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THE CAREER of China's biggest property tycoon can be divided into two stages. Xu Jiayin started slowly, focusing on Guangzhou, a southern city. Then came the global financial crisis and the government's response, a giant economic stimulus, launched a decade ago this month. For Mr Xu it was a signal to become far bolder. His company, Evergrande, now has projects in 228 cities. Last year it completed enough floor space for 450,000 homes, up from 10,000 the year the

stimulus began. It has bought a football club, built theme parks and entered the insurance business.

Yet expansion has come at a cost. Evergrande's debt has soared to nearly $100bn. Short-sellers regularly target its stock. So far Mr Xu has defied the naysayers. But the market bears are taking another run at him. Evergrande's stock is down by more than a third this year. Last month it struggled to sell new bonds, until Mr Xu bought $1bn worth with his own cash. As one of the richest people in China, a billionaire many times over, at least he can afford it.

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For China as a whole, the government's decision in 2008 to rev up investment was also a dividing line. Growth rebounded, while it sputtered elsewhere. Before the crisis China had a 6% share of global GDP; today it is closer to 16%. Yet there was a big downside. The economy became much more reliant on debt.

On the tenth anniversary of its big stimulus, China is again confronted by flagging growth, as Mr Xu can see from a recent slowdown in housing sales. The government has started dropping hints that a new stimulus is on the way. But the excesses from 2008 constrain it today. China knows it cannot afford another binge.

That caution reflects a change. Officials were almost uniformly positive in their initial verdict on the stimulus. Exports had plunged but growth was back to double digits within a year. In 2011 Wen Jiabao, the prime minister, said that not only had China been first in the world to recover from the crisis, but it had also laid a

foundation for long-term growth. Now there is widespread recognition that the foundation was less solid than it appeared.

China's steep rise in total debt, from 150% of GDP in 2008 to more than 250% today, is the most obvious problem. Such increases in other countries have often presaged trouble. Much of the debt was channelled through institutions outside the formal banking system, which are less transparent and more lightly regulated. Though some borrowers, such as Evergrande, profited from easy money, many others struggled. Dozens of industries, from solar power to steel, are grappling with overcapacity. Bai Chong'en, a former adviser to the Chinese central bank, has argued that one consequence has been a permanent decline in productivity.

As a result, stimulus has almost become a dirty word in policy circles. Li Keqiang, Mr Wen's successor, has sworn off what he calls "flood-irrigation stimulus", a reference to the farming practice of soaking all the soil, not just the crops. Over the past couple of years the government has tried to mop up the mess. It has aimed to slow the rise in debt, closing shadow banks and curtailing excess capacity.

But the resolve to tackle financial risks was easier to summon when growth was strong. In recent months it has sagged. With investment sluggish and the trade war rumbling on, headwinds are getting stronger. Many analysts think growth will dip towards 6% next year, which would be China's weakest since 1990. For firms that had based their plans on sustained high-speed growth, even a mild slowdown hurts. Corporate-bond defaults in China have reached nearly $10bn this year, a record. Markets are braced for worse: borrowing rates for China's high-yield issuers of dollar bonds have almost doubled, to 11%. Evergrande was forced to offer 13.75% on its bond in October.

It is against this jittery backdrop that investors are speculating about a new stimulus. The government, despite its vows to be prudent, has form: besides the massive stimulus in 2008, it also propped up the economy when growth softened in 2012 and 2015. As a first step officials appear to be relaxing their campaign to clean up the financial system. After a quarterly meeting on October 31st, the Politburo omitted a prior pledge to reduce debt.

Simply describing this as a shift to stimulus is too crude. Larry Hu, an economist with Macquarie Securities, separates China's policy easing into three. First, fine-tuning, including doveish language. Second, more direct measures, such as interest-rate cuts. Third, all-out support, with infrastructure spending cranked up. Mr Hu reckons that China is now between the first and second, good for the stockmarket but not enough to stop the economy's slide.

Can China find a way to shore up growth without falling back on debt-fuelled stimulus? It does have options, though they are likely to provide less of an immediate boost. The central bank could reduce benchmark interest rates, which have stayed unchanged since 2015. The finance ministry has scope to cut taxes more aggressively, especially for companies. Where borrowing is the only option, it is trying to make it safer. It is making it easier for officials to pay for infrastructure

via bonds rather than shadow banks. Xi Jinping, the president, could also take long-delayed steps to lessen the clout of state-owned companies, giving private firms more leeway to invest in sectors such as energy and finance.

One thing China is likely to avoid is a significant change to its property policies, a crucial part of the stimulus in 2008. Mr Xi has repeatedly said that homes are for living in, not for speculating on. A thicket of restrictions has cooled the market, slowing purchases and choking off loans to developers. If Mr Xu of Evergrande is upset, he is not showing it. In a speech published this year he credited his firm's success to government policies. Long a beneficiary, he has the sense not to turn critic.

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