The Success and Challenges of Poverty Alleviation in Rural China through Capacity-Building and Development-oriented Strategy

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General poverty alleviation background and situation in China.

China major policy and measures in alleviating poverty through capacity building.


Good experiences drawn from China poverty reduction practice in rural area.

Major challenges facing China rural poverty alleviation.
I. General poverty alleviation background and situation in China.

1. China has had the biggest poverty population in the world (1978, 250 million).

2. China has created an “anti-poverty miracle” in the past two decades (2004, 26 million).

3. From 1978-2004, the share of the population living in poverty falling from 30% to 2.8% of total population.

4. China has achieved the first MDG of halving poverty ahead of schedule.
Number of population under poverty in China, 1978-2001

(million)

Incidence (%)
II. China major policy in alleviating poverty through capacity-building since the reform and opening-up

1. The first stage: Structural Reform Promotes Poverty Relief (1978-1985)

2. The second stage: Large-scale Development-oriented Poverty Relief Drive (1986-1993)

3. The third stage: Tackling key problems of poverty relief through development-oriented measures (1994-2000) and rural China poverty reduction and development program (2001-2010)

4. In 2006, there has been a once more all-round transformation of poverty reduction in China.
II. China major policy in alleviating poverty through capacity-building since the reform and opening-up

1. The first stage: Structural Reform Promotes Poverty Relief (1978-1985)

- In 1978, the poverty population numbered 250 million, 30.7% of total rural population.

- Causes: Main one was that the operation system in agriculture did not suit the needs of the development of productive forces.

- In 1978, the reform replaced the collective management system of the people’s commune with the household contract responsibility system which liberated the productive forces.

- From 1978-1985, the poor decreased from 250 million to 125 million.
II. China major policy in alleviating poverty through capacity-building since the reform and opening-up

2. The Second stage: Large-scale Development-oriented Poverty Relief Drive (1986-1993)

- The uneven development in rural China was marked and quite a number of low-income people couldn’t meet their basic needs.

- Important measures since 1986: Special help-the-poor work units, allocating special funds, formulating special favorable policies, reforming traditional relief-type poverty reduction approach and putting forward the development-oriented policy.

- Poor dropped from 125 million to 80 million with an annual decrease of 6.4 million on average. Rural poor went down from 14.8% to 8.7%.
Ⅱ. China major policy in alleviating poverty through capacity-building since the reform and opening-up

3. The Third stage: Tackling the key problems of poverty Relief through development—orientated measures (1994-2000) and Rural China Poverty Reduction and Development Program (2001-2010).

--- After the great achievement of the Large-scale Development-oriented poverty relief drive, there were still about 80 million people who are living in absolute poverty. Therefore, the program of third stage are designed to assist those people to be out of poverty through mobilizing the forces of all walks of life in society.
II. China major policy in alleviating poverty through capacity-building since the reform and opening-up

4. in 2006, Once more all-round transformation of poverty reduction in China

- Overall wealth grew rapidly, so did the disparity between the rural and urban areas in China.

- The government is focusing on the new strategy which is to obtain a balanced development between the cities and countryside.

- Government allocated 13.4 billion (1.675 billion US dollar) yuan to poverty reduction in 2006 alone and the amount will increase in the future.
III. A Case Study: Agriculture Technology Extension System in rural China

- Set up in early 1950s by Chinese Government.
- The purpose of ATES is to assist the peasant to fight poverty through capacity building in rural areas.
- 185,000 extension agencies, over 1.3 million people were employed.
- There are extension agency at each level from central government to the townships.
- 180,484 villages with technology service team made up of 700,000 technicians.
- Almost 150,000 specialist associate with 5 million member households---2% of all rural households in the countryside.
Figure 1: The agricultural extension system

- Ministry of Agriculture
- National Agricultural Technology Extension Service
  - Provincial Agriculture Department
    - County Agriculture Bureau
      - Research and educational institutes
  - Provincial ATE Station
    - County ATE Centre or Station
      - Township ATE station
Figure 2: The grassroots level extension system

- County/township rural economy management station
  - Extension agency

- County/township animal husbandry station
  - County breeding farm

- County/township fisheries technology extension station
  - County ATE Centre
  - County Agricultural TV School

- Grain station
- Cash crop station
- Soil fertility station
- Plant protection station
- Processing station
- Information station
- Training centre
- Trials farm
- Consulting dept.
- Seed station
- Office

District station

Township agricultural technology station

- Township farmers technology school (FTS)

- Non-governmental technical associations
- Village FTS

- Village agricultural technology service group
  - Agricultural technician
  - Deputy Village Director
  - Demonstration households
  - Farmer households
The Management and Employee of ATES

1. ATES is managed by the Chinese Government.

2. Most of employees of ATES are graduated from professional training school, colleges and universities majored in agriculture.

3. Three funding resources: Government funds, Project funds and income generated by enterprises set up by ATES Agencies.
### Table 1: Personnel in agricultural extension agencies at the township and county levels

<table>
<thead>
<tr>
<th></th>
<th>Number of county extension personnel</th>
<th>% of all staff</th>
<th>Number of township extension personnel</th>
<th>% of all staff</th>
<th>Total number of staff at county and township levels</th>
<th>% of all staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>State cadres</td>
<td>2948</td>
<td>66.6</td>
<td>2582</td>
<td>43.3</td>
<td>5530</td>
<td>54.26</td>
</tr>
<tr>
<td>Contract cadres</td>
<td>189</td>
<td>4.3</td>
<td>1479</td>
<td>24.8</td>
<td>1668</td>
<td>16.37</td>
</tr>
<tr>
<td>Contract workers</td>
<td>1285</td>
<td>29.0</td>
<td>1709</td>
<td>28.9</td>
<td>2994</td>
<td>29.38</td>
</tr>
</tbody>
</table>

### Table 2: Education levels of personnel in agricultural extension agencies at the township and county levels

<table>
<thead>
<tr>
<th>Educational Level</th>
<th>County level</th>
<th>%</th>
<th>Township level</th>
<th>%</th>
<th>County and township level</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Postgraduates</td>
<td>8</td>
<td>0.18</td>
<td>0</td>
<td>0</td>
<td>8</td>
<td>0.07</td>
</tr>
<tr>
<td>University graduates</td>
<td>486</td>
<td>11</td>
<td>20</td>
<td>0.28</td>
<td>506</td>
<td>4.38</td>
</tr>
<tr>
<td>Technical college graduates</td>
<td>713</td>
<td>16.12</td>
<td>743</td>
<td>10.41</td>
<td>1456</td>
<td>12.60</td>
</tr>
<tr>
<td>Vocational secondary school graduates</td>
<td>1880</td>
<td>42.51</td>
<td>3536</td>
<td>49.54</td>
<td>5416</td>
<td>46.86</td>
</tr>
<tr>
<td>Other</td>
<td>1335</td>
<td>30.19</td>
<td>2838</td>
<td>39.76</td>
<td>4173</td>
<td>36.10</td>
</tr>
<tr>
<td>Total</td>
<td>4422</td>
<td>100</td>
<td>7137</td>
<td>100</td>
<td>11559</td>
<td>100</td>
</tr>
</tbody>
</table>
### Table 3: Funds and required funds of county and township extension agencies

<table>
<thead>
<tr>
<th></th>
<th>Average funds per extension agency</th>
<th>Per capita operational funds</th>
<th>Actual funds needed per extension agency</th>
<th>Per capita operational funds needed</th>
</tr>
</thead>
<tbody>
<tr>
<td>County level</td>
<td>366</td>
<td>5.2</td>
<td>818</td>
<td>11.6</td>
</tr>
<tr>
<td>Township level</td>
<td>9.3</td>
<td>1.7</td>
<td>52.8</td>
<td>9.4</td>
</tr>
</tbody>
</table>

Unit: 1000 Yuan
The approaches and methods of AETS

1. **Individual approaches** include interviewing peasants, consulting, working with model households.

2. **Group methods** including training classes and workshops, experience exchange, on-site meetings, field visits, competitions, technology contracting, projected-based extensions, township group meetings and village technology meetings.

3. **Mass extension methods** include: radio and television broadcasts, movies, videos, slide shows, magazines, technical information dissemination, newspapers, books, issuing instruction cards or booklets, advertisements and exhibitions.
Achievements of ATES

1. In the four years of Northwest China Agricultural Development Project, ATES has introduced and developed almost 100 agricultural technologies suited to arid lands, provided agricultural training to almost 80% of the peasants in the project area and 100,000 farming households received direct benefits. The use of soil moisture increased by 24%, and infestation of arable land by pests decreased by between 20-40%.

2. There are still some other impressive achievements such as increasing of the productivity and economic value of Agriculture products. And the income of the peasants has been significantly improved.
1. Broad participation matters in rural China poverty reduction.

(1) Government leadership
   -- The Leading Group Office of Poverty Alleviation and Development with a hierarchical structure at national, provincial, prefecture and county government levels.
   -- Poverty alleviation, a part of overall economic and social strategies of different level government.
   -- Increased investment. Between 1986-2004, total budget support to poverty alleviation reached 112.6 billion yuan.

IV. Good experience drawn from China practice of poverty alleviation in rural area.
1. Broad participation matters in rural China poverty reduction.

(1) Government leadership

(2) Social Participation and International Cooperation

- 15 eastern provinces and cities support 11 poor provinces in the west.

- 116 national organ and 156 state firms support 481 key poor counties

- Famous projects namely, Glorious enterprise program, Hope Project, Happiness Project, Women-oriented Poverty alleviation program

- International and domestic NGO actively involved in China rural poor alleviation
1. Broad participation matters in rural China poverty reduction.

2. Self-reliance and orientation towards economic development

- Overcome “wait, depend on and ask”, encourage and establish a spirit of self-reliance and hard work.
- The State Council certified 30 state-level training bases to help the labor from agriculture to Non-agriculture sectors.
- More than 90% peasants trained so far have found non-agriculture employment.
1. Broad participation matters in rural China poverty reduction.

2. Self-reliance and orientation towards economic development.

IV. Good experience drawn from China practice of poverty alleviation in rural area.

3. An Integrated Development Approach towards capacity building

- Integrate poverty alleviation with development of science, education, health and culture to improve the capability of the Poor.

- To universalize nine-year compulsory education and to eradicate illiteracy among middle-aged and young people.
1. Broad participation matters in rural China poverty reduction.

2. Self-reliance and orientation towards economic development

3. An Integrated Development Approach towards capacity building

4. To reduce poverty faster, begin with Agricultural Reforms

IV. Good experience drawn from China practice of poverty alleviation in rural area.
V. Good experience drawn from China practice of poverty alleviation in rural area.

1. Broad participation matters in rural China poverty reduction.

2. Self-reliance and orientation towards economic development

3. An Integrated Development Approach towards capacity building

4. To reduce poverty faster, begin with Agricultural Reforms

5. Directly Sending Science and technology to rural poor

One village, one college graduator, Youth volunteer serve for rural education which aiming at promoting knowledge level in rural area and enhancing their self-reliant and self-development capability.
V. Major Challenges facing China
Rural poverty alleviation

--- China is still a developing country with GDP per capital of around 1700 US dollar

--- 23.65 millions under China’s poverty line of 85 US dollars per capita net income annually. But under international standard, there will be 120-130 millions of poor in China.

--- Those still poor in rural China are the hardest poverty group to be alleviated in terms of their own education, geographic and other status.
Conclusion

The experience and practice of poverty alleviation through capacity building in rural China is conformed with the special condition of China.

The theory of Chinese experience perhaps could be learned by other countries. However it is not a good idea to simply copy the Chinese Model.

China would like to share the experience with any other countries to fight against poverty and would like to make a contribution as much as we could in assisting the other developing countries especially African friends to realize the MDG goals in the future.

We believe that the forthcoming Summit of China-Africa Forum which is to be convened this November will be conducive to further strengthen the Sino-Africa relations, especially in the areas of poverty alleviation.
Thank You