

International Aid Projects for Poverty Alleviation in China

**China in
Peaceful
Development**

**Development of China's Poverty
Alleviation Work**

World Bank in China

International Multilateral Aid

Agencies in China

Bilateral Aid Agencies in China

**International NGO Participation in
China's Poverty Reduction Efforts**



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Foreword

Reform and opening up over the past two decades and more have borne witness to an immense leap forward in China's overall national strength. However, the population in poverty-stricken areas yearning for development now still stands at 30 million people, still a large figure in a rural population of 900 million. At the Fourth Session of the 13th National People's Congress (NPC) and the 13th Chinese People's Political Consultative Conference (CPPCC), the same wish — "I would like to say a few words on behalf of the peasantry" — was unconsciously repeated again and again in panel discussions by NPC deputies and CPPCC National Committee members from Shanghai, Beijing and Guangdong, regardless of background, whether they were teachers or entrepreneurs.

As China's GDP reaches US\$1,000 per capita, the situation in impoverished rural areas still remains a cause for great concern.

There have been numerous festive holidays that Premier Wen Jiabao could not spend with his family. During the Spring Festival, a traditional time for family reunion, he would always appear instead among the peasants.

In 2005, Sun Jiazheng, China's Minister of Culture, while attending "Chinese Cultural Week" held in the United States, gave an impassioned address to American friends present at the occasion. He said, "Now, when people are beginning to feel the cold of autumn, leaders of the Chinese government are concerned whether farmers in the country's

poverty-stricken areas have enough food and clothing for the winter. We want to build a harmonious society. Yet, it calls for the efforts of several generations.”

Liu Jian, former Vice Minister of Agriculture and now director of the State Council Leading Group Office of Poverty Alleviation and Development, remarked at the closure of a meeting to the meeting participants, “Today’s meeting is closed several minutes later than scheduled. Does everybody feel hungry? I would like to ask you, how long since you have had such a feeling? For those in remote areas, who long for assistance, this feeling of hunger haunts them constantly.”

Many Chinese have been moved by such words of con-



Terraced fields in one of China's mountainous areas



cern and have shared their sincere caring and sense of responsibility for underprivileged people. The following scene is familiar to them: Due to frequent natural disasters, when it turns cold with the approach of autumn, government institutions and other units in many major cities would launch campaigns for donations. Then, truckloads of winter supplies are delivered to disaster-stricken areas.

China is a large agricultural country with a relatively harsh natural environment in some areas. Therefore, enormous obstacles stand in the way of the country's drive toward modernization. Although China has maintained an average annual growth of 8-10 percent in its GDP, this growth is expressed in relation to a relatively weak economic base. Available statistics reveal that, despite the efforts of reform and opening up over the last two decades and more, the average per-capita income of the Chinese still equals to only one tenth or even less of that of the developed Western countries.

In 2005, on the occasion of its 60th anniversary, the United Nations clearly saw the picture of uneven development throughout the world, and issued its Report on the World Social Situation 2005, which pointed out that the bottleneck in imbalanced global development lies in the fact that the Western developed industrial countries control over two thirds of global resources.

Imbalances in resources and the yawning gap between the rich and poor have intensified conflicts between differ-

ent types of civilization. In contemporary world history, wars remain frequent. However, after World War II, people, standing over the ruins of war and after painful self-reflection, have come to realize that human beings need to truly treat each other like brothers and sisters, since it is compassion and friendship that sustains human society. They also discovered that, if the strong inflicted heavy losses on the weak, their conscience would be incessantly tormented. This represents the most valuable reflection, through which the most beautiful element of human nature has been reawakened — “The benevolent loves others.”

To avoid repeating the human tragedy of the “Nazi massacre of Jews” during World War II, the United Nations was founded in 1945 under the sponsorship of US President Theodore Roosevelt. From its very inception, the UN has been resolute in holding up the banner of peace and friendship. At that time, a Canadian artist’s eye-catching poster, “Victorious Entrance Ceremony,” showed an olive tree, with the national flag of UN member nations drawn on each leaf, being planted in the earth by a pair of hands. This poster won a key prize in the first UN annual poster contest because it conveyed the basic human yearning for peace and a common home. At that time, the US oil magnate John D. Rockefeller, Jr. generously donated some of his property, in the most valuable section of Manhattan, to the United Nations for its headquarters. Later, the UN also formulated a principle that developed countries should give 0.7 percent

of their GDP to assist developing countries.

Today, statistics from the UN office in charge of poverty alleviation indicate that, over the past 50 years, the wealth of the world has increased eight fold, while the situation of poverty has kept worsening. Ever since writing of *An Inquiry into the Nature and Causes of the Wealth of Nations* by Adam Smith, founder of Western economics, the “economics of accumulating wealth” has been a burgeoning field of study. Yet, the “affluent world” has failed to eliminate poverty. Upon entering the 21st century, poverty has only become an even more severe challenge. Over the past five years, the number of impoverished in the world’s population has increased by 300 million, with 750 million people suffering from starvation each day.

China is a developing country with a large population. At the beginning of the founding of the People’s Republic of China, the Chinese government proposed a goal for common prosperity through gradual reduction of poverty. After the founding of New China in 1949, the Land Reform Law of the People’s Republic of China was promulgated to guarantee the smooth operation of poverty-reduction work. In January 1952, the cover of the inaugural issue of the magazine *China Today* (formerly *China Reconstructs*), founded by Soong Ching-ling, once the honorary president of the People’s Republic of China, displays a group of forthright peasants walking on the earth, imbued with the sunshine of a winter afternoon, their winter clothes as plain as the earth

under their feet, their faces lit with heartfelt smiles, and their gazes showing their anticipation of a brighter future. All these images sent a message to the world: a new China belonging to the people themselves had emerged.

In the 1980s, a stage when China implemented reform and opening up, the increase in rural productivity to some extent alleviated poverty in most rural areas. Between 1978 and 1985, the population of the rural poor went down from 250 million to 125 million.

In 1986, the Chinese government launched the most extensive poverty-alleviation campaign ever seen in its history, relating to the rural poor. Since 1980, it has earmarked special funds to financially guarantee poverty-alleviation work. Such funds from the central budget increased from 1 billion yuan annually for the early years, to 13.7 billion yuan in 2006, adding up to over 146.2 billion yuan in 24 years.

As a developing country with a large population, China has demonstrated with its extraordinary achievements that, as a nation, it has been an important practitioner in the work of poverty alleviation throughout the world. However, the current poverty problem China is confronting remains severe. By the end of 2005, there are still 23.65 million people in the country suffering from shortages in food and clothing, in addition to over 20 million urban residents merely able to eke out a minimum standard of living. Meanwhile, it is quite necessary to further people's understanding of poverty and its new modes of manifestation. As a global survey conducted

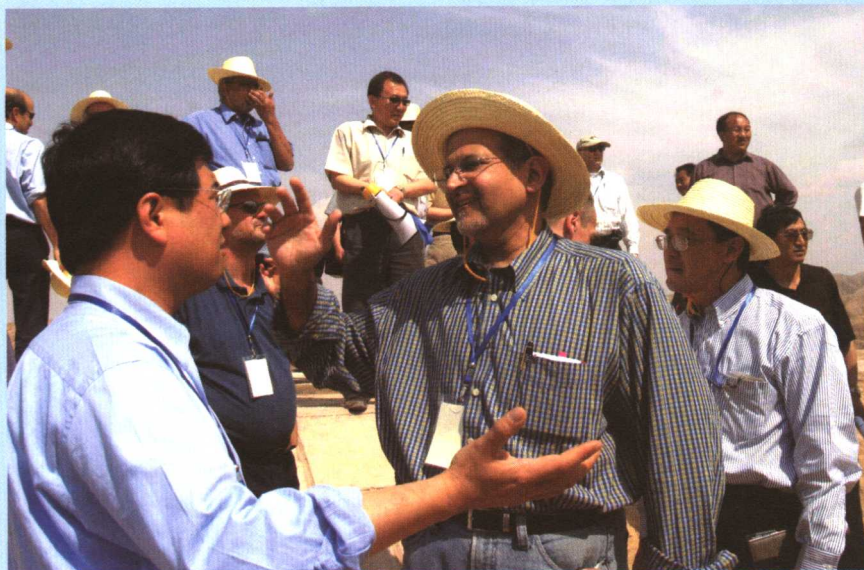
by the World Bank has indicated: Poverty refers to not only material scarcity, but also a low level of education and health.... In addition to the above, poverty includes the vulnerability of facing risks and dealing with them, as well as the inability to express their own demands and the lack of influence. Therefore, given this definition, China's current poverty problem is not only an economic one, but also one of underdeveloped education, poor quality of the population as well as ideological backwardness.

From 2001 to 2005, taking advantage of its accession to the World Trade Organization (WTO), China made progress in many areas, with its active participation in talks and negotiations regarding world trade rules, striving to maximize the interests of developing countries and struggling to create a



Tilling field with an oxen-pulled plough





■ In May 22-24, World Bank officials in charge of Global Conference on Scaling-up Poverty Reduction went on an inspection tour of Gansu Province. Gobind Nankani, World Bank vice-president, talks with the local people.

fair and rational external environment for development. In view of China's comprehensive national strength now, it is still difficult for it to overcome the problem of poverty of 30 million people overnight. China urgently requires the understanding and support of international organizations.

Assistance gratis arrived quietly from the international community.

It is reported that China began to receive international assistance gratis in 1979. By 2004, a total of more than 1,000

projects, totaling US\$5.6 billion, had been carried out and they covered a wide range of fields, such as poverty alleviation and disaster relief, innovation in industrial technology, agriculture, forestry and animal husbandry, education, health, environmental protection, transportation, communications, institutional reforms and cooperation in legal affairs. In addition, China had introduced foreign investment on a large scale through loans and other means.

The total amount of loans granted to China by international organizations of aid reached US\$36.6 billion during the 20 years from 1981 to 2002. In addition, a great number of other non-governmental poverty-relief organizations have also offered to China a great amount of valuable assistance. Since 1985, over 40 international NGOs have carried out more than 200 projects for poverty alleviation in the country.

There are many projects undertaken with support from the international organizations, ranging from such fields as poverty alleviation to education, health, and science and technology. As most of them are related to poverty alleviation and even those regarding education, medical care as well as science and technology are closely linked to poverty alleviation, we will focus our discussion on those projects related to poverty alleviation.

With aid from international poverty-alleviation organizations, noticeable achievements have been made through projects as large as the construction of infrastructural facilities, such as roads and irrigation works, and ones as

small as establishing a women's association for embroidery with dozens of thousand yuan, whose products are sold abroad. Germany's food aid program helped Chinese farmers build a drinking-water project, transforming large tracts of desolate land in the Yimeng Mountain areas into fruit gardens, and allowing farmers of many villages to be no longer dependent on government-subsidized food. In a simple classroom in Dongxiang Village, Gansu Province, a row of UNESCO-requested monitoring charts, such as those on the pupils' daily nutrition as well as tuition and other fees, are neatly hung on the wall. Poor farmers in such areas as Yibin and Ji'an have shaken off poverty with the help of the World Bamboo Organization, coordinated by Jiang Zehui, president of the China Forestry Academy and Chairwoman of the International Network for Bamboo and Rattan, and director of the China Bamboo Product Industry Association.

China is a nation that knows how to repay their gratitude. The Chinese people have always cherished the help and support of international society. Meanwhile, we wish to tell friends from all around the world that, thanks to the joint efforts of various quarters, people who still live in their native land have undergone a desirable and profound transformation in their ideological outlook. The people of China have been endeavoring to walk out of the shadows of poverty.

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I.



Development of China's Poverty Alleviation Work