

## ASSESSMENT OF POPULATION AGING IN CHINA AND ITS IMPACT ON ECONOMIC GROWTH AND FINANCIAL INDICATORS

Chen Yingqi<sup>1)</sup>, O. V. Mashevskaya<sup>2)</sup>

<sup>1)</sup> *master's student, 1-st year, Belarusian State University, Minsk, Belarus,  
e-mail: yingqichen787@gmail.com*

<sup>2)</sup> *PhD in economics, associate professor, Belarusian State University, Minsk, Belarus,  
e-mail: omachevskay@gmail.com*

The article analyzes the dynamics of the aging population of China, assesses the impact of population aging on economic growth and a number of financial indicators, and makes a forecast until 2053.

**Keywords:** population aging; the economic growth; total elderly population; well-being of older Chinese people.

## ОЦЕНКА СТАРЕНИЯ НАСЕЛЕНИЯ В КИТАЕ И ЕГО ВЛИЯНИЕ НА ЭКОНОМИЧЕСКИЙ РОСТ И ФИНАНСОВЫЕ ПОКАЗАТЕЛИ

Чэнь Инци<sup>1)</sup>, О. В. Машевская<sup>2)</sup>

<sup>1)</sup> *магистрант 1 курса, Белорусский государственный университет, г. Минск, Беларусь,  
e-mail: yingqichen787@gmail.com*

<sup>2)</sup> *кандидат экономических наук, доцент, Белорусский государственный университет, г. Минск,  
Беларусь, e-mail: omachevskay@gmail.com*

В статье анализируется динамика старения населения Китая, оценивается влияние старения населения на экономический рост и ряд финансовых показателей, делается прогноз до 2053 года.

**Ключевые слова:** старение населения; экономический рост; общая численность пожилого населения; благополучие пожилых китайцев.

In the current era of globalization, model China's economic development and demographic dynamics have become a global focus. Since China's reform and opening-up, it has experienced unprecedented economic takeoff, creating the remarkable 'Chinese miracle' that has captured the world's attention. However, with rapid economic development, China has also faced a new challenge – population aging. Population aging is a complex and comprehensive social process, and it is an important factor affecting the socio-economic development of economic. This phenomenon has profound implications for China's economic growth and has become a key issue in the current and future development of China's economy and society. So, population aging is a complex and comprehensive social process, and it is an important factor affecting the socio-economic development of economic.

This paper aims to explore and analyze in-depth the impact of population aging on economic growth in China, covering various aspects such as the labor market, capital accumulation, technological progress, consumption patterns, import and export activities, as well as government expenditure and investment.

In terms of the labor market, aging leads to a reduction in the working-age population, significantly impacting labor supply. As labor is a crucial driver of economic growth, a decrease

in the quantity of labor can directly affect the potential for economic development. Moreover, the rising proportion of the elderly population may also lead to a decline in labor productivity, as older individuals generally lack the advantages in physical strength and adaptability that younger people possess. This not only affects the efficiency of the labor market but may also reduce the overall innovation capacity of Chinese society.

Capital accumulation is another key factor in economic growth. Population aging may lead to a decline in the savings rate, as elderly individuals are typically in a consumption rather than savings phase. This can affect the formation and accumulation of capital, subsequently impacting economic investment and growth. Additionally, with an increasing proportion of the elderly population, society's capital may be more directed towards healthcare and elderly services rather than investment in education and technology, potentially lowering the long-term growth potential of the economy.

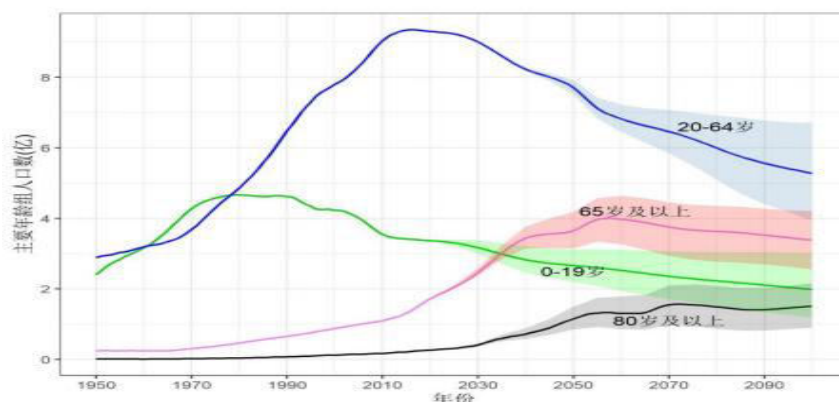
According to one popular concept in economic theory, consumption and savings patterns change over the course of people's lives. In her is based on the view that throughout the life cycle the needs and a person's tastes change. In practice, it has been found that older people tend to spend a larger portion of their income on housing and social services than younger populations. Given the current consumption trends for developed populations countries aged 65 years and over, it can be expected that with age the need for funds for cover the costs of medical care and long-term care will increase along with rising costs for housing, heating and lighting costs as retirees more time at home. In contrast, spending on entertainment and transportation may decline, while the share of spending on basic consumer goods such as food and clothing will remain relatively stable. Thus, population aging can lead to significant changes in the structure of demand for goods and services.

In addition, the aging population will also affect imports and exports. As labor costs rise, China's export competitive advantage could suffer, posing a challenge for an economy that has long depended on export growth.

It is predicted that by 2053, the total elderly population in China will peak at 487 million, surpassing the sum of the elderly populations in developed countries. At that time, the proportion of elderly population will rise to 34.8 %. China entered an aging society in 2000, and over the following two decades, aging developed rapidly. By 2010, the proportion of people aged 60 and above had reached 13.26 %, increasing by 3.06 % in 10 years. The proportion of those aged 65 and above was 8.87 %, rising by 1.91 %. In 2020, China had 264 million people aged 60 and above, and 190 million aged 65 and above, accounting for 18.7 % and 13.5 % respectively; the number of people aged 80 and above reached 35.74 million. By 2032, the number of people aged 60 and above may exceed 400 million, and those aged 80 and above are expected to reach 79.6 million [1].

Currently, China has the largest elderly population in the world, and the aging rate continues to rise. Features such as reduced fertility rates, increased life expectancy, low economic development level, and incomplete social welfare system highlight characteristics such as «aging before becoming rich», «aging before being prepared», and «aging before urbanization», which differ from developed countries. These aging characteristics make China's aging situation more severe. The economic growth model driven by the «demographic dividend» is no longer effective, and promoting stable and rapid economic development in the context of aging is the primary issue facing China today.

In conclusion, we note that this Research Topic covers exacting topics and presents findings on the health and wellbeing of older Chinese people. The health and wellbeing of Chinese older adults are often affected by major social transformations and events in recent years, such as the ongoing epidemiological transition, rapid-changing households and living arrangements, large-scale rural/urban migration, economic and technological development, expanding social security system, as well as COVID-19.



Dynamics of the demographic situation in China, broken down by age groups.

Составлено по: [2]

Since the Chinese Government has recently announced the proactive response to population aging as the national prioritized policy rationale, we think now is never a better time to promote studies on aging in China.

### References

1. He Y., Yu M., Hou Y. Aging Population, Inflation and Economic Growth [Electronic resource] // *Frontiers in Business, Economics and Management*, 2022. № 4(1). P. 20–25. URL: <https://doi.org/10.54097/fbem.v4i1.398> (date of access: 29.04.2024).
2. Dr. Peng Xizhe. Main features of Population ageing in China and coping strategies [Electronic resource]. Fudan Institute on Ageing, China 20 July, 2023. URL: [https://www.un.org.development.desa.pdf/files/undesd\\_pd\\_cpd57\\_egm\\_session\\_v-peng.pdf](https://www.un.org.development.desa.pdf/files/undesd_pd_cpd57_egm_session_v-peng.pdf) (date of access: 29.04.2024).

УДК 33.336

## IMPACT OF DIGITAL TECHNOLOGY ON BANKING BUSINESS AND FINANCIAL ECONOMY

**A. A. Danilova<sup>1)</sup>, P. S. Bogacheva<sup>2)</sup>**

<sup>1)</sup> student, Academy of Public Administration under the President of the Republic of Belarus, Minsk, Belarus, e-mail: [arinadanilova200435@gmail.com](mailto:arinadanilova200435@gmail.com)

<sup>2)</sup> student, Academy of Public Administration under the President of the Republic of Belarus, Minsk, Belarus, e-mail: [bogachevapolina2000@gmail.com](mailto:bogachevapolina2000@gmail.com)

**Supervisor: V. V. Rogov**

senior lecturer, department of language communication, Academy of Public Administration under the President of the Republic of Belarus, Minsk, Belarus, e-mail: [valentin\\_rogov@mail.ru](mailto:valentin_rogov@mail.ru)

This article explores the impact of digital technologies on banking and the financial economy. It provides timely and critical analysis of the impact of digital technologies on the financial industry, critical for banks, regulators and policymakers shaping the future of the financial economy.

**Keywords:** digital technologies; banking business; financial economics; influence; implementation; new opportunities.