

Dear Delegates,

Nihao, and welcome to SMUNC 2011! This conference will be the kick-off to the new Model U.N. season, and I am very excited to be able to share it with you. The Stevenson Model U.N. Conference is a conference for beginners and veterans alike and will allow you to refresh your memories or help put you into gear for your future experiences as United Nations Delegates.

My name is Sonia Doshi, and I will be the Chair of this cabinet. I am a senior at Stevenson High School and cannot wait to have the opportunity to step back from the craze of college applications and take on the role of President Hu Jintao for the day. My Co-Chair, Sarina Jain, is a junior at Stevenson High School, and will act as the Premier of the State Council, Wen Jiabao, that you are soon to be a part of. We have both been a part of Model U.N. since our freshman year and are sure that this will be a committee to remember.

The purpose of this background guide is exactly that- to *guide* you into the atmosphere of this cabinet. We will provide basic information on each of the topics presented in this cabinet. However, it is up to you to truly live up to your own individual roles as cabinet members and research these topics more thoroughly. We will be delving into a discussion of major issues that are or have been concerning China- the One Child Policy Act and its necessity, capitalism and China's perspective on it, and relations with North Korea. These topics are vague enough for you all to create your own opinions and decisions regarding China's position. China's foreign and domestic relations are in your hands, and it is up to you what you decide to do with it.

Good luck with your preparation. If you have any questions about the cabinet or the conference, please contact Sarina or myself. Thank you, and welcome to the Chinese Cabinet.

Bests,
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[President]
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[Premier of State Council]
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Committee Rules

As this is a cabinet, the structure of the cabinet session will be run differently. While we will go over the rules of a cabinet during the day of the conference, keep in mind that a cabinet runs similar to an on-going discussion. There will be no speaker's list, and you will be asked to come up with directives rather than complete resolutions. For this reason, it is important that you are an expert on each of the topics presented in order to involve yourself fully in the debate that will be taking place.

Cabinet

President- Wu Jintao

Premier of State Council- Wen Jiabao

Vice Premier- Li Keqiang

Vice Premier- Hui Liangyu

State Councilor- Liu Yandong

State Councilor- Liang Guanglie

Secretary General- Ma Kai

Minister of Foreign Affairs- Yang Jiechi

Minister of National Defense- General Liang Guanglie

Chair of National Population and Family Planning Commission- Li Bin

Minister of Science and Technology- Wan Gang

Minister of Finance- Xie Xuren

Writing Position Papers

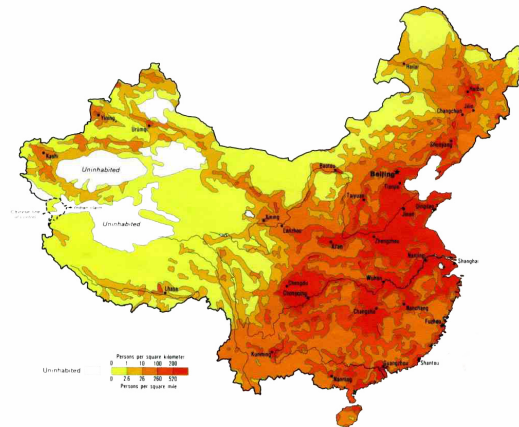
As you write your position papers, consider the questions presented at the end of each paper to formulate your own opinion regarding the topics. These questions and the background guides themselves should act as a prompt for you to think about the controversies facing China both domestically and through foreign affairs. Keep in mind that you are a government official and that the opinions you create and your own debate should reflect accordingly.

One Child Policy Act

The Cultural Revolution under Mao Zedong was a socio-political movement designed to re-enforce Mao Zedong's power over China. As more Chinese people became educated, Zedong felt threatened by their increasing power of knowledge and implemented the Cultural Revolution to restrict his people and increase his own power as a Socialist leader. Mao created a following of youth known as the Red Guards who were there to purge anyone that went against the Communist Party or Mao Zedong. As a result, China was pushed into social turmoil because of Mao Zedong and his followers' efforts in stunting the growth and progress of China.

In order to reboot the economy post-Cultural Revolution, the government launched a series of reforms. One of these reforms included the One Child Policy Act. Premier Deng Xiaping, a leader of the Communist Party in China, established the One Child Policy Act in 1979. China is evidently the most populous country in the world with over 1.3 billion people. For this reason, the act was designed as a *temporary* measure to limit China's population growth in order to raise the living standards, reduce the demand of natural resources, reduce unemployment rates as a result of surplus labor, and reduce the rate of exploitation of child labor. The act was structured through a plan that consisted of increments of five-year planning periods in which the general layout of the act was modified and specified through the National Population and Family Planning Commission. The limitations and rules

China: Population Density

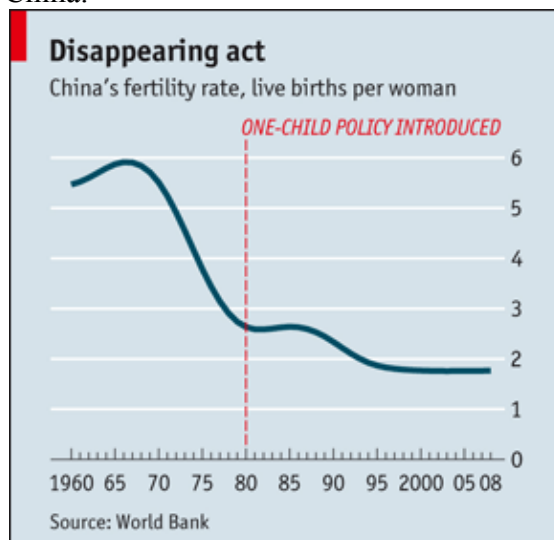


China's Population Density
(<http://www.china-mike.com/china-travel-tips/tourist-maps/china-population-maps/>)

of the One Child Policy Act differ between urban and rural areas. Urban residents, mainly the ethnic Han Chinese group, and governmental employees can only have one birth (twins accepted). Citizens living in rural areas and minority groups are not subject to this specific restriction. With rural citizens, however, second children are only permitted after five years if the first child is a girl, or has a physical disability, mental illness, or mental retardation. Additionally, if a couple consists of two people who are both sibling-less, then they are legally permitted to have a second child. Only in under-populated areas or among certain ethnic minorities is a third child allowed.

There are several ways that the government enforces this policy. These include economic incentives for those who abide by these rules. For those who do not, they are faced with large fines, pressures to abort a pregnancy, forced sterilization, loss of job, and/or confiscation of property.

This act has been in place for 32 years and counting. In the first twenty years after the act was established, China saw a reduction in population growth by an estimated 300 million people. Problems associated with overpopulation include epidemics, increasing poverty, and strains on the ecosystem from an overuse of resources. These were some of the issues that the National Population and Family Planning Commission sought to eliminate through the One Child Policy Act. This reduction has helped relieve some of the stresses brought about by the aforementioned problems and has, as a result, begun to improve the socio-economic status of the population of the People's Republic of China.



China's Fertility Rate
(<http://www.china-mike.com/wp-content/uploads/2010/12/china-fertility-rate-chart.gif>)

Furthermore, the One Child Policy Act has impacted fertility rates (number of births per woman) since its implementation. Standing at about 2.9 births per woman in 1979, fertility rates have fallen to approximately 1.7 births as of today. As a result of this evidence, the policy could be viewed as a success

in fulfilling its original purpose of reducing China's overall population.

Despite its apparent success as felt by most Chinese officials, there are concerns in regards to this policy that are becoming more evident. China, like many developing Asian countries, has always been a male-dominant society. The culture of China has traditionally favored men or women because, in China, it is the sons who take care of the parents in old age. This favoritism has become a growing concern because for the past 32 years, couples have been faced with the requirement of having only one child, and therefore, many have taken extensive measures to ensure that their child is a boy. After a woman has one child, the government forces her to make the decision between sterilization or the insertion of an intrauterine device (IUD) in order to ensure that no future children will be birthed. For those women who chose to have an IUD inserted, the government, in 1982, sent portable ultrasound machines all over the country to ensure that those women were not still going against the policy. However, these women soon realized that these ultrasound devices could not only detect pregnancies but also detect the gender of the baby. Thus, women who found out they were pregnant with a girl often resorted to abortion in order to have a male child instead. As a result, the use of these portable ultrasound devices were abused greatly, as women went to desperate measures to control the gender of their baby. In the first 20 years of the One Child Policy Act, more than 8 million girls were aborted. Because of this, China now has the largest gender imbalance in the world. On average, for every 120 boys, there are only 100 girls born.

Both males and females that have been born under this policy have been faced with adverse consequences as a result of the gender imbalance. The first generation, born under this policy, is now approaching the age of marriage. However, it is estimated that about 40 million men may remain unmarried simply because there are not enough women. On the other side, a stigma has been created for female infants. Females born under this policy have been neglected, abandoned, or have even been victim to infanticide. Women who had known that their child would be a girl have even opted for sex-selective abortion.

The government through the advice of the National Population and Family Planning Commission has taken some steps to reduce this gender imbalance issue that has come about through the One Child Policy Act although these actions may not be very effective. The government has discouraged abortion; however, abortion remains free and legal up to the ninth month of pregnancy. Also, the use of ultrasounds for the purpose of identifying the sex of the baby has been proclaimed illegal; ultrasounds are only allowed if medically necessary. However, the ease of purchasing these cheap, lightweight portable ultrasound devices has made it almost too easy for

women to identify the sex of their baby almost anywhere, and for this reason, this new law has become hard for the government to enforce. The government has allowed for a greater choice of contraceptives and the freedom of couples to have a child at a time of their own preference. Despite this relaxation in the One Child Policy Act, however, the government has made no official mention of a fundamental policy change, and so to some degree, the government continues to harshly control population growth.

Questions to Consider while Writing Your Position Paper:

1. Should the One Child Policy Act be continued in its implementation, or is there a better approach to limiting population growth?
2. What are the advantages and disadvantages of continuing the One Child Policy Act?
3. How should the concern of gender imbalance be resolved?
4. How should the illegal use of the ultrasound for identifying the gender of the baby be controlled?
5. Should the government take any stance against abortion?

North Korea

In 1950 China entered the Korean War in support of their North Korean comrades, and since then has built up the alliance that stands today between these two nations. China continues to lend economic as well as political backing to sustain North Korea's leaders, currently Kim Jong-Il, and is regarded as North Korea's most important ally. In 1961, the two countries signed the with China's promise any means of assistance to North Korean in the instance of an outside attack.

China's main concern in supporting North Korea is to ensure the stability of the regime. North Korea has very few allies; however, China holds many incentives to maintaining this friendship. Remaining on positive terms with North Korea avoids any sort of northeast border conflict. The strength of Pyongyang, North Korea's capitol, can trigger a war on its own. Avoiding war and maintaining stability are top priorities for China because they keep the issue of thousands of refugees flooding across the border into China minimized. China is also North Korea's main source of food, arms, and fuel. Not only is this a benefit for North Korea, but also it is a beneficial expense for China because it works to avoid regime collapse, which could, in addition to war, also lead to an influx of North Korean refugees across the eight hundred mile border shared by China and North Korea. Other economic gains for China have resulted from the growing number of Chinese firms investing in North Korea and include preferable trading terms and more port operations. Chinese companies have especially been interested in investments concerning the development of mineral

resources in the northern region of North Korea for the purpose of raising the general standard of living in North Korea and lessening the pressure to migrate to China. Furthermore, China acts as North Korea's biggest trading ally. Bilateral trade between the two nations had allowed for \$2.79 billion in 2008. According to the Council on Foreign Relations, China has provided about 90% of North Korea's energy imports, 80% of its consumer goods, and 45% of its food. This clear excess of aid has caused North Korea to become overly dependent on China.

Despite the successes of this long-standing relationship, recent tensions have begun to emerge. In October 2006, the first of these issues arose when Pyongyang performed a nuclear weapons test against the urges of its fellow nations. This proved harmful to North Korea's reputation in the eyes of the international community, and led to the fear of an arms race. Their second nuclear test on May 2009 only furthered these fears, and it became evident that North Korea was planning to build up its nuclear defense regardless of what the rest of the nations said to dissuade them. China, one of these very nations, felt increasingly concerned by North Korea's actions because they were purposely upsetting the balance of peace in Northeast Asia. Furthermore, if North Korea were to declare itself a nuclear state, China feared it could influence the behavior of other nations near or on its borders, specifically Japan. Thus, China agreed to sign onto the UN Security Council Resolution 1718, which imposed economic sanctions on Pyongyang. They also agreed to stricter sanctions after the second test in 2009, changing the tone of their relationship with North Korea from one of diplomacy

to one of punishment. However, their enforcement of these sanctions was unclear, as China had too much at stake with North Korea to withdraw its support entirely. Economic interaction not prohibited by the UN sanctions continued between North Korea and China; in fact, bilateral trade between the two nations increased from 2007 to 2008 by 41.3%.

As an ongoing issue, North Korea's nuclear ambitions have yet to be settled. A non-proliferation campaign would be ineffective because of the lack of inspectors to monitor their nuclear program and also because they refuse to be transparent about the progress of their nuclear program. In addition, North Korea's severed relations with numerous nations including the United States and South Korea have prevented them from complying with UN proposals.



Kim Jong Il and President Hu Jintao
([http://www.asianews.it/files/img/CORE_A_DEL_NORD_CINA_\(F\)_0915_-_kim_jong_il_hu_jintao.jpg](http://www.asianews.it/files/img/CORE_A_DEL_NORD_CINA_(F)_0915_-_kim_jong_il_hu_jintao.jpg))

China holds great power over North Korea as a result of the enormous amount of aid that it gives to North Korea. If Beijing were to eliminate all aid to Pyongyang, North Korea would fall into socio-economic and military turmoil. Therefore, China holds the key to stability in North Korea. With these recent nuclear tests, however, this strong yet imbalanced alliance has caused China to rethink its relationship with North Korea. However, because China

holds this great advantage over North Korea, it has the ability to act as a mediator between North Korea and other nation such as the United States. Furthermore, China can prevent the outbreak of an arms race by ensuring North Korea does not spread its nuclear technology to other "rogue" states.

China has already taken measures to involve themselves in the situation of North Korea's nuclear program. The Chinese government has already begun to mediate negotiations regarding the nuclear weapons threat posed by North Korea. Furthermore, Beijing has been particularly successful in bringing them to the negotiating table at the Six Party Talks multiple times. The Six Party Talks consisted of China, the United States, North Korea, South Korea, Japan, and Russia. The purpose of these talks was to end North Korea's nuclear program through a process of negotiations and discussions.

However, the level of involvement in the nuclear issues of North Korea that China decides to have in the future is left up to the higher officials of the Chinese government. China has progressed greatly economically over the past few years. For this reason, the Chinese government may choose to focus on its economic growth over problems facing North Korea. For instance, they may decide it would be more beneficial to focus on foreign investments and fostering trade relations. On the other hand, acting as a mediator or involving itself in some way in the nuclear issues facing North Korea, China may choose to focus on maintaining its own national security. If North Korea develops a powerful nuclear weapons base, Japan is sure to take steps to also establish its own nuclear power in defense. This could

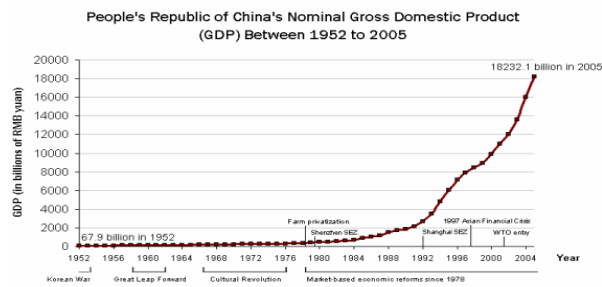
pose as a major threat to China as its entire eastern border would be armed. The government must decide what the advantages and disadvantages would be in either focusing domestically on its economy or internationally in concern of its security.

Questions to Consider while Writing Your Position Paper

1. How should China involve itself in North Korea's situation regarding the development of nuclear weapons?
2. What is more of a concern for China- security or economic development?
3. How would China prevent the exchange of nuclear knowledge by North Korea to surrounding countries?
4. Should China truly enforce sanctions on North Korea; what would be the implications of economic sanctions by China on North Korea on China's economy?
5. What would China's role be if combat war breaks out between North and South Korea, especially concerning the Northeast border?

Capitalism versus Communism

Premier Deng Xiaoping was a strong reformer of China's market economy and is credited for raising the standard of living in China and developing the world's fastest growing economy in thirty years. Because his economic principles went against Mao Zedong's political dogma, Deng Xiaoping was purged twice during the Cultural Revolution. After this time, he proclaimed, "We must reform. We must open up. The sealed-off situation of the past 20 years must change. In implementing a policy of reform and opening, we are of one mind. This is tied to the 10-year Cultural Revolution. The lesson of this disaster has been too profound."



China's Nominal GDP growth 1952-2005

(<http://www.billcara.com/archives/002p004.gif>)

The transition from a planned economy to a market economy was a result of the increasing poverty rates from the Cultural Revolution. This switch in economic structure proved extremely difficult in a country where all personal freedoms are restricted. A market economy requires property rights, an open market, and private enterprise, which are all banned in a planned economy. However, China has proved that Communism and capitalism can co-exist, for now. The transition to a market economy began in 1958 when the

central government began to delegate the power of profit making to lower levels of government in efforts to decentralize this aspect of economic planning. In 1979, greater efforts were made by the government to promote the economy apart from state-owned units. This caused private enterprises to grow and allow for the economy to progress significantly. In 1980, local governments gained property ownership rights and received some financial independence. This newly found power allowed for local governments to let towns raise capital through enterprises that would manufacture, produce, and sell products or perform other functions. Private industry grew twice as fast as state-owned business. This division of power to local governments also allowed for competition to arise among different regions in China. In 1994 and still today, the government has been working to completely establish a market economy and carry out the comprehensive reforms necessary to allow it to function successfully under the Communist Party. The non-state economy was developed through the use of "special economic zones" and "microenvironments" that acted as links to the global market. These were established throughout China and its coastal areas including Hong Kong and Taiwan. The purpose of these microenvironments was to have separate export and industrial processing areas to bridge the domestic market to the global market. However, government officials should be wary of these "special economic zones" like Hong Kong, as they are more involved in the foreign sector of trade between non-communist nations and China that may possibly be reducing communist power over those bases (Hong Kong, Taiwan, etc.). Deng

Xiaoping's capitalist ideologies have boosted China's economy by ten percent per year for the past ten years. China is now the world's second largest economy.

Deng Xiaoping's economic reforms have led China to a market economy, and today it thrives with elements of capitalism rooted in its structure. These elements include a stock exchange, an independent central bank as well as multiple state banks, private enterprises and businesses, etc. However, these liberalizations in the Chinese economy are allowed only where they strengthen the state, and more importantly the Communist Party. Thus, as capitalism continues to grow and more private enterprises take over the market, the Chinese government must consider to what extent will they allow this "Capitalist Revolution" while continuing to maintain power in President Hu Jintao and the Communist Party of China.

The Communist Party of China has maintained control by enforcing restrictions, the most controversial of them being no freedom of speech and no freedom of press. These restrictions have caused conflicts between private or outside businesses that have taken root in the Chinese market and have revealed the flaws in a capitalist economy under a Communist government. One example of such a conflict that has arisen between an outside corporation and the Chinese government is the case of Google. As a global technology powerhouse, Google strongly embraces the principle of freedom of speech, a direct contradiction to the Chinese government's belief in information control and the use of censorship over the Internet. Thus, when Google made the decision to stop censoring its Chinese search engines, it

went against the power of the Chinese government and was nearly forced out of the Chinese market altogether. Although Google is not a private enterprise within China, it still acts as an example of a threat to the sovereignty of the Communist Party of China. The Chinese government must decide the extent to which they will allow capitalism to flourish under the boundaries of communism and whether economic advantages of gaining profit from such private enterprises would outweigh the disadvantages of relaxing components necessary for complete capitalism such as freedom of speech.

As for today, the Communist Party is doing what it takes to survive, and that means attracting people who have both the social status and economic influence to govern- capitalists. Party leaders are supporting entrepreneurs as they struggle to keep control of a society that depends increasingly more on capitalist dynamism.



Social inequity between urban and rural pop.
(http://www.ers.usda.gov/AmberWaves/February05/Findings/charts/finding_chinagrowth_250.gif)

The conflicts that have arisen as a result of a growing free market versus the restrictions of the Communist Party of China have led to social issues including corruption, rent-seeking, and social disproportion. These challenges will continue to grow if the government does not allow for some reform as capitalism

moves deeper into the Chinese market. The government must decide how beneficial capitalism is to the economy and to the Chinese society and whether its disadvantages such as the aforementioned social issues can be controlled while maintaining party power.

If the Communist Party's acceptance of capitalism clears a path such that private entrepreneurs from state-run companies take high governmental positions, then this could mean a threat to the overall power of the Communist Party and possibly a freer market. Government officials must decide the steps that need to be taken in order to enforce communist rules on capitalist ventures in China and how they can balance communism with capitalism without allowing for any sort of rebelliousness against the Party.

5. How does the government need to reform its economic structure in order to maintain a market economy and reduce the social separation of classes?

Questions to Consider while Writing Your Position Paper

1. To what extent should the government support capitalist ventures in China?
2. How should the government balance a Communist government with a Capitalist economy? What reforms could be made?
3. Does the government need to impose tighter communist restrictions on its "special economic zones" like Hong Kong in order to maintain power in its coastal bases and still gain profit through the global market?
4. What steps does the government need to take to control corruption, rent-seeking, and social inequity?

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