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# Chinese Poverty Alleviation Studies:

**A Political Economy Perspective** 



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Based on our national conditions and following the law of poverty reduction, China has adopted a series of extraordinary policies and measures and constructed a whole set of systems covering policy, work and institutions, blazing a poverty reduction path and forming an anti-poverty theory with Chinese characteristics.

— Xi Jinping

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# Introduction

China won the battle against absolute poverty in 2020. The victory solved the historical problem of penury that has plagued the Chinese nation for thousands of years and saw the country meet its poverty alleviation targets under the United Nations (UN) 2030 Agenda for Sustainable Development 10 years ahead of schedule.

This is "one of the greatest world stories of the 21st century."<sup>1</sup> "China's poverty alleviation serves as a textbook for the global fight against poverty."<sup>2</sup>

Poverty alleviation in China has gone beyond the established theories of classic textbooks, and China's eradication of absolute

<sup>&</sup>lt;sup>1</sup> Robert Lawrence Kuhn and Wang Sangui (2020). China's Way of Poverty Alleviation: Decoding the Governance System of the Communist Party of China. Chongqing Publishing House.

<sup>&</sup>lt;sup>2</sup> Zhang Jianjun (2016). China's poverty alleviation serves as a textbook for the global fight against poverty. http://www.ceweekly.cn/2016/1017/167089. shtml

poverty on such a large scale is a first in history. This milestone calls for a new approach in understanding more precisely the country's methods in ending deprivation.

China's successful poverty alleviation practices have given birth to a new field this report calls "Chinese Poverty Alleviation Studies." The Studies aims to explain China's poverty alleviation practices through the principles of political economy. Chinese President Xi Jinping has guided China's battle against poverty. His important discourses on poverty alleviation have laid the ideological and theoretical foundations for Chinese Poverty Alleviation Studies.

While summarizing China's achievements in poverty alleviation, especially its achievements over the last eight years, this report outlines the practical methods of precise poverty alleviation in China, explores the rationale behind the Studies, and discusses its global implications.

This report argues that Chinese poverty reduction is a political economy theory of distribution conducive to both poverty reduction and development. Its core principle is to maintain the goal of national common prosperity and relies on precise means to build a "pro-poor market" in which the government, market and society jointly work to emancipate the productivity of the poor and make them contributors to growth. The result is a more balanced and fairer development by turning the recipients of targeted poverty alleviation into productive members of society. China creatively expanded its "pro-poor market" principle with a focus on solving the "last mile" of absolute poverty. It illustrates how the "visible hand" of a capable government is not a "restless hand" but an essential "enabling hand" in precise poverty alleviation. At the same time, an effective pro-poor market is not a distortion of the market, but a reconstruction of the market. The interaction of all market players in the operation of the pro-poor market is conducive to better handling the inherent tension between fairness and efficiency, realizing social justice, balancing development and stability, and addressing the century-old challenge of baking a bigger cake and dividing it fairly.

China is a learner, beneficiary and innovator of global poverty alleviation theories. Its own poverty alleviation policies, derived from theory and practice and based on its own national conditions, can provide new perspectives and useful references for other countries and regions in their battle against poverty. In fact, many foreign scholars have been trying to decipher the "code" of poverty alleviation in China. Their views may be summarized as the "5Ds": Determined Leadership, Detailed Blueprint, Development Oriented, Data-based Governance and Decentralized Delivery.

Combatting poverty is a global and millennium challenge. Its theoretical undertakings will never end. We hope that the Studies will stimulate more creative thinking and academic exchanges to deliver more balanced and inclusive development in the world and inspire countries to work together in their arduous efforts to eradicate poverty under the UN 2030 Agenda for Sustainable Development.

On the road to poverty alleviation, no one should be left behind.

# 1. Chinese Poverty Alleviation Studies Takes Shape

Fighting poverty has been an important task in state governance both in China and abroad throughout history. It is an essential requirement of socialism, as well as a key mission of the Communist Party of China to eradicate poverty, improve people's living standards, and gradually achieve common prosperity.<sup>1</sup>

— Xi Jinping

Nearly 100 million people have been lifted out of poverty over the past eight years, and nearly 800 million people over the past 40-plus years under China's policy of reform and opening up. The campaign to end deprivation has been the largest and toughest battle of its kind in human history.

<sup>&</sup>lt;sup>1</sup> Excerpt from Xi Jinping's speech at the Central Conference on Poverty Alleviation and Development, Nov. 27, 2015.

Statistics show that in the 1990s, for every percentage point increase in China's GDP, the rural poor population dropped by 0.8 percent.

# **1.1 Practical Foundations**

China's current poverty line is multi-dimensional and was formulated according to the standards set by authoritative international organizations and with acute consideration of China's peculiar national conditions. China has also taken into consideration education, health, and living standards in setting its poverty threshold. Its targets ensure the rural poor need not worry about food and clothing and have access to compulsory education, basic medical care, and safe housing. These standards are the benchmarks for poverty alleviation.

In February 2020, the Rossiyskaya Gazeta newspaper made a detailed calculation of China's poverty alleviation efforts. In recent years, about 1 million people in the country shook off absolute poverty every month, which is equivalent to one person escaping poverty every three seconds.

Despite the impact of the COVID-19 pandemic, China achieved its historic goal of ending absolute poverty on schedule. The per capita net income of the registered impoverished population increased from 2,982 yuan in 2015 to 10,740 yuan in 2020, 20 percentage points higher than the average annual growth of the income of farmers nationwide.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Qiushi Journal (2021).

#### "Hyperlinks" Extending to Impoverished Areas

Impoverished communities have benefited most from an improvement in infrastructure. China has long emphasized the need to build roads, highways and bridges to fuel the country's development. By the end of 2019, China's total length of roads in rural areas had reached 4.2 million kilometers, and all townships and villages had paved roads. From 2016 to 2019 alone, 16,900 kilometers of national expressways were built or renovated in poverty-stricken areas.<sup>1</sup> China has expanded fiber-optic internet access and 4G signal coverage to more than 98 percent.<sup>2</sup> With increased access and coverage, the spatial and temporal distances between impoverished areas and the world have significantly shortened.

#### Industry-driven Poverty Alleviation Brings Employment

Industry is fundamental to realizing steady poverty alleviation. Capitalizing on local natural resources, poverty-stricken areas have developed various businesses, thus boosting local economic growth and providing job opportunities. Data from the Ministry of Human Resources and Social Security show that more than 90 percent of the registered poor in China have received assistance from industry- and employment-driven poverty alleviation efforts. More than two-thirds have escaped poverty mainly through finding work outside their place of residence or through local industry. More than 32,000 "poverty

<sup>&</sup>lt;sup>1</sup> State Council Information Office press conference on poverty alleviation, Sept. 28, 2020.

<sup>&</sup>lt;sup>2</sup> Excerpt from Xi Jinping's remarks at a grand gathering held in Beijing to mark the country's poverty alleviation accomplishments and award model poverty fighters, Feb. 25, 2021.

alleviation workshops" were established in impoverished communities, enabling 437,000 people to work close to home.<sup>1</sup>

#### Ensuring Women and Children Can "Pursue Their Dreams"

Throughout the entire process of eradicating absolute poverty, the rights and interests of women and children were fully protected. At present, China's maternal mortality rate, infant mortality rate, and other major health indicators are generally better than the average levels of middle and high-income countries. Some 200,000 registered school dropouts have returned to class. In 2019, 94.8 percent of students completed nine years of free compulsory education.<sup>2</sup>

Since 2015, China has provided more than 61 billion yuan in microfinancing to 1.1 million women living in poverty. Through industry, China has helped increase the incomes of more than 4 million women living in poverty.<sup>3</sup>

### Exploring "Ecologically Friendly" Poverty Alleviation

More than 80 percent of China's poverty-stricken counties are in ecologically fragile areas. Since 2015, China has moved 10 million people from alpine, disaster-prone, and ecologically fragile regions to nearby towns and villages. Once moved, the country helped them gain employment.<sup>4</sup> Since 2016, over 1.1 million people capable of work and living in poverty in

<sup>&</sup>lt;sup>1</sup> State Council Information Office press conference on poverty alleviation through employment, Nov. 19, 2020.

<sup>&</sup>lt;sup>2</sup> Ministry of Education press conference on reform and development of basic eduction, Dec. 1, 2020.

<sup>&</sup>lt;sup>3</sup> State Council Information Office press conference on the development of China's women's cause since 1949, Sept. 19, 2019.

<sup>&</sup>lt;sup>4</sup> State Council Information Office press conference on poverty alleviation through relocation, Dec. 3, 2020.

central and western China have become eco-rangers, with "woodcutters" becoming "forest rangers" and "shepherds" becoming "grass rangers."<sup>1</sup> China has been exploring the path of "ecologically friendly poverty alleviation," bringing about a win-win situation of poverty reduction and ecological conservation.

## Weaving a Huge "Safety Net"

Nearly 20 million people living in poverty received subsistence allowances, and over 24 million people with physical difficulties, including severely disabled people received living and nursing subsidies.<sup>2</sup>

# **1.2 Historical Foundations**

The elimination of absolute poverty in China today is the result of work over several generations. It comes against a historical backdrop of 100 years of poverty, the country's own internal weaknesses, and a desire for reform. Under its socialist system, China has regularly drawn on international experience in poverty alleviation work over the past several decades. Over time, China created its own Poverty Alleviation Studies based on significant theoretical innovation and its unique national conditions.

<sup>&</sup>lt;sup>1</sup> State Council Information Office press conference on poverty alleviation through ecological compensation, Dec. 1, 2020.

<sup>&</sup>lt;sup>2</sup> Excerpt from Xi Jinping's remarks at a grand gathering held in Beijing to mark the country's poverty alleviation accomplishments and award model poverty fighters, Feb. 25, 2021.

## Historical Logic

China had long been at the forefront of the world economy. Following the invasion of foreign powers, China fell into poverty and frailty after 1840. In the early days of the People's Republic of China, the Communist Party of China (CPC) was confronted with a devastating nation after more than 100 years of wars and turmoil. Industry and agriculture were weak, and the national economy was on the verge of collapse. Survival and development were beyond imagination. Extreme poverty was the norm.<sup>1</sup>

### System Background

Human development is fundamental in Marxist political economy, and eradicating poverty, raising living standards, and achieving common prosperity are the basic tenets of socialism and the aim of the CPC. China has been able to reduce poverty in a sustained way for decades because of its social system that can well balance fairness and efficiency and achieve positive interactions between economic development and poverty alleviation. That is what gave birth to Chinese Poverty Alleviation Studies.

### **International Cooperation**

Cooperation and sharing experience with other countries are crucial to eliminating global poverty. The poverty alleviation process in China benefited from international support. Chinese theories of poverty alleviation contain global genes, yet are

<sup>&</sup>lt;sup>1</sup> China's State Council Information Office (2019). China and the World in the New Era.

innovated based on national conditions.

# **Development Strategy**

The CPC's century-long struggle was itself a struggle to eradicate poverty. In the early days, China implemented land system reforms and carried out large-scale agricultural change, alleviating poverty in rural areas. Its poverty alleviation practices experienced different stages, involving ruraleconomic reforms, regional development-oriented efforts, a fusion of various other methods, and the "two-wheel drive"<sup>1</sup> (combining broader regional and more precise approaches to poverty alleviation). China has lifted 770 million rural residents out of poverty since the beginning of the reform and opening up over 40 years ago when calculated in accordance with China's current poverty line. In the process of combatting absolute poverty in rural areas, the leaders of the Party and the Chinese government, based on past work in poverty alleviation, developed an ideological and theoretical system underpinning poverty alleviation efforts.

# **1.3 Becoming Mature**

### **Chinese Poverty Alleviation Studies Becomes Mature**

In 2011, China completed its first 10-year program for poverty alleviation and development. It was the first country in the world to achieve the 2015 UN Millennium Development Goals of halving the extreme poverty rates. What remains are the "hard

<sup>&</sup>lt;sup>1</sup>Huang Chengwei (2019). A Solemn Promise: Theoretical Reflections on China's Poverty Alleviation in New Era, pp. 6-8. Guangxi People's Publishing House.

bones." These are regions in deep poverty and pose tremendous difficulty for poverty alleviation work.

International experience shows that when the number of poor people in a country is less than 10 percent of its total population, poverty alleviation enters its "toughest stage." In 2012, after the 18th National Congress of the CPC, the baton of history was passed to Xi Jinping. At that time, China still had 98.99 million people living in absolute poverty. Faced with "contiguous poverty-stricken areas" and a "declining trickledown effect," how would the country conquer the "last bastion of extreme poverty?"

Since 2012, China has made poverty eradication a basic requirement for building a moderately prosperous society in all respects. Eradicating rural poverty is the greatest obstacle in the way of China reaching its goal of building such a society. The government has focused on deeply impoverished areas and specific impoverished groups. For the first time, it set the target of ensuring " that the rural poor are free from worries over food and clothing and have access to compulsory education, basic medical services, and safe housing." Through implementing targeted poverty alleviation measures such as the "six precise measures,"<sup>1</sup> and the "five batches,"<sup>2</sup> China has strengthened its

<sup>&</sup>lt;sup>1</sup> The "six precise measures" refer to precisely identifying the poor, accurate project arrangements, proper use of funds, household-targeted measures, precise stationing of poverty-relief officials in villages, and measurable effects of poverty relief.

<sup>&</sup>lt;sup>2</sup> The "five batches" refer to lifting people out of poverty by expanding production to increase employment, through relocation, offering ecological compensation opportunities (such as providing jobs involved in protecting the surrounding natural environment), via education, and by providing subsistence allowances.

front-line poverty alleviation efforts and methodically targeted its resources, funds, and projects directly at the poor.

Chinese President Xi Jinping announced on Feb.25 of 2021 that China has secured a "complete victory" in its fight against poverty, with the final 98.99 million impoverished rural residents living under the current poverty line having all been lifted out of poverty, and all 832 impoverished counties and 128,000 villages having been removed from the poverty list. Xi made the announcement while addressing a grand gathering to mark the nation's poverty alleviation accomplishments and honor model poverty fighters.

With the elimination of absolute poverty through precise measures, Chinese Poverty Alleviation Studies has withstood the test of time and becomes mature.

### Xi Jinping and Precise Poverty Alleviation

"Over the past 40 years, I have worked in Chinese counties, cities, provinces and at the central level, and poverty alleviation has always been an important part of my work in which I have invested the greatest effort." From building the first biogas digester in Liangjiahe, to launching the rural reform and poverty alleviation work in Zhengding; from exploring the philosophy of "weak birds fly first" in Ningde, to carrying out the "Fujian-Ningxia paired collaboration" as an approach to poverty alleviation, and guiding the country's magnificent battle against poverty, Xi Jinping has led people to shake off poverty as he served and fought for them all along.

Xi has gradually enriched his views on poverty alleviation through continuous exploration and practice. In November 2013, he visited the impoverished Shibadong Village in western Hunan Province and proposed for the first time the idea of "precise poverty alleviation." This entailed establishing a clear picture of the root causes of poverty for every household by introducing a registration system. He called on the local government not to "use a grenade to blast a flee," but instead take the approach of an embroiderer — a master of intricate design.

The country's poverty alleviation work thereby began a new chapter. Since then, Xi Jinping's discourse on poverty alleviation has continued to develop and mature. He has put forward his "six precise measures," "five batches" and other significant notions, offering systematic answers to the questions of "To whom help and support will be offered," "Who will offer help and support," "How to offer help and support," and "How to measure the end of poverty alleviation." His thorough discourse has provided an action plan for the eradication of absolute poverty in China, and is rooted in science.

Upholding the leadership of the Party is a core principle of Xi's discourse on poverty alleviation and upholding the CPC's leadership is an institutional guarantee for China to win the battle against poverty. The unified leadership of the CPC ensures the longevity of China's poverty alleviation policy. It also means that it is distinctly divided among officials at all levels, from the central government down, with individual responsibilities assigned to maximize leadership, organizational capability and execution.

Upholding a people-centric approach is a fundamental principle of Xi's discourse on poverty alleviation. Xi once said, "Our great development achievements are created by the people and should be shared by the people" and "To meet the people's aspirations for a happy life is our mission." There is no shortage of the term "people" in Xi's remarks, and he has repeatedly stressed the major principle of "unswervingly pursuing prosperity for all."

Upholding joint actions to tackle challenges is the institutional guarantee prescribed in Xi's discourse on poverty relief. The key reasons for the victory in poverty fight lie in the political advantages of the socialist system, which can bring together resources of the whole society and generate solidarity and joint actions. Xi vividly described this as "gathering the overwhelming force capable of moving the mountains and overturning the seas."

Upholding a strategy for precision is the basic method prescribed in Xi's discourse on poverty relief. "Seeking truth from facts, adapting measures to local conditions, providing classified guidance, and carrying out targeted poverty alleviation." This was the strategy Xi proposed during his visit to Shibadong village in western Hunan Province, and thus ushered in an "era for precision" of poverty reduction in China. Anti-poverty efforts have grown more tailor-made based on needs of individuals, households and villages, making government support more targeted and effective.

**Upholding self-reliance is a distinctive feature of Xi's discourse on poverty relief.** Xi believes the key to getting out of poverty lies in people's mindsets. China has adopted measures that combine poverty alleviation with efforts to improve people's "will and wisdom" to stimulate the internal motivation of the disadvantaged, so that they can take actions more spontaneously, forming the overall anti-poverty pattern underpinned by " social mobilization + individual progress."

Upholding shared development is a key facet of values of Xi's important discourse on poverty alleviation. Xi has attached great importance to social assistance in the poverty alleviation campaign, demanding maintaining the Chinese traditional virtues of "helping each other", "uniting all efforts for a common purpose" and "helping those in need." His advocation has driven the innovation of social assistance methods in China and helped create a situation that everyone is willing to and able to help.

Upholding a realistic and pragmatic approach is the work guidelines of Xi's important discourse on poverty alleviation. "Let poverty alleviation outcomes truly stand the test of history and the people" -- this is Xi's basic requirement that has run throughout the entire poverty alleviation work. China has implemented the most precise measures to identify the poor population, the strictest methods to evaluate the poverty relief results, and the most standardized poverty exit mechanism to truly alleviate poverty and help those truly in need out of poverty.

Despite China's remarkable success in the anti-poverty battle, Xi stressed that shaking off poverty is not the finish line, but the starting point of a new life and new endeavor. China is embarking on a new journey of comprehensively promoting rural vitalization.

# 2. Chinese Poverty Alleviation Studies: Practices

We must remain committed to alleviating and eradicating poverty in a targeted manner and ensure precision in the following six areas: the identification of people who need help, the organization of projects, the use of funds, the execution of measures, the assignment of the right people (first secretaries) to each village, and the effects of poverty eradication. We must address the questions of who exactly needs help, who should provide it, how help should be offered, and what standards and procedures should be adopted for exiting poverty. We must refrain from engaging in broad and unrestrained campaigns or resorting to boisterous methods that do not solve the problem. We need to implement policies tailored to individual villages, households, and people, address their specific challenges in a precise and targeted manner, and alleviate poverty by getting to the root of the problem.<sup>1</sup>

— Xi Jinping

<sup>&</sup>lt;sup>1</sup> Excerpt from Xi Jinping's speech at the Symposium on the Targeted Poverty Alleviation Campaign, Feb. 12, 2018.

A well-thought-out methodology is the practical tool of Chinese Poverty Alleviation Studies. Solving humanity's protracted poverty problem has never been easy. Several well-conceived poverty alleviation designs have suffered setbacks in practice. After Xi Jinping put forward his precise poverty alleviation strategy in 2013, China stressed four major issues:

- To whom help and support will be offered
- Who will offer help and support
- How to offer help and support
- How to measure the end of poverty alleviation

These four major issues embody a precise "drip irrigation" approach to allocating resources to every impoverished household. China has built up a well-structured poverty alleviation system that takes care of responsibility sharing, precise identification and exit, coordinated implementation, capital and manpower input, precise assistance, social mobilization, assessment and supervision.<sup>1</sup> If we compare China's poverty alleviation campaign to a ticking clock, precise poverty alleviation is like the toothed wheels that match accurately and run precisely inside a clock.

This report's research team selected a person, a household and a village in southwest China, one of the country's most impoverished regions, to summarize the country's poverty alleviation work. They are Nasi, a 29-year-old woman from a Lahu ethnic village in the prefecture of Xishuangbanna,

<sup>&</sup>lt;sup>1</sup> Ren Lixuan (2021). People's Daily. http://paper.people.com.cn/rmrb/ html/2021-02/22/nw.D110000renmrb\_20210222\_1-09.htm

Yunnan Province; 39-year-old He Guoqiang and his family from the Yaoshan Yao Ethnic Township in Libo County, Guizhou Province; and Atulieer Village, known as the "cliff village," in Zhaojue County, Sichuan Province.



The Drip Irrigation Approach: Sending Resources to Households

### 2.1 Who Are the Poor? Precise Identification

Identifying the last remaining impoverished communities and individuals in the country was fraught with difficulty. Previously in China, rural poverty was captured as "sampled data" within statistical departments, which can illustrate overall trends in poverty but fails to target impoverished individuals. During an inspection tour of Fuping County, Hebei Province, in 2012, Xi Jinping said well focused measures must be taken in helping fellow countrymen in difficulties in rural areas to break away from poverty and achieve prosperity. Work should be done to look into and have a clear understanding of the situation of every single household, he said. In 2014, the then State Council Leading Group Office of Poverty Alleviation and Development issued a work plan on the registration of poverty alleviation and development, mobilizing poverty alleviation cadres nationwide to register the impoverished families in villages.

# Portrait Scanning: Targeting Every Person in Each Household in Poor Areas

He Guoqiang's family has seven members. He submitted an "impoverished household application" to the village committee on June 2, 2018. Desertification has left his hometown with limited farmland and scarce water, making survival difficult. For years, his family rented farmland elsewhere to grow crops, living a poor life with "enough food but a shortage of money." About a month later, following a series of identification procedures, he received an "impoverished household confirmation letter" stamped with the seal of the township government. He Guoqiang's household was officially recognized as impoverished.

#### Seven Steps for Precise Identification of Impoverished Households in Guizhou



Many localities have also created their own identification markers, such as the "four checks," namely, examining housing, food stock, labor capacity, and whether there are children in school. Big data have also been put into use. Some places have established a big data platform, through which the government can find out in seconds which impoverished households own cars and commercial real estate. Such households are removed from the poverty list if they possess any of the above assets. In 2014, China organized more than 800,000 cadres to identify 89.62 million poor people. In 2015, that number increased to more than 2 million who were responsible for verifying the accuracy of the data classifying individuals as poor. Some 9.29 million people were inaccurately identified and subsequently removed from the poverty list while 8.07 million new cases were added. The country also identified 14 contiguous areas of extreme poverty, 832 impoverished counties and 128,000 impoverished villages.<sup>1</sup>

# Filing Archives: "Fish Scale Books" of Nearly 100 Million Impoverished People"<sup>2</sup>

China keeps detailed files of all poor households. The archives of He Guoqiang's family are divided into nine parts: basic

<sup>&</sup>lt;sup>1</sup> Huang Chengwei (2019). A Solemn Promise: Theoretical Reflections on China's Poverty Alleviation in New Era, pp. 76. Guangxi People's Publishing House.

<sup>&</sup>lt;sup>2</sup> The fish scale atlases, shortened as fish scale books, were land files compiled by the government in ancient China to collect taxes. The name is derived from the fact that the fields drawn in the files were arranged like fish scales. Through this precise identification process, China had files on 100 million people living in poverty. Information including income, number of family members, education, healthcare, housing, and access to drinking water is included. The records of these poor households are likened to "fish-scale books" for precise poverty alleviation.

information, evaluation and identification, causes of poverty, assistance plans, income and expenditures, policies and guarantees received, inspection and acceptance for poverty elimination, relevant agreements, and consolidation and improvement. Based on the family archives, the country has for the first time established a unified national poverty alleviation information and management system that covers nearly 100 million people and is regularly updated.

According to systematic big data analysis, the "root causes" of poverty have also been identified. Among the registered poor households with archives, 42 percent have fallen into the clutches of poverty due to illness, 20 percent to disaster, 10 percent to schooling-related expenses and 8 percent to poor labor ability.

# Building a Tightly Woven Safety Net: Paying Attention to the "Marginal Households"

In the process of identification, regions generally face the "oneyuan problem," which means those slightly above the poverty standard are not listed as poor. In response, China has brought into the fold families whose per capita disposable income is lower than 1.5 times the national poverty line, whose medical or disaster-related expenses drastically exceed the previous year's income, and whose incomes have dramatically decreased. Through monitoring and support, China has prevented "marginal households" from slipping into poverty.

# 2.2 Offering Support: Embedded Implementers

Adequate human resources and resolute execution are necessary for defeating absolute poverty. China has assembled a strong team of implementers for poverty alleviation through a comprehensive mobilization of personnel at various administrative levels and beyond.

# Every Household Has a "Helper" and Every Village Has an "Assistance Team"

In Xishuangbanna, located in southwestern China on the border with Laos and Myanmar, Nasi from the Lahu ethnic village could not afford shoes when she was young. She would hunt barefoot in the remote mountains and forests. In early 2015, villagers welcomed a team stationed at their village. Four members of the team proficient in the Lahu language were responsible for farming, animal husbandry, eliminating illiteracy and road construction.

Every household has a helper and every village has an assistance team, a setup unique to China's poverty alleviation efforts. The individuals collect information, implement policies, develop industry and help with employment. In some particularly poor areas, they teach villagers how to write their own names and search door-to-door looking for children who have dropped out of school. A deep bond has been formed with the villagers after years of close association.

# Some 10 Million People Have Been Mobilized Through Multiple Channels to Form a Team of Implementers

To solve the problem of "who will offer help and support," a total of 255,000 teams were dispatched to offer on-the-ground support and over 3 million people were sent to the countryside as special commissioners for poverty relief, working together at the front line with nearly 2 million township-level cadres and millions of village-level cadres.





The 255,000 poverty alleviation teams, organized by the countylevel governments, were uniformly trained, managed and evaluated. Poverty alleviation teams could not depart until their respective villages were lifted out of poverty or individual impoverished households met poverty elimination criteria.

# Working Together for Poverty Alleviation

On Oct. 16, 2015, Xi Jinping said at the Global Poverty Reduction and Development Forum, that by encouraging the whole society to participate in and giving play to its institutional advantages, China has drawn on the joint efforts of government, society, and the market to reduce poverty. It has formed a trans-regional, trans-departmental, and trans-industrial poverty reduction process to which all social sectors contribute.

Private enterprises, social organizations, and individual citizens are the three new forces of poverty alleviation work in China. Efforts such as the "10,000 Enterprises Helping 10,000 Villages" campaign, eliminating poverty through employment, and eliminating poverty through consumption, have created a variety of synergies in society.

Over the years, China has carried out international cooperation on poverty alleviation, introducing successful ideas and methods for poverty work globally. International organizations such as the World Bank, the UN Development Program and the Bill & Melinda Gates Foundation of the United States have also played an active role in helping China alleviate its own poverty.

Wealthy locals, migrant workers and businessmen, and college graduates from poor areas in China have also become the "new rural sages" and "bellwethers" that play significant roles in poverty alleviation.

# 2.3 How to Offer Assistance? Precise Trickling-down

China has formulated different "poverty alleviation plans" for each poverty-stricken household.

### Tailor-made Poverty Alleviation Plan for Each Household

Through in-depth research, poverty-alleviation cadres found that the causes of poverty in He Guoqiang's family were a lack of funds, land, and water. Accordingly, they formulated a plan to help the family shake off poverty by raising three pigs, applying for a rural subsistence allowance, relocating to the more resourcerich county seat, receiving vocational training in construction and housekeeping, and finding employment near home.

The year 2020 marked the second year of the family's relocation to the county seat thanks to a government-sponsored relocation program that brings villagers out of their uninhabitable homes. Two photographs on the wall of He's house tell of the changes in his life: one shows a small dilapidated wooden hut with a black linoleum roof while the other a green new neighborhood equipped with elevators. He now works on a construction site and his wife, Li Meili, works in a nursing home. "The first time I accompanied her to apply for a job, she walked behind me clutching the edges of my clothes," He Chunliu, a poverty-relief official, recalled.

"The main difficulties include a harsh living environment, poor health conditions of their parents, insufficient income, and debts resulting from their children's educational expenses," said Pacha Yough, a poverty-relief official from the county, listing the challenges facing household heads. He came to this conclusion after analyzing the financial problems of Mose Latsok, a "cliff village" resident, and suggested her family move to the more prosperous county seat. At the 2015 Central Conference on Poverty Alleviation and Development, Xi Jinping said that the disease of poverty could only be cured with the right prescription. The "five batches" have played a leading role in tackling the root causes of poverty in China.

The following are some of the poverty alleviation plans for several households.

Poverty Alleviation Through Developing Local Industry. In Pingxi, Yuping County, southwest China's Guizhou Province, Wen's Food Group purchases pigs from farmers by providing them with piglets, fodder, and related technology. Villager Hong Jiayuan earns more than 200 yuan from raising a pig, with an annual income of over 150,000 yuan.

**Poverty Alleviation Through Relocation.** In 2020, Mose Latsok moved from a "cliff village" to a resettlement community in the county seat, where she lives in a 100-square-meter house thanks to government subsidies.

Poverty Alleviation Through Supportive Health Programs. Xiao Meilan from a poverty-stricken family in Chaoguo Village, Yonghe Township, Ji'an County, Jiangxi Province, spent 430,000 yuan on treating leukemia. Most of the expenses were covered by a rural cooperative medical care system, serious disease insurance, and additional medical insurance. She only paid 24,000 yuan herself. Government Subsidies for Low-income Households. Gong Qiong, an elderly woman from Dagze District in Lhasa, capital of Tibet Autonomous Region, is too old to earn a living. She moved to a nursing home last year and received an annual subsidy of several thousand yuan.

### Sufficient Funds Earmarked for Poverty Relief

China has allotted significant resources for large-scale poverty alleviation efforts.

Nearly 1.6 trillion yuan of fiscal funds have been invested into poverty alleviation over the past eight years, of which 660.1 billion yuan came from the central government. Substantial fund supplies have provided strong guarantee for China's winning the battle against poverty.<sup>1</sup>

In addition, through extensive mobilization and online technologies, China has guided social resources for poverty alleviation. For example, through the Social Participation in Poverty Alleviation and Development of China website, a bridge has been built between social participants and poor households to form a new "Internet Plus" poverty alleviation ecosystem. Since the beginning of 2019, at least 500 billion yuan has been spent on purchasing agricultural products from poor areas across China.

<sup>&</sup>lt;sup>1</sup> Excerpt from Xi Jinping's remarks at a grand gathering held in Beijing to mark the country's poverty alleviation accomplishments and award model poverty fighters, Feb. 25, 2021.

## Flexible and Organized Resource Allocation

China has allocated resources to households through decentralizing approval authority, and dispatching helping cadres and supervisory forces.

In the past, government funds in China were allocated for specific purposes. Money allocated for home building could not be used for building roads, thus the needs of local communities were not always adequately met. Since 2015, China has decentralized the approval authority for the vast majority of poverty alleviation projects to the counties, where county governments can use them according to local conditions. From 2016 through September 2020, annual poverty alleviation funds for 832 poverty-stricken counties increased from tens of millions of yuan before the policy shift to 360 million yuan.<sup>1</sup>

Dispatched poverty alleviation cadres in villages serve as the "pipes" to funnel poverty alleviation resources. Based on their feedback, the Chinese government can allocate resources via the cadres to each household like making precise "drip irrigation."

China has also improved its supervision and management regime. Supervisors have been dispatched to the grass-roots level to oversee poverty alleviation and curb corruption. The amount of disciplinary violations detected by audits dropped from 25.8 percent of sampled funds in 2016 to 1.5 percent in

<sup>&</sup>lt;sup>1</sup> China's State Council Information Office. Press conference, Dec. 2, 2020. http://www.gov.cn/xinwen/2020-12/02/content\_5566482.htm
2019, and the proportion of serious disciplinary violations such as embezzlement dropped to 0.19 percent.<sup>1</sup>

# 2.4 No Longer Poor? Third-party Evaluations

During an inspection tour in southwest China's Chongqing Municipality in 2016, Xi Jinping stressed that poverty eradication should proceed step by step, warning against either losing momentum or pursuing fraudulent achievements.

In order to prevent the poor from falling into the "welfare trap," China has not only created a timetable for eliminating poverty, but also introduced a third-party assessment system by integrating external assessment and self-assessment, focusing on internal motivations and the long-term development of impoverished individuals and communities, and establishing stringent criteria before delisting a household or individual as poor.

#### Accurate Evaluation to Minimize Errors

On Dec. 20, 2019, He Guoqiang signed a "confirmation letter of poverty alleviation" that came from the township government. Local authorities had succeeded in lifting his family from poverty through employment, education, and medical care. Later, the government helped the family obtain state and commercial insurance as a precaution to prevent it from falling back into poverty.

Nasi, who had no knowledge of growing seedlings or applying fertilizers, has planted 18 mu (1 mu is around 0.067 hectares)

<sup>&</sup>lt;sup>1</sup> State Council Information Office press conference on the fiscal and taxation support for poverty alleviation, Dec. 2, 2020.

of tea trees together with members of her family after several years of guidance by local officials. After an evaluation process in 2018, the family was delisted from the list of poverty-stricken households.

In 2020, a ladder made of 6,000 steel pipes was built from the foot of a mountain to the "cliff village." The village had a stable electricity supply and full 4G coverage. Though some villagers had moved elsewhere, the rest chose to stay and turned to the tourism sector to make a living by running homestays or selling local oranges, walnuts, and green peppers through e-commerce.

China has detailed and strict rules on the delisting of povertystricken villagers. Before being delisted, poor households must have a stable annual per capita net income above the poverty alleviation threshold, sufficient food and clothing, as well as access to compulsory education, basic medical services and safe housing.



Nine Steps for Removing a Household from the Poverty List in Guizhou

Criteria for delisting: Income of poor households exceeds current year's poverty line and they need not worry about food and clothing and have access to compulsory education, basic medical care, and safe housing.

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#### **Rigorous Third-party Assessments**

The documentary titled China's War on Poverty, directed by Robert Lawrence Kuhn, president of the Kuhn Foundation, contains a scene described below:

In Pingbian Yi Ethnic Township of Pingshan County located in the city of Yibin, Sichuan Province, a third-party evaluation team made up of teachers and students from Southwest University found that the mother of a village official was listed as belonging to a poor household. Repeated verifications ascertained it was a "wrong evaluation."

"No one is immune to third-party assessments. In the fight against poverty, China will work resolutely to prevent illicit practices such as embezzlement of poverty relief funds and data fraud," Kuhn said in the documentary.

For a long time, China's performance appraisal regime for officials in engaged in poverty alleviation work was mainly carried out from the higher to lower levels and from governments at all levels to their related departments. Therefore, all evaluations were previously tied up within the administrative system. In view of this situation, China introduced third-party evaluations and established a performance appraisal system that integrates self-evaluation with external evaluations.

In the nationwide third-party assessment of poverty alleviation, universities and social organizations use special investigations, sampling investigations, and field verifications to carry out independent analysis and evaluate each indicator. They also evaluate the performance of officials, which has improved the objectivity and impartiality of the appraisals and compelled local authorities to improve the quality of their work.

# Establishing a Transition Period to Foster a Long-term Antipoverty Mechanism

Even after shaking off poverty, some farmers are still at risk of slipping back into poverty. To cope with this, China has carried out county-level monitoring, relying on households and rural cadre inspections to report on vulnerable cases.

After eradicating absolute poverty, China will not rest on its laurels. Instead, it will set up a five-year transitional period to continue with assistance and supervision, in order to shift away from traditional poverty alleviation to rural vitalization.



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#### Establishing and Improving a Long-term Mechanism to Avoid Slipping Back into Poverty

# 3. Chinese Poverty Alleviation Studies: A Political Economy Perspective

We must abide by a dialectic methodology and make continued efforts to give full play to the basic system of socialism and the market economy to have both "effective markets" and "capable government" and solve the global challenge of economics in practice.<sup>1</sup>

# — Xi Jinping

"Chinese Poverty Alleviation Studies" is a political and economic distribution theory, conducive not only to poverty alleviation but also development. The core essence of the theory is to focus on the goal of common prosperity, and by precise means, build a pro-poor market mechanism through the coordinated efforts of the government, the market and society, to liberate the productivity of the impoverished and make them not only beneficiaries of distribution but also contributors to growth, ultimately resulting in a more balanced and equitable development of the whole society.

<sup>&</sup>lt;sup>1</sup> Excerpt from Xi Jinping's speech at the 28th group study session of the Political Bureau of the 18th Communist Party of China Central Committee, Nov. 23, 2015.

The Studies has found that by focusing on the eradication of absolute poverty, a "semi-public good," China has creatively expanded the "pro-poor market" mechanism. It shows that in the field of precise poverty alleviation, the "visible hand" of a capable government is not a "restless hand" but an indispensable "enabling hand." At the same time, an effective pro-poor market is not a distortion of the market, but a reinvention of the market. The organic interaction of various actors participating in the operation of the pro-poor market is conducive to properly dealing with fairness and efficiency, realizing social justice, development and stability, and solving the century-old problem of baking a bigger cake and dividing it accordingly.

# 3.1 Poverty Alleviation and Economic Development

# Optimal Distribution Makes Development Better for Poverty Reduction

According to Marxist political economy, distribution depends on and reacts to production. Chinese Poverty Alleviation Studies, to quote Friedrich Engels, explores the optimal mode of distribution "which allows all members of society to develop, maintain and exercise their capacities with maximum universality."

"Development represents survival and hope, and symbolizes dignity and rights."<sup>1</sup>Since the start of the 21st century, achieving

<sup>&</sup>lt;sup>1</sup> Xi Jinping. Towards a Mutually Beneficial Partnership for Sustainable Development. Remarks at the UN Sustainable Development Summit at the UN headquarters in New York, Sept. 26, 2015.

balanced and sustainable development has become a topic of concern within the international community, with the widening of the North-South and wealth gaps causing great consternation. Poverty and a series of problems derived from it are haunting global development, and eradicating poverty remains the biggest global challenge facing the world today.

The practice of poverty alleviation around the world has proved that development alone does not necessarily equate to poverty eradication. "Poverty also arises in those relationships that generate wealth, and an oppressive force also develops in those relationships that develop productive forces."<sup>1</sup> Wealth has been snowballing, but poverty has become increasingly like a fortress. How should we solve this huge imbalance? The answer is optimal distribution.

"You make a cake to divide it, and dividing it properly will promote the baking of a bigger cake." This clear logic runs throughout the history of poverty alleviation in China. "Development for the people, by the people and centered on the people"<sup>2</sup> reflects a deep understanding of the laws of social and economic development, which is "optimal distribution."

Achieving common prosperity is the essential requirement of socialism. In a sense, common prosperity is not only the goal, but also a process and principle of distribution. China's basic

<sup>&</sup>lt;sup>1</sup> Karl Marx and Friedrich Engels (1995). Selected Works by Karl Marx and Friedrich Engels, vol. I, pp. 189, People's Publishing House.

<sup>&</sup>lt;sup>2</sup> Xi Jinping. Speech at a study session on implementing the decisions of the fifth plenary session of the 18th CPC Central Committee, attended by officials at the provincial and ministerial level, Jan. 18, 2016.

economic system sees public ownership play a dominant role with diverse forms of ownership developing side by side. It allows China to continuously explore new paths of "optimal distribution." China has also benefited greatly in this process. By seizing the most important relationship between distribution and production, China has achieved a medium-high rate of economic growth in tandem with the elimination of absolute poverty, and has laid a solid foundation for future high-quality development.

#### Government and the Enhancement of Pro-poor Traits

Under the market economy, the market plays a decisive role in the allocation of resources and is an important force in poverty alleviation. However, the market allocation of resources is based on the principle of efficiency, and the rationality of the market mechanism applies to private goods. In the field of public goods, there are always market failures. Market rationality is not friendly to the "inefficient" poor groups and poverty alleviation. Moreover, the closer we come to eliminating absolute poverty, the more negative the market becomes. Poor areas and poor people are often unable to participate in the market effectively or even excluded from the market altogether due to their remote geographical location, backward infrastructure and insufficient development capacity, and thus are in a weak position in the overall distribution pattern.

As early as 1990, the World Bank proposed "broad-based growth," emphasizing the equalization of interests. In 1999, propoor growth was proposed by the Asian Development Bank as

a poverty alleviation strategy. The key question is: how do we improve the pro-poor traits of the market mechanism? "Capable governments" are needed to adjust the primary distribution and create a more efficient redistribution. In addition to the advantages of top-level design to mobilize, organize and guide poverty alleviation, the government can also influence the allocation of resources by improving their mobilization and availability. The main means are to increase the supply of public services, improve the precise allocation of poverty alleviation resources, introduce pro-poor policies, stimulate social investment, and promote the transfer of asset returns in order to increase opportunities for impoverished communities and individuals to access the factor and product markets and reduce risks and vulnerability.

In China's fight against poverty, the market mechanism has played an obvious role in helping the poor. The key lies in not only giving full play to the advantages of the market economy, but also to the superiority of socialism in mobilizing resources where need be.

# The Pro-poor Market Activates the Potential Factors of Production in Poverty-stricken Areas

Under a pro-poor market mechanism, trading barriers are continuously broken, trading links are continuously ironed out, and transaction costs are continuously reduced, thus creating favorable conditions for production and unleashing productivity in poverty-stricken areas. A "winning formula" in China's poverty alleviation efforts was holding onto positive dialectical thinking and improving the pro-poor market mechanism under the guidance of the government. Meanwhile, the "burden" of poverty has been turned into a source of potential, and human and natural resources in poor areas have become a means to achieve common development and prosperity. At the same time, the Chinese government, through funding, resources and services, among others, has implemented precise measures to help poor individuals who have the ability to work cross the market threshold and complete the transformation from a natural person to a "market person."

# Optimal Distribution Makes Poverty Reduction Better for Development

At the present stage, the principal contradiction in Chinese society is that between the people's ever-growing needs for a better life and unbalanced and inadequate development. The most unbalanced development is between urban and rural areas, with the latter witnessing insufficient levels of development. The intersection of unbalanced urban and rural development and insufficient rural development lies in povertystricken areas, especially deeply impoverished areas. China urged local Party committees and governments to make poverty alleviation a top priority during the 13th Five-Year Plan period (2016-2020) and the focus of economic and social development. Judging from the results to date, some poor areas have achieved a healthy cycle in which poverty alleviation is synchronized with economic growth. Poverty alleviation has played a role in promoting balanced development, bolstering economic growth and alleviating major social contradictions, thus creating a favorable macro environment for optimal distribution.

Poverty alleviation has helped the "unified national market" expand capacity, providing new drivers for the economic cycle. By improving infrastructure and technological innovation, poor areas are better able to integrate into the market, open up and accept market resources from outside regions, and increase their production capacity. The participation in the market by those living in deep poverty has increased in depth and scope, their labor skills have improved, and their ability to reduce poverty has grown. Income growth has expanded, and those living in poverty have successfully achieved a higher rate of income growth than that of society as a whole. Their increased consumption capacity and demand as well as income growth are directly projected into market activities, promoting production and exchange, and creating realistic conditions for optimal distribution.

# 3.2 Interactive Logic of the Five Subjects

People are the most dynamic factor in the forces of production. With a focus on government, the market, society, frontline poverty alleviation leaders and the impoverished, we can summarize the operating logic of the Studies, especially based on the policies implemented in recent years. These five subjects focus on workers and means of production and utilize precise allocation to form a new benefit-sharing apparatus, in which poverty alleviation and development complement each other simultaneously. It provides a new angle for solving the principal contradiction in Chinese society by seeking the best combination of distribution and development and exploring the dynamic balance between fairness and efficiency.



#### Five Main Subjects in China's Poverty Alleviation



#### Capable Government: Restless Hand or Enabling Hand?

How has China, a country "clearing the last mile" of its poverty alleviation efforts, achieved an effective interaction between the state and "active and involved citizens?"<sup>1</sup> Neither the "big push and balanced growth" theory nor the "critical minimum effort" theory offers a perfect answer. The history of poverty alleviation worldwide has revealed that precise poverty relief works best.

<sup>&</sup>lt;sup>1</sup> Angus Deaton, the 2015 Nobel laureate in economics and a professor at Princeton University, once said: "The absence of state capacity-that is, of the services and protections that people in rich countries take for granted-is one of the major causes of poverty and deprivation around the world. Without effective states working with active and involved citizens, there is little chance for the growth that is needed to abolish global poverty." https://www. socialeurope.eu/weak-states-poor-countries

Precise action usually requires the support of a complex system, which entails a top-level design and rather innovative implementation at the grassroots level. The key to China's success in defeating absolute poverty lies in the aforesaid "effective interaction" and coordination between a top-down government leadership and bottom-up grassroots innovation.

Four areas of improvement are needed to boost the state's antipoverty efforts, namely in leadership, innovation, mobilization, and implementation.



Improving the State's Anti-Poverty Effectiveness



municipal, county, township, and village levels were asked to carry out the country's new anti-poverty campaign. The roles of the Party and government departments at different levels were defined as "central planning, provincial responsibility and city and county implementation." The main leaders of Party and government departments at all levels played a key role in the leadership system, ensuring resource planning, policy implementation and social mobilization. In 2015, the main leaders of Party and government departments in 22 provinciallevel regions in central and western China made a pledge to the central authorities to meet their poverty elimination targets. Main officials from the country's 832 poverty-stricken counties were not permitted to transfer to posts in other areas before the counties where they worked shook off poverty.

Innovative capability. Under China's administrative system, county-level governments are in charge of connecting governments at the upper and lower levels. County-level governments are the frontline headquarters and entrusted with providing poverty relief objectives, tasks, funds, and accountability, all of which were originally assigned to provincial-level governments. This has prevented a fragmented management of funds and resources at the grassroots level, reduced institutional costs, and met the differentiated needs of impoverished communities and people in various counties.

China's poverty alleviation efforts received a makeover with decision-making delegated to lower levels of government. Lower level officials were entrusted with responsibility and accountability, administrative and financial power, and a new form of assessment whereby GDP growth became secondary to meeting poverty alleviation targets. Instead of the passive poverty alleviation of the past, where projects and funds were assigned and allocated top-down, the fight adopted a more localized and active approach defined by on-the-ground research and a more meticulous deployment of funds by grassroots officials. Localized innovations also organically sprang up, including "e-commerce poverty alleviation" and "tourism poverty alleviation," among others.

**Mobilization capability.** The key to China's success in poverty alleviation also lies in the country's mobilization of all parties to the maximum extent. It has coordinated the relationship between government, market and society and tapped into the country's traditional values of "helping each other" and "helping those in need," thus building a systematic and far-reaching poverty alleviation ecosystem. China has also gathered a large amount of talent, projects and resources through poverty relief campaigns including pairing, cooperation between the country's eastern and western parts, and the "10,000 Enterprises Helping 10,000 Villages" program. According to incomplete statistics, the Chinese government's investment in poverty alleviation has led to trillions of yuan of additional total social investment.

**Implementation capability.** The Chinese government has augmented its poverty alleviation efforts through assessment, incentives, and discipline. Since 2015, it has introduced

third-party assessment, cross-assessment between different provincial-level regions, and unannounced media visits as a supplement to its top-down approach, thus bolstering the quality and efficiency of its poverty alleviation work. Impoverished people and communities have more say in poverty alleviation work thanks to seven assessment indicators, including a satisfaction rating system.

In addition, multi-faceted supervision, anti-graft efforts, improvement in official governing style as well as public participation have all contributed to China realizing the goal of building an all-round well-off society while leaving no one behind.

#### Pro-poor Market: Distortion or Reinvention?

The building of a pro-poor market is a major innovation in China's poverty alleviation practice and a basic requirement for the country's success in eliminating absolute poverty. In 2015, Xi Jinping said, "In order to win this tough battle, we will take poverty alleviation and development as the main part of our economic and social development plan, greatly increase investment in poverty alleviation, roll out more policies and measures to benefit impoverished areas and people, improve the pro-poor nature of the market mechanism, promote inclusive economic and social development, and implement a series of major development initiatives that are more targeted."<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Xi Jinping. Join Hands to Eliminate Poverty and Promote Common Development. Keynote Speech at the Global Poverty Reduction and Development Forum, Oct. 16, 2015.

To this end, China has played the leading role of the dominant public ownership economy over the non-public ownership economy and mobilized various economic entities. While promoting the flow of resources to areas of high technological content and high input-output efficiency, China has continued to advance without stifling the development of poor areas and the employment and entrepreneurship of the poor. In this process. China has made up for the shortcomings in infrastructure and public services in impoverished areas, and optimized the allocation of labor and means of production to unleash potential productivity. It has guided, organized and supported leading enterprises and entrepreneurs to establish various forms of linkages with poverty-stricken households in order to build an inclusive market for the benefit of the poor. These linkages have become an integral part of the country's new development paradigm of dual circulation, in which the domestic and overseas markets reinforce each other, with the domestic market as the mainstay.

Through the market distribution mechanism, China has effectively eased the contradiction between the growing needs of the people for a better life and unbalanced and inadequate development. China's impoverished areas are undergoing great changes, which are "turning resources into assets, capital into equity, farmers into shareholders, and lucid waters and lush mountains into invaluable assets."<sup>1</sup> The overall interests of society are effectively protected.

<sup>&</sup>lt;sup>1</sup> Xi Jinping. Speech at the Central Conference on Poverty Alleviation and Development, Nov. 27, 2015.

#### Caring Society: A Silent Majority?

The Involvement of the wider public is essential for successful poverty alleviation. In essence, poverty is not just a question of "money," but involves many interrelated dimensions. Various players are indispensable in the supply of public goods for poverty alleviation. If there is insufficient social mobilization, the development of the poor will lack a sound external environment. Xi Jinping believes that poverty alleviation and development is the common responsibility of the whole Party and society, and it is necessary to mobilize and rally society to participate in this endeavor. He said the country should be resolute in allowing the "trinity" of special programs, industry and society to organically integrate and support each other.<sup>1</sup>

China's poverty alleviation is based on a public consensus to eliminate unbalanced and inadequate development and improve the degree of social balance. Guided by the value of "giving everyone the opportunity to develop and contribute to society,"<sup>2</sup> it aims to rouse the silent majority to participate in poverty alleviation. From the initiatives Project Hope and the Project for Poor Mothers in the early years to the "10,000 Enterprises Helping 10,000 Villages" program, which was launched in October 2015, as well as countless nongovernmental poverty alleviation and charity actions, all reflect the mighty power of a caring society.

<sup>&</sup>lt;sup>1</sup> Xi Jinping. Speech at the Symposium of Leading Comrades of Party Committees in Some Provincial-level Regions, held in Guizhou Province, June 18, 2015.

<sup>&</sup>lt;sup>2</sup> Xi Jinping. Speech at the Ceremony Marking the 50th Anniversary of the Establishment of China-France Diplomatic Ties, March 27, 2014.

Thanks to the extensive public participation, "poverty alleviation" has become a buzzword and risen to become a part of China's "national memory."

# Devoted "Ferrymen": Redundant or Necessary?

How can a country effectively grasp the real needs of the poor? How can a country effectively motivate every impoverished individual to do the right thing? What kind of means can be used to accurately channel resources to end deprivation? In the midst of social transformation, many poverty-stricken villages across China have suffered from a "brain drain," complicating efforts to carry out poverty alleviation work. This is why villagebased poverty alleviators are particularly critical in the fight against penury.

Unlike many countries that rely heavily on non-governmental organizations and international assistance to help the poor, China relies on its administrative personnel at various levels to fight poverty on the frontlines and boost rural development. These personnel serve as a link between "national governance" and "rural self-governance."

China's village-based poverty relief cadres are "ferrymen."



#### Annual Number of Village-based Work Teams and Cadres (2014-2019)

They combine the role of leader, coordinator, mobilizer and supervisor and utilize policies and resources to build "boats" to "ferry" impoverished communities and individuals to common prosperity. Meanwhile, these "ferrymen" during the course of their work become high-quality human resources and contribute to improving overall national governance.

The "ferrymen" are unique in China's poverty alleviation system. They are a new increment and a key variable different from other poverty reduction models. They are responsible for implementing policy, the precise allocation of resources, the prevention of deviation and mismatches, and the improvement of the fairness and efficiency of poverty reduction. In response to the demands of the poor, they search for resources, coordinate the relationship among various poverty relief forces, the local government, village cadres, and villagers, and supervise the implementation of various measures. They also serve as a "channel," through which the poor can voice their demands and needs to government departments. They serve as references for policy revision and institutional design.

# Self-supporting "Fishermen": Giving Fish or Teaching Fishing?

Impoverished individuals and communities are themselves actively involved in the process of poverty eradication. Raising productivity is nothing more than improving the quality of workers and the quality of the means of production. The workers are the core and most active element of productivity. To achieve effective and sustainable poverty alleviation, the key is to "invest in people."

As an old Chinese saying goes, "Don't give a man fish, teach him how to fish." The poor are not merely recipients of poverty alleviation, but also serve as agents of poverty elimination and prosperity. Looking back at China's fight against absolute poverty, the key is to recognize the "duality" of the subject and the object of the poor, and utilize external forces to stimulate inner motivation.

To help the poor enter the market, the Chinese government has adopted a comprehensive approach involving education and training, employment opportunities, incentives, and organizational innovation to precisely drip-feed the poor to fully tap their development potential, and help them become self-reliable "fishermen." These fishermen can be independent entrepreneurs, migrant workers, shareholders of farmers' cooperatives, community public service providers, or "guardians" of the ecological environment.

China helps those who seek to emerge from poverty and protects those who are unable to work. Among China's poor population, over 20 million have completely or partially lost the ability to work, but they all enjoy the country's safety net policy. Some with disabilities have taken their own initiative to become "fishermen" with the help of new tools of technology such as the Internet.

# 3.3 Two Basic Values to Follow

Chinese Poverty Alleviation Studies is a distillation and summary of the understanding of the country's poverty alleviation practices and an interpretation of a socialist political economy with Chinese characteristics. The values that run through it include the idea rooted in Chinese traditional culture of helping the poor and those in need and a "world sentiment" that calls for the building of a community with a shared future for humanity where no one lives in deprivation.

# Based on Tradition: The Thousand-year Legacy of the Chinese People's Philosophy of Helping the Poor and Needy

In traditional Chinese culture, the thought of helping the poor and assisting those in difficulty has a long history. From "respecting virtue and protecting the people" in the Shang and Zhou dynasties, to the "benevolent governance" of Confucianism, to "allowing people to recuperate and build strength" of the Western Han Dynasty, and to the social relief theory of the Ming and Qing dynasties, all contain ideas on helping those in need.<sup>1</sup>

Throughout the 5,000-year history of Chinese civilization, the idea of common prosperity has been touted as a quality of an ideal society. From "The greatest ideal is to create a world truly shared by all" in the Book of Rites and the Confucian society of "Great Harmony," to the "Great Harmony World" proposed by Kang Youwei (1858-1927) and Dr. Sun Yat-sen (1866-1925) echoing the Book of Rites in his discourse, the Chinese people for thousands of years have never given up the ideal of common prosperity.<sup>2</sup>

Whether from a legacy of helping the poor and needy or the pursuit of common prosperity, the ideals of "Great Harmony," "Equalizing the Rich and Poor" and "People-oriented" in the Chinese traditional culture have had a profound impact on China's poverty alleviation. The idea of "giving the old a sense of security, the able-bodied a sense of use, the young a sense of growth, and widows and widowers, orphans, the sick and the disabled a sense of support," has been key in building an ideal society in ancient and modern Chinese discourse.

"People are the foundation of the state, and a stable foundation means a world in peace." The CPC has regarded eliminating poverty, raising living standards and realizing common

<sup>&</sup>lt;sup>1</sup> Hu Guofu (2019). War on Poverty: Poverty Reduction in China. Foreign Languages Press.

<sup>&</sup>lt;sup>2</sup> Yu Yongyue, Wang Shiming (2013). On the theoretical source and development of Deng Xiaoping's thought of common prosperity. http://www.cssn.cn/mkszy/mkszyzgh/201310/t20131024\_514040.shtml

prosperity as an important mission and the foundation of its governance. Xi Jinping stressed the importance and value of being "people-oriented" in a 2015 speech. "Twenty-five years ago, I worked in Ningde in Fujian Province. I remembered an old Chinese saying that goes, 'Those who serve the country well treat people like the beloved children of their parents and the beloved brothers of their own brothers. They feel sorrow for their hunger and cold and grieve for their suffering.' To this day, those words remain in my heart."

China is not only a modern success, but also an outstanding ancient civilization. China must build its future without abandoning its past, observes Amartya Sen, the Nobel laureate in economics.<sup>1</sup>

# "World Sentiment": The Pursuit of Building a Community with a Shared Future for Humanity

China's poverty-alleviation experience and programs based on practice and extensive international exchanges have not only advanced poverty alleviation and development theories, but also reflect a "world sentiment" of building a community with a shared future for humanity.

Such a "world sentiment" has long been an important value for China to follow in promoting the cause of global poverty alleviation. China is committed to reaching out to others and helping the world. As an old Chinese saying goes, "While

<sup>&</sup>lt;sup>1</sup> Amartya Sen (2013). Development as Freedom. China Renmin University Press.

achieving one's own success, he should also help others achieve success." China calls on the international community to pay active attention to the right to survival and development of those in developing countries and advocates building a community with a shared future for humanity free of poverty. This "global view," which transcends ideology, the nation-state and political parties, is a "Chinese proposal" for promoting the cause of poverty reduction in the world.

# 4. Global Implications of Chinese Poverty Alleviation Studies

Poverty eradication is still the biggest global challenge facing the world. The next 15 years are pivotal to China and other developing countries. We should build consensus, work in unison, and tackle tough issues. We should stay committed to win-win cooperation, push forward the building of a community with a shared future for humanity and bring more benefits to the world's people.<sup>1</sup>

# — Xi Jinping

"What can China teach us about fighting poverty?" In 2018, Nara Dillon, an expert on poverty alleviation and a professor at Harvard University, wrote such a paper.<sup>2</sup> Two years before

<sup>&</sup>lt;sup>1</sup> Excerpt from Xi Jinping's speech at the Global Poverty Reduction and Development Forum, Oct. 16, 2015.

<sup>&</sup>lt;sup>2</sup>Nara Dillon (2018). What Can China Teach Us About Fighting Poverty? The China Questions: Critical Insights into a Rising Power. Harvard University Press.

that, the Brookings Institution, an American think tank, also published an article, titled "Ending Poverty: What Should We Learn and Not Learn From China?"<sup>1</sup>

As a learner, beneficiary and innovator of the world's poverty alleviation theories, China, based on its own experience and theoretical ideas in poverty alleviation, is giving back to the human cause of ending poverty and providing a new reference for other countries and regions. Through exchanges and mutual learning with the rest of the world, China is doing its part to reduce poverty.

# 4.1 The "5Ds"

Poverty is a "silent crisis." At present, all countries in the world are exploring paths of poverty alleviation that suit their own local conditions. When studying China's experience and theories on poverty alleviation, global experts have found that China's national conditions, political system, cultural traditions and values have their own unique features. However, China's experience in ending deprivation is also of universal significance, which can be summarized as the "5Ds."

# **Determined Leadership**

"Many foreigners are surprised that China's leader, President Xi Jinping, has made poverty alleviation the country's top priority," Dr. Robert Lawrence Kuhn told Xinhua.

<sup>&</sup>lt;sup>1</sup>Yuen Yuen Ang (2016). Ending Poverty: What should we learn and not learn from China? https://www.brookings.edu/blog/future-development/2016/11/07/endingpoverty-what-should-we-learn-and-not-learn-from-china/

Political economy theory shows that when a particular task becomes the top priority of a country's top leader and is continuously implemented (the "nail" spirit), it creates a strong national will and drives allocation of resources. The objective is noble because it is people-centered and confronts the issues of social inequality and efficiency for the overall well-being of the country and society.

In addition to the leaders' own will, a country's leadership lies in the leadership of its political parties. With about 90 million members, the CPC is the world's largest political party. There is no doubt that poverty alleviation is a vivid manifestation of the leadership of the CPC.

# **Detailed Blueprint**

China is adept at strategic planning, and also focused on medium-term and short-term goals, such as the "two centenary" strategic goals, the "Five-Year Plans," the annual Central Economic Work Conference and so on. Its governance emphasizes a goal and problem-solving orientation. This blueprint design, formed on the basis of in-depth study and an understanding of domestic and international issues and trends, helps all sectors of society form stable expectations of the future.

With the common goal of eradicating absolute poverty, several generations of Chinese leaderships have led the nation in successive struggles. To achieve precise poverty alleviation, China has implemented a national strategy, calling for locally adapted policy planning at all levels and targeted assistance programs for households. The Chinese leadership often says, "Roll up your sleeves and work harder, and ensure the blueprint reaches its end." This approach has ensured policy continuity and spurred the entire country to work together toward a unified goal.

# **Development Oriented**

China has long prioritized economic development in the continuous fight against poverty, and in this process adjusting the relations of production stimulates the forces of production.<sup>1</sup>

"China's poverty reduction is a growth story," Martin Raiser, country director for China at the World Bank, has said. Raiser's words echo what many international economists already believe, that long-term sustainable growth is the source of development.

Translating economic growth into poverty alleviation is no doubt complicated. Even more complicated is translating economic growth into policies that are more widely shared or effectively target the poor, according to international poverty alleviation experts.<sup>2</sup>

China has combined economic development with proactive precise poverty reduction, effectively offsetting declining

<sup>&</sup>lt;sup>1</sup> Cai Fang, Zhang Xiaojing (2019). Constructing Socialist Political Economy with Chinese Characteristics in the New Era. China Social Science Press.

<sup>&</sup>lt;sup>2</sup> Nara Dillon (2018). What Can China Teach Us About Fighting Poverty? The China Questions: Critical Insights into a Rising Power. Harvard University Press.

"trickle-down" effect of economic growth.

"Development is the foundation and the key to solving all our country's problems."<sup>1</sup> In recent years, China has adopted a strategy of transforming its economy from one defined by highspeed growth to one centered on high-quality development. The country must adhere to this new philosophy to achieve sustained and sound economic development. This economic transformation will undoubtedly have a tremendous impact on the future of poverty alleviation in China.

#### Data-based Governance

Precise poverty alleviation requires precise data. In the fight against poverty, the Chinese government has attached particular importance to the development of big data and the digital economy, emphasizing the application of advanced digital management to the whole process of poverty alleviation. This has made China's precise poverty alleviation success possible in a relatively short period of time. China's national poverty alleviation data system, which was established in 2014, included information on 128,000 poor villages, 29.48 million poor households and 89.62 million poor people, and has since been dynamically adjusted.

As China's first big data comprehensive pilot area and a main battlefield of poverty alleviation, the province of Guizhou has

<sup>&</sup>lt;sup>1</sup>The CPC Central Committee's proposals for formulating the 14th Five-Year Plan (2021-2025) for National Economic and Social Development and the Long-Range Objectives Through the Year 2035. http://www.gov.cn/zhengce/2020-11/03/content\_5556991.htm

been quintessential in promoting the deep integration of big data and poverty alleviation in recent years, which improved the quality of poverty alleviation work. Guizhou has established the "Guizhou Poverty Alleviation Cloud" information system, breaking the data barriers between governmental departments, and sharing the housing, education, medical care and other data of 13 industrial departments, 519 indicators and 130 million items from poor households.

Guizhou Renhe Zhiyuan Data Service Co., Ltd. collected nearly 10 million pieces of data from 20,317 natural villages in Guizhou, and built an intelligent employment service platform for the province's labor force. The platform first analyzes the skills and employment willingness of the basic workforce, and provides customized training for them. More than 300,000 people have thus far benefited from the training.

# **Decentralized Delivery**

Poverty alleviation, especially the "last mile" of eradicating absolute poverty, cannot be achieved without proper execution. Dr. Robert Lawrence Kuhn believes that the success of China's poverty alleviation efforts depends on a strict, standardized, quantified and transparent poverty alleviation process that is consistent across the country.

The effective implementation of China's poverty alleviation policies is also due to the "decentralized" nature of the country's governance structure. Yuen Yuen Ang, Assistant Professor of Political Science, University of Michigan, has noted that China is one of the world's most decentralized administrations. Leaders in Beijing sketch out grand visions, the routine work of development is done at a local level, where the government interacts directly with investors and people. Bottom-up improvisation has been the driver of China's escape from the poverty trap.<sup>1</sup>

# 4.2 China Shares Its Experience

Theory comes from and guides practice.

China pays plenty of attention to international cooperation in poverty reduction. Chinese President Xi Jinping stressed in his special address at the World Economic Forum Virtual Event of the Davos Agenda, "There is only one Earth, and only one shared future for humanity. As we cope with the current crisis and endeavor to make a better day for everyone, we need to stand united and work together."

China is not only ready to share its theories and experience with the world, but also extensively carries out poverty reduction assistance and collaboration with other countries around the world.

"Aid" programs directly contribute to global poverty alleviation. Chinese Poverty Alleviation Studies advocates the effective matching of resources and the poor and the precise connection between demand and supply to combat poverty.

<sup>&</sup>lt;sup>1</sup>Yuen Yuen Ang (2016). Ending Poverty: What should we learn and not learn from China?

https://www.brookings.edu/blog/future-development/2016/11/07/ending-poverty-what-should-we-learn-and-not-learn-from-china/

China has acted in good faith and in accordance with its own moral principles when working with other countries around the world to defeat poverty. Through debt cancellation and human and financial support, China has provided assistance to other developing countries to the best of its ability and with no political strings attached.

# <image>

© NCR

In recent years, China has strived to provide support to other developing countries under the Six 100 Programs, including 100 poverty alleviation programs, 100 agricultural cooperation programs, 100 trade-promotion programs, 100 ecological protection and climate change programs, 100 hospitals and clinics, and 100 schools and vocational training centers, all in a bid to help end the menace of global poverty.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Excerpt from Xi Jinping's address when presiding over a special roundtable on South-South cooperation co-organized by China and the United Nations, Sept. 26, 2015.

"Capacity development" projects have been effective in promoting poverty alleviation in several countries. Chinese Poverty Alleviation Studies attaches great importance to the role of overall development and individual endogenous development in reducing poverty. The concept and method of "capacity development" derived from China's practices have been precisely applied in poverty alleviation cooperation with some Asian and African countries.

The China-Cambodia Poverty Reduction Demonstration Cooperation Project in Mok Kampoul District, Kandal Province of Cambodia, has bolstered the capacity of local communities through investment and development projects based on the local conditions, thus raising production and living standards.

The Wanbao Agricultural Park project in Mozambique supported by the China-Africa Development Fund has developed its agricultural economy through a "cooperative planting" model. It has encouraged nearby farmers to develop their land and plant rice, thus significantly increasing their grain output and income.

Africa is home to 12 percent of the world's bamboo resources. With the help of China and other countries, the continent is developing its bamboo industry to combat poverty. In April 2020, the second phase of the East African Bamboo Development Project was launched, benefiting some 28,500 people and reducing poverty significantly. "Shared" solutions help the world reduce poverty in a sustainable way. Chinese Poverty Alleviation Studies is characterized by openness and sharing. To promote economic globalization, and with its responsibility as a major country, China is promoting a wider, deeper and higher level of regional cooperation in the world. A shared-solutions approach dovetails the development strategies of different countries to boost cooperation in industry, agriculture, and environmental protection. The approach employs "shared" practices, helping relevant countries convert resource advantages into development advantages and making poverty alleviation more sustainable.

Following the principle of win-win cooperation, China has made every effort to strengthen North-South and South-South cooperation, and attaches great importance to implementing the Program of Cooperation between China and the African Union on Strengthening China-Africa Poverty Alleviation and the Initiative on Cooperation on Poverty Alleviation in East Asia, providing sufficient resources to the global cause of poverty alleviation.

China has proposed the joint building of the Silk Road Economic Belt and the 21st Century Maritime Silk Road. The country is the leading founder of the Asian Infrastructure Investment Bank and the Silk Road Fund. It has taken concrete measures to support other developing countries in building infrastructure connectivity and help them better integrate into the global supply, industrial and value chains. In particular, more than 100 countries and international organizations have joined the Belt and Road Initiative since its inception, and many influential projects are currently underway across the world. "As a steadfast member of the developing world, China will further deepen South-South cooperation, and contribute to the endeavor of developing countries to eradicate poverty, ease debt burdens, and achieve more growth. China will become more actively engaged in global economic governance and push for economic globalization that is more open, inclusive, balanced and beneficial to all," Xi Jinping said.<sup>1</sup>

UN Secretary-General Antonio Guterres has said that a welltargeted approach is the "only way" to help the poor and achieve the ambitious goals of the 2030 Agenda for Sustainable Development, adding that China's experience can serve as a useful reference for other developing countries.

At present, the COVID-19 pandemic continues to ravage the world, with enormous setbacks to global poverty alleviation efforts. According to a report published by the UN Development Program, an additional 207 million people around the world may fall into extreme poverty by 2030 given the long-term impact of the pandemic, pushing the total number of people living in extreme poverty above 1 billion. With anti-globalization and threats to multilateralism on the rise, the sustainable development of the global economy faces more uncertainty and instability. Slow or even stagnant development has led to

<sup>&</sup>lt;sup>1</sup> Excerpt from Xi Jinping's special address at the Word Economic Forum Virtual Event of the Davos Agenda, Jan. 25, 2021.
the interruption or even retrogression of poverty alleviation in some countries. In 2020, the World Bank listed the "pandemic, armed conflict and climate change" as the three major variables of global poverty alleviation, warning that the pandemic could push 88 million to 115 million people back into extreme poverty, nearly wiping out the poverty alleviation gains made since 2017.

China stands at a new historical starting point in pursuit of its second centenary goal, and poverty governance has shifted from eliminating absolute poverty to alleviating relative poverty. Yet underdeveloped areas and poor people in urban and rural areas remain. Poverty has not been completely extinguished. Challenges remain in alleviating relative poverty and establishing a long-term apparatus for poverty management. China is ready to share its theories and practices in poverty alleviation with the rest of the world. We are ready to work with other countries to meet new challenges in global poverty governance, join hands in international poverty alleviation, feverishly work to meet the poverty alleviation goals set out in the UN 2030 Agenda for Sustainable Development and build a shared future for humanity, one free of poverty.

## Epilogue

To summarize the theoretical connotations of Chinese Poverty Alleviation Studies, New China Research (NCR), the think tank of Xinhua News Agency, conducted research in more than 20 provinces, autonomous regions and municipalities in eastern, central and western China, with its footprints covering the country's vast plateaus, border areas, and inland and coastal regions. Following a survey of the related academic literature, it interviewed experts, scholars, officials and ordinary people along with several international dignitaries and think-tanks from multiple countries with the help of Xinhua's vast overseas presence. It organized several symposiums to learn about the achievements in poverty alleviation at home and abroad and created this report after refining the original work of the survey team. The elimination of absolute poverty and the success of precise poverty alleviation do not mean the end of China's poverty alleviation efforts, but the start of a new journey. The theoretical exploration of Chinese Poverty Alleviation Studies will continue.

# Appendixes

#### 1. One Grassroots Case

Since the launch of the precise poverty alleviation campaign, southwest China's Guizhou Province, located on the Yunnan-Guizhou Plateau, has become a provincial-level region with the largest number of people shaking off poverty and the biggest population relocated from inhospitable areas. He Guoqiang's family is from a poverty-stricken household chosen for a case study in the report by NCR. They used to live in Lapian Village, located in Yaoshan Yao ethnic minority township of Libo County, Guizhou Province. At the end of 2018, He Guoqiang and his family moved out from the village to the Xingwang community of Yuping subdistrict in Libo, the county seat, thanks to poverty alleviation relocation policies. Local governments have taken various supportive measures to ensure that relocated families like He Guoqiang's can live a stable life and find jobs after moving to the county seat. Xinhua reporters obtained two poverty-alleviation files highlighting the help and support offered to these relocated families from officials working at resettlement sites in the Xingwang community. To a certain extent, they reflect the hardship that people in deeply impoverished areas went through in the anti-poverty fight, providing a vivid explanation for the practice-based "Chinese Poverty Alleviation Studies."

## File I: A Teaching Plan for Literacy Class in the Resettlement Sites for Settlers from Yaoshan Yao Ethnic Minority Township

1. Teaching time

YY-MM-DD-HH to YY-MM-DD-HH (to be determined)

2. Location

Conference room, 2nd floor, Xingwang community service building, Yuping subdistrict office

3. Teachers

He Chunliu, Xie Guojun and He Yundeng

- 4. Content of courses
  - (1) Learning to read
  - (2) Learning maths
  - (3) Learning simple road traffic signs
- 5. Objectives
  - (1) Able to count and write numbers from 1 to 100
  - (2) Able to read and write new words and polite expressions, and write names
  - (3) Able to know emergency phone numbers through class discussion
  - (4) Understand some simple road traffic signs
  - (5) Able to use calculators for simple math calculations
- 6. Teaching process
  - (1) Introduction of new lessons
    - Simulate and explain the numbers on mobile phones and calculators, and on buildings and elevators of resettlement sites
  - (2) Learn numbers and basic courtesy terms and expressions Learn numbers from 1 to 100 Learn courtesy expressions

(3) Learn to write

Write numbers from 1 to 100 in text boxes Write names and simple courtesy expressions in Chinese character writing grids

- (4) Class discussion and exchangesDiscuss what emergency telephone numbers such as "110,""119, " "120" stand for
- (5) Enhanced class testsDo addition and subtraction tests with the help of calculators (test questions are given by the teachers)
- (6) Learn to use cash Learn about different banknotes and how to use them
- (7) Homework

Write numbers from 1 to 100 three times Write courtesy expressions five times and make simple sentences (content provided by the instructor) Write your own name 20 times

(Notes: The first formal class was held on Aug. 21, 2019. The three teachers were assisting cadres sent by Yaoshan Township to the county resettlement sites. Other lecturers included county-level officials who lectured on national policies on poverty alleviation; model workers who discussed their experience of gaining wealth; school teachers who talked about child education; officials from the property department at the bureau of housing and urban-rural development who discussed the rights and obligations of property owners; firefighters who shared fire-fighting knowledge in daily life; staff of the power supply bureau who talked about electricity consumption; and workers at the employment bureau who talked about how migrant workers can defend their rights and get their wages on time. Two rounds of classes, 40 class hours each, were held indoors. For outdoor activities, a "day tour of the county" was organized.)

#### File II: A Journal of Paying Visits and Offering Assistance to a Poverty-stricken Family

Record of Visit:

As a cadre working for the relocation service center, I learned that there are seven people in He Guoqiang's family and they live a stressful life. Today, I paid a visit to his family for two reasons. The first was to inform him of the rent-free farmland near the Welfare Village and to see whether he has the intention of tilling the land and growing grain. The second reason was to recommend some jobs to He Guoqiang and his wife Li Meili. A poverty alleviation workshop in the county's resettlement site Xingwang community needs several long-term workers, who are allowed to take materials home for processing under special circumstances and thus work remotely. The job is suitable for the couple as they have several children. On the same day, I took the couple to pay a visit to the workshop.

> Visitor: He Chunliu Jan. 8, 2019

Today those relocated to the county seat drew lots for plots of land in Laba Village near the county's resettlement site. He Guoqiang actively participated and won a plot near the creek. He said with this plot of land his family would have enough vegetables to eat. His wife could sell the spare vegetables in the market, which would increase their income and also help her adapt to the urban environment.

> Visitor: He Chunliu Feb. 15, 2019

Record of Visit:

I visited He Guoqiang's family today. Given the couple's level of education and the time they have to spend taking care of the family, I encouraged He Guoqiang to find a job near the resettlement site. He said he is willing to work at construction sites, so I contacted the manager of Lifutianchen project near the bus station. Mr. Zhou, a manager, said he would grant He Guoqiang an interview. I arranged the interview with Zhou on behalf of He Guoqiang, and helped him prepare for it at his home. I also called Manager Wang of Libo Shunbainian Elderly Care Service Co., Ltd. and recommended Li Meili to work there as a nursing assistant. Manager Wang finally agreed to give Li Meili an interview opportunity after I interceded for Li.

> Visitor: He Chunliu March 10, 2019

Today I went to Libo Shunbainian Elderly Care Service Co., Ltd. to learn about Li Meili's performance at work. Comrade Yun Fei, the personnel director, told me that she did not communicate well with clients (the elderly). As Li moved out of the mountains, she was a bit introverted and did not pay much attention to her image. I talked with her in detail, about some of the elderly's personality traits and where they needed care. I also taught her to properly comb her long hair and to know the size of clothes that would fit her. I told her that next time I would bring her some clothes and that she should pay attention to her image in public. She understood and smiled sincerely at me.

> Visitor: He Chunliu April 5, 2019

As something came up at home some time ago, He Guoqiang went to the construction site for the job interview today. The May sun was warm and the interview was successful. The construction site manager said earning a few thousand yuan a month is possible as long as He Guoqiang can endure hardships. He Guoqiang is also full of confidence. His children are studying at the county's fifth elementary school near the resettlement area, and his wife works in a nursing home. Now he has found a job at the construction site, making him more confident about his future.

> Visitor: He Chunliu May 6, 2019

Today I received a call from He Guoqiang. He said a door lock at his resettlement flat was broken. I went to his home and helped him contact the property management team and the construction crew for repairs. I took this opportunity to teach him to exercise his rights as a homeowner and to contact the property management and construction crew. He Guoqiang said the next time he encounters such a problem, he would know how to solve it.

> Visitor: He Chunliu June 10, 2019

Record of Visit:

As the resettlement site is about to launch "bilingual" training programs, I went to He Guoqiang's home today to encourage him to participate in the courses during his spare time to gain more skills. I also brought some clothes for his family.

> Visitor: He Chunliu July 3, 2019

I have been in touch with the agricultural and rural affairs bureau of the county. After going through approval procedures, I managed to get some fertilizer for the relocated people who contracted orchards or practiced farming in the small fields near Laba village in the resettlement area. As He Guoqiang now works in the fields, I delivered his portion of fertilizer to his home and encouraged him to cherish his life and work hard. His family was cheerful. The couple said that their monthly income was stable and the children made rapid progress after studying in the county. The fact that they themselves planted vegetables in the fields made their lives more meaningful and they were very satisfied.

> Visitor: He Chunliu Aug. 16, 2019

Today I went to the home of He Guoqiang to learn about the work situation of the couple. They said they have got used to the work. I also learned that Li Meili was sponsored by her company to receive orthodontic treatment and she was very happy about it. She had also got her hair permed and looked very different, changing from someone who was afraid of strangers to someone who talks confidently. I feel so happy for her. I told her that we have started night schools for the relocated people and she is welcome to study there when available.

> Visitor: He Chunliu Sept. 20, 2019

Record of Visit:

Today I went to the fifth primary school of the county to learn about the progress of the children relocated to the county seat, especially the sons of He Guoqiang, as the couple was busy with work. The head teacher said that the Yao students adapted quickly to the new environment and can speak Mandarin fluently. Learning that the school has some social assistance programs, I told the head teacher about the special conditions of He's family. The teacher pledged to take more care of the special family.

> Visitor: He Chunliu Oct. 18, 2019

Thanks to the hard work of different parties, we got in touch with Zhejiang Ningbo Port Sihai International Logistics, which agreed to sponsor some wardrobes. Considering that He Guoqiang has a big family, we gave him a wardrobe. He thanked the government and society for their continuous help, which made the family better off.

> Visitor: He Chunliu Nov. 11, 2019

Record of Visit:

Today I received some donated winter clothes and packed some for a family of seven and delivered them to He Guoqiang. A few days ago, He Guoqiang suffered an injury at the construction site and I gave him some tonics. I asked him to take good care of himself and told him that Mr. Zhou has been looking into the accident. He said that with our help, he is not worried anymore and will continue to work hard after recovery.

> Visitor: He Chunliu Dec. 10, 2019

Today, I went to check how much He Guoqiang had recovered and whether the construction company was covering his living expenses since he was injured. He said he had recovered, and the company had sent him paychecks on time every month. His wife had been working as usual while he taught the kids at home, and he had plans to return to work after the Spring Festival.

> Visitor: He Chunliu Jan. 16, 2020

Record of Visit:

The sudden COVID-19 outbreak disrupted our lives. During the uneasy Spring Festival when residential communities were in lockdown, our cadres, especially Party cadres, were busy carrying radios and voice amplifiers down the street and repeatedly broadcasting information on prevention and control of the pandemic. Bearing in mind the elderly living alone, the mentallychallenged and the indisposed like He Guoqiang in the resettlement area who could not go out to purchase daily necessities, we asked for a small pedicab from the community to deliver daily necessities we bought for those in difficulty.

> Visitor: He Chunliu Feb. 9, 2020

Today, I applied for and received some face masks and distributed them among people in difficulties when I was on duty at the community. Since He Guoqiang has a big family and his wife works at a nursing home, I taught them about epidemic prevention and control when delivering the masks.

> Visitor: He Chunliu March 16, 2020

Record of Visit:

I was transferred to the county headquarters of poverty alleviation since March 1, where I was responsible for the more important task of "whenever the community asks, help is on the way." Now I only visit Xingwang Community when I'm on duty for epidemic prevention and control, but He Guoqiang and his family have always been on my mind. Having told He and his wife about my transfer, I introduced to the family my successor who will take over follow-up services for the relocated residents, and made sure the job transition went smoothly. In the meantime, I encouraged them to stand on their own in the city and try solving problems by themselves before turning to the cadres. The family said they would always remember what I said and live their lives with courage and confidence.

> Visitor: He Chunliu April 16, 2020

(Note: He Chunliu, 34, is a poverty-relief cadre of Bouyei ethnicity. She is an official at the poverty alleviation headquarters of Libo County and is also responsible for work related to mass organizations in Yaoshan Township. She had helped families that sought to shake off poverty through relocation since her transfer from townships and counties to the county seat in late 2018. Although she wasn't assigned to assist He Guoqiang, she often visited the big and less well-off family of Yao ethnicity, recommending job openings on many occasions and eventually finding stable work for He's wife Li Meili. She was transferred to another post in March 2020. The above are her journal entries about visits to He Guoqiang's family until April 2020. She has kept in touch with the family ever since.)

### 2. Glossaries

**Bellwether Effect:** In poverty alleviation, people who have certain professional skills, entrepreneurial willingness and ability, market development ability and the capability to play a leading role in the region will be taken as the bellwether. They will be encouraged and supported to play an exemplary role and lead the poor households in certain regions or within a certain range to increase their income through employment or industrial development.

**East-West Pairing-up Program:** The developed areas in the east have paired up with the underdeveloped areas in the west to help them in poverty alleviation. Unremitting efforts and cooperation in industries, labor service, talent support, financial support and mobilization of social forces have ensured that the rural poor population under the current standard in the western region has shaken off poverty, and all poor counties have been lifted out of poverty by 2020 with overall regional poverty being eradicated.

**Six Precise Measures:** The "six precise measures" refer to precisely identifying the poor, accurate project arrangements, proper use of funds, household-targeted measures, precise stationing of poverty-relief officials in villages, and measurable effects of poverty relief. The "six precise measures," put forward by Chinese President Xi Jinping in June 2015, during an inspection tour in southwest China's Guizhou Province, is a basic requirement for China's successful implantation of

precise poverty alleviation and precise poverty eradication.

**Five Batches:** The "five batches" refer to lifting some people out of poverty by expanding production to increase employment; through relocation; through ecological compensation (such as providing jobs involved in protecting the surrounding natural environment) through education; and by providing allowances to assist in meeting basic needs. The "five batches," put forward by Chinese President Xi Jinping on Oct. 16, 2015, at the Global Poverty Alleviation and Development Forum, aim to adopt precise measures according to the different cases of povertystricken people and areas and implement anti-poverty policies based on local situations, causes of poverty and types. It is the main approach to precise poverty alleviation and precise poverty eradication.

**Relocation Project:** A special poverty alleviation project targeting impoverished people who lived in areas with harsh living environment. In the last five years, more than 9.6 million people have been relocated to alleviate poverty, which is equivalent to moving a country with a medium-sized population. They completely changed their fate through relocation.

**Microfinancing for Poverty Alleviation:** A credit product jointly launched in 2014 by the China Banking and Insurance Regulatory Commission, the Ministry of Finance, the People's Bank of China and the State Council Leading Group Office of Poverty Alleviation and Development to provide precise support to registered poor households. The three-year loan provides no more than 50,000 yuan at benchmark interest rates without collateral or guarantees. The government provides financial discounts for borrowers, and counties compensate the lenders with their fiscal funds. The policy has achieved remarkable results in helping the poor develop production, shake off poverty, boost their internal drive as well as promoting the development of financial markets in poor areas, and improving social governance in rural areas.

**Village-based Poverty Relief Mechanism:** Inheriting and carrying forward the fine tradition of cadres eating, living and working together with the masses, China has implemented a village-based work team structure. The aim is to ensure that policies to strengthen agriculture, benefit farmers, and enrich the rural areas in poverty-stricken villages and households are well implemented and that poverty-alleviation resources are used precisely in those villages and households. The aim is to help the poor self-improve through industrial development and other supportive measures.

**10,000 Enterprises Helping 10,000 Villages:** The program was jointly initiated by the All-China Federation of Industry and Commerce, the State Council Leading Group Office of Poverty Alleviation and Development, and the China Society for Promotion of the Guangcai Program in October 2015. With private enterprises offering help, and registered poor villages and households as recipients of assistance, the initiative has been implemented mainly as one-on-one assistance based on

contracts and joint construction by villages and enterprises. It aims to mobilize over 10,000 private enterprises nationwide to engage in the poverty-alleviation efforts of more than 10,000 villages in three to five years, contributing to the healthy development of the non-public sector of the economy, the healthy growth of people in the sector, the fight against poverty and the building of a moderately prosperous society in all respects.

**E-commerce Poverty Alleviation:** With the help of e-commerce, poverty-stricken people in rural areas can obtain employment, start businesses, and sell their high-quality, local agricultural products online. Such an approach of "connecting the world via the Internet" breaks the limits of time and space hindering the sales of agricultural products, provides products from remote areas with a "channel" to urban markets, and enables Internet development to deliver greater benefits to the poor areas and people. It has effectively promoted the industrial development of poor areas, boosted employment and increased incomes of poor households. In particular, it has played a positive role in the anti-poverty fight.

**Poverty Alleviation Workshops:** This is a mode of production organization that helps the poor obtain employment in local and nearby areas. By using idle rural land and houses, factory workshops or home-based decentralized processing workshops have been established. These workshops have created jobs for a large number of poor people in sectors including industrial and agricultural product processing, handicraft, farming and breeding, playing a positive role in helping impoverished people increase incomes and get rid of poverty.

"Ferrymen": China's village-based poverty relief cadres. They combine the role of leader, coordinator, mobilizer and supervisor. The 3 million-strong support team covers every poor village and has been stationed in villages for several years, playing a key role in identifying the poor population, finding out the causes of poverty, implementing policies on poverty relief and exit. These "ferrymen" utilize policies and resources to build "boats" to "ferry" impoverished communities and individuals to common prosperity.

Eco-friendly Poverty Alleviation: In 2016, data showed that 95 percent of China's poor population and most of the poor regions were in areas with fragile and sensitive ecological environments under key protection. Though these places are usually with abundant natural resources, the problems that "the environment fails to feed the local people" are quite prominent. In China's efforts of precise poverty alleviation, the country has taken various measures such as ecological compensation and relocation. It has stepped up efforts to restore the ecological environment in poor areas, built green industrial systems with regional characteristics, combined industrial development, relocation of poor people and ecological construction, guided the poor people to take jobs in green industries, and has explored an eco-friendly poverty alleviation path taking both ecological environment protection and poverty alleviation development into consideration.

Endogenous Motivation Theory: Through the allocation of resource elements and the cultivation of development capacity, the poor areas and commuities can become motivated to achieve sustainable poverty alleviation. In China's precise poverty alleviation campaign, an endogenous impetus mainly means to stimulate the enthusiasm and initiative of the poor by empowering them with "aspirations" and "intelligence," as well as helping them find jobs and start their own businesses so that their thinking will transform from "I'm waiting for help to get rid of poverty" to "I will make efforts to get rid of poverty," and then to "I will make efforts to become rich." The key to cultivating endogenous impetus is to consider the targets of poverty alleviation as the main body of poverty management, and coordinate policies, resources and markets, and constantly improve the development capacity and organizational level of the poverty alleviation targets, in order to establish a sustainable development system with endogenous growth.

"Leaving No One Behind": In 2014, Chinese President Xi Jinping stressed that not a single individual or family should be left behind in the efforts to ensure all farmers live a happy life during his inspection in Jiangsu Province. China's fight against poverty includes all people irrespective of their ethnicity, region and family background so that the goal of building a moderately prosperous society in all respects by 2020 can be achieved. Since 2012, the poverty alleviation work has changed from "flood irrigation" to "precise drip irrigation," targeting the poorest of the poor with the slogan "leaving no one behind." The unification of target orientation and problem orientation, as well as the combination of strategic perspective and feasibility, have become the most vivid generalization of precise poverty alleviation, which also shows the Party's firm implementation of its commitment to "common prosperity."

"Safety Net" of Social Security: It's an important part of China's precise poverty alleviation. Funded by the government and also paid by individuals, an inclusive social security system including old-age pension insurance, medical care, subsistence allowance and support for people in extreme poverty can help people with special needs obtain a stable source of income to cover their living and medical expenses, and minimize the impact of various poverty-causing factors.

**Inclusive Growth:** In 2007, the Asian Development Bank first proposed the concept of "inclusive growth" to enable ordinary people to enjoy the benefits of economic development to the maximum extent. Different from simply pursuing economic growth, the theory advocates dealing with inequality and improving income distribution, expanding development opportunities for all social strata, especially the vulnerable groups, and enhancing the ability of all social strata to participate in the growth process, so as to promote poverty alleviation and realize the coordinated and sustainable development of the society and economy.

**Fish Scale Book:** The Fish Scale Book is a land file compiled by the ancient Chinese government to levy taxes. As the fields

and lands painted in the file are arranged like fish scales, thus getting the name "Fish Scale Book." In the process of accurately identifying impoverished households, China has set up files and portfolios for nearly 100 million poor people, including the information on income, family members, educational background, medical care, housing and access to water. The archives of poor households covering nearly 100 million people have become "fish scale books" for precise poverty alleviation work.

**Drip Irrigation Effect:** "Drip Irrigation Effect" is a new concept based on China's precise poverty alleviation strategy. It breaks through the "trickle-down effect" of western mainstream poverty alleviation theory. It highly summarizes the distinctive characteristics of China's precise poverty alleviation from "flood irrigation" to "precise drip irrigation." The "trickle-down effect" in the West holds that as long as the total economic volume is large, wealth will naturally benefit the bottom by "trickling down," and the poor will get rid of poverty. However, facts have proven that when poverty alleviation is carried out to a certain extent, the "trickle-down effect" will be greatly attenuated, making it difficult to solve the poverty problem completely. Compared with the non-directional "trickle-down effect," the "drip irrigation effect" directly points to every poor household and is an effective way to eliminate poverty completely.

**Big Country and Small Households:** How to maximize aggregate and accurately allocate resources is the common problem facing global poverty alleviation. As a big country

with a rural population of more than 900 million, China faces a particularly arduous task in its pursuit of eradicating poverty. In poverty alleviation, on the one hand, China has aggregated the poverty alleviation resources of the whole society. In addition, China has also identified poor households one by one. Based on determining the causes of poverty from household to household, China has taken precise measures to link the small households to the greater society and realize an accurate input of poverty alleviation resources.

Four Issues in Precise Poverty Alleviation: There are four essential issues in poverty alleviation: "To whom help and support will be offered," "Who will offer the help and support," "How to offer the help and support" and "How to measure the end of poverty alleviation." The first issue requires the accurate identification of the poor. The second refers to the formation of a poverty alleviation and development work mechanism, in which the central government makes overall plans, provincial authorities shoulder overall responsibility, and city- and countylevel governments take actions to implement the policies, and the aggregation of different forces to carry out assistance. The third requires implementing the "five batches" program as well as many others, and adjusting those measures to local conditions to eradicate poverty from the root. The fourth refers to defining the criteria and procedures for the deregistration of the impoverished counties, poor villages and poor people, setting a timetable and buffer period and implementing strict assessment.

**Cliff Village:** Atulieer Village, located in the hinterland of Daliang Mountain in southwest China, is called "Cliff Village" due to its dangerous terrain. In the past, the villagers could only rely on 17 sections of ladders made of vine and wood to access the outside world. In 2017, through a local poverty alleviation campaign, a steel ladder with 6,000 steel pipes was built. In May 2020, more than 80 poor families in the village walked down the cliff along the steel ladder and moved into their new homes near the county seat.

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