." Lo Kin-hei, chairman of Hong Kong's Democratic Party, who is out on bail after his earlier arrest for participating in an unauthorized assembly, called the law "the biggest regression of the system since the handover." (*Wall Street Journal*, March 11, 2021)

CHINA AND RUSSIA PARTNER ON LUNAR SPACE STATION

The space agencies of China and Russia have concluded an agreement to jointly build an "International Scientific Lunar Station." According to Russia's space agency, ROSCOSMOS, the station is "a complex of experimental research facilities created on the surface and/or in the orbit of the moon" and will support research experiments "with the possibility of long-term unmanned operation with the prospect of a human presence on the moon." The agreement also permits joint work on China's own lunar space station, which according to the China National Space Administration, calls for "planning, demonstration, design, development, implementation, and operation of scientific research station projects, including project promotion to the international aerospace community." NASA is barred by law from working with China. (*The Verge*, March 9, 2021)

PAKISTAN BANS CHINA'S TIKTOK FOR "IMMORAL AND INDECENT CONTENT"

Peshawar's High Court has compelled Pakistan's media regulatory agency to indefinitely block Chinese video service TikTok for spreading vulgar content. The news comes six months after the agency briefly banned TikTok following complaints about the presence of immoral and indecent content on the social media app. The video-sharing platform, which has been downloaded almost 39 million times in Pakistan, will be blocked until it complies with the agency's instructions and guidelines. (Associated Press, March 11, 2021)

CHINA GRANTS SRI LANKA A \$1.5 BILLION CURRENCY SWAP

China has approved a \$1.54 billion currency swap with Sri Lanka that will allow the country to weather its "present difficulties." Sri Lanka's dwindling foreign reserves, a tumbling currency and rising debt levels have stoked growing fears of a Sri Lankan default. The swap buys the country time for its foreign exchange reserves, which are at multi-year lows, to recover. Sri Lanka had also sought a currency swap with India, but New Delhi said such a deal would be contingent on an agreement with the IMF. With national debt just nearing 100% of GDP many economists believe that only an IMF fiscal consolidation program can restore Sri Lanka's economic stability. (Reuters, March 10, 2021)