

Environment, Natural Resources and Food



Poverty Alleviation in Mountain Areas of China

Narpat S. Jodha, Binayak Bhadra, Narendra R. Khanal, and
Jürgen Richter (eds)

Poverty Alleviation in Mountain Areas of China

Proceedings of the International Conference held
from 11-15 November, 2002, in Chengdu, China

International Centre for Integrated Mountain Development
InWent Capacity Building International, Germany
International Fund for Agricultural Development
Institute of Mountain Hazards and Environment

Published by

InWEnt gGmbH
Capacity Building International, Germany
Dept. for Environment, Natural Resources and Food
Div. for Rural Development, Food and Consumer Protection
Wielinger Str. 52
D-82340 Feldafing, Germany

Editors**Dr. Narpot Singh Jodha**

Policy Analyst
International Centre for Integrated Mountain Development (ICIMOD)
GPO Box 3226
Kathmandu, Nepal

Dr. Binayak Bhadra

Director of Programmes
International Centre for Integrated Mountain Development (ICIMOD)
GPO Box 3226
Kathmandu, Nepal

Dr. Narendra Raj Khanal

Associate Professor
Central Department of Geography
Tribhuvan University
Kathmandu, Nepal

Mr. Jürgen Richter

Senior Project Manager
InWEnt gGmbH
Wielinger Str. 42
82340 Feldafing, Germany

Cover photo - Daniel J. Miller

DOK 2000 a
A400900000

ISBN 3-937235-25-6

Editorial team

Matthew Zalichin (Consultant Editor)
Greta Mary Rana (Senior Editor)
Dharma R. Maharjan (Technical Support & Layout Design)

Printed and bound in Nepal by

Quality Printers Pvt. Ltd. ???

Foreword

Today the Chinese economy is perceived as one of the economies of the future. China has much to be proud of, and its people have worked hard to build prosperity and a bright future for coming generations. In terms of economic development, China's progress is well charted, and yet its government still has a deep concern about the many who remain poor, an overwhelming number of whom live in mountainous areas and who are often left on the fringes of the mainstream economy. How to bring these people into the mainstream of development is an overriding concern of China's development professionals and was the main focus of this conference on 'Poverty Alleviation in Mountain Areas of China' held in 2002 from November 11th to the 15th in Chengdu.

Poverty in mountain areas is not a new concern for China. In the winter of 2000 (January 31st-February 4th), a conference was held on 'The Anti-Poverty Experience in China's Himalayan Region.' From the proceedings of that conference and the contributions to this one, it can be seen that Chinese development professionals are investing a great deal of effort into the eradication of absolute poverty from Chinese mountain areas.

The organisers of this conference include the Institute of Mountain Hazards and Environment (IMHE), Chengdu, China; InWent Capacity Building International, Germany (formerly DSE); The International Fund for Agricultural Development (IFAD) and The International Centre for Integrated Mountain Development (ICIMOD), each of which has a long-term mission to work towards the alleviation of poverty. The various approaches of these organisations, the knowledge their professionals brought to the conference on development in mountain areas, the issues raised, and strategies for not only the survival of but also the prosperity of the mountain poor made the conference a rich experience.

In this current collection, the organisers have drawn on the experiences of Chinese researchers who have examined the root causes and incidences of mountain poverty, as well as professionals pursuing strategies for its alleviation. The environment as well as the management of natural resources, including human resources, are identified as critical areas and examples have been drawn from other countries in the Hindu Kush-Himalayan region. From agriculture, off-farm income generation and enterprises to huge infrastructural investments that involve the internal relocation of huge populations, the conference participants discussed and examined a wide range of options for and experiences in poverty alleviation in mountain areas, particularly in China.

Many individuals helped to organise the conference and to prepare this document. On behalf of the principal organisers we would like to acknowledge the work of Jürgen Richter, Narpat S. Jodha, Narendra R. Khanal, and Binayak Bhadra in bringing these papers together and contributing to the technical editing. The work of Li Tianchi and Qiao Jianping for the Chinese paper contributions was valuable. The staff who looked after the facilitation of the conference were Maria Gerster-Bentaya, Annegret Schmidjell and Niko Von der Luehe from Germany and Frank Jie Ding from China. Other staff involved from outside China were Petra Kade from Germany and Angeli Shrestha from Nepal. The conference would not have been possible at all without the enthusiastic support of the staff of IMHE and, in particular, Gao Meirong who is working on the Chinese edition of these proceedings. Other staff from IMHE were Zhang Dan, Chen Ningshen, Chen Xuehua, and Zhou Daqiong. On behalf of all the organisers, we would like to acknowledge their invaluable input and thank them for it.

In keeping with the best traditions of our institutions, we are pleased to present this current document so that the proceedings of the conference can be of wider use to those whose concern and commitment are to the alleviation of poverty in mountain areas, in general, and in China in particular. For this reason the proceedings will be published in Chinese also.

Hans Pfeifer
Director of
Department
InWEnt

Ganesh Thapa
Reg. Economist
Asia & the Pacific
IFAD

Qiao Jianping
Director of
Institute
IMHE

J. Gabriel Campbell
Director General
ICIMOD

Preface

The conference on 'Poverty Alleviation in Mountain Areas of China' organised by the Institute of Mountain Hazards and Environment (IMHE), Chengdu, China; InWEnt Capacity Building International, Germany (formerly DSE), The International Fund for Agricultural Development (IFAD) and The International Centre for Integrated Mountain Development (ICIMOD) took place from November 11th-15th, 2002, in Chengdu, China.

This conference came ten years after the conference on 'The Anti-Poverty Experience in China's Himalayan Region' in 1992 and draws on the progress made since that time and the debate on this important issue that received dynamic impetus from the conference held on 'Growth, Poverty Alleviation and Sustainable Resource Management in the Mountain Areas of South Asia' (January 31st- February 4th 2000).

Whereas the principal focus of all three conferences is poverty in mountain areas, this current document examines the problems in Chinese mountain areas in particular. It looks at the causes and incidences of poverty and strategies for alleviation in general in the first six of its twenty chapters. These set the scene, Chapter 1 looks at the conference and the paper topics as a whole, and a regional perspective is brought to bear by placing China in the context of first the Asia Pacific Region (Chapter 2) and the Hindu Kush-Himalayan Region (Chapter 3), before looking at mountain areas of China, nature and causes of poverty and the importance of development indicators in the context of mountain development. The latter discussion is useful, since it has often been argued that the usual development indicators are not of much value in terms of mountain areas.

Within twenty discrete chapters, there is a broad, rich range of topics drawing on experiences from the Indian Himalayas and the mountains of Bhutan to illustrate methods of poverty alleviation that might be of relevance to mountain areas placed thousands of miles apart. There is an interesting mix of ideas woven together in terms of income-generating strategies that range from agricultural transformation into off-season crops and non-timber forest products and livestock husbandry to a strategy for mountain tourism that is geared to community development. Infrastructure is dealt with in both the micro-and macro sense. In view of the human resource aspect an attempt has been made to examine the need for education of mountain people per se, and the difficulty of providing schools for children against the competing demands to help families make ends meet, the value of children's labour, and the inability of families to afford proper schooling. The final chapter deals with IFAD's approach to alleviation of

poverty in the mountain areas of China and, in this respect, gives the donor's view and experience of working in such a vast region.

No collection on mountain poverty would be complete if one or other author had not discussed the issue of adequate compensation by mainstream economies for the use of mountain resources. This is a debate that is bound to arise time and again as we look at means to solve the seemingly insurmountable problems of alleviating the poverty of mountain areas.

This volume gives one a striking impression of the tremendous scale of the problem, the vastness of Chinese mountain areas, and the density of its heterogeneous and culturally diverse populations that bring home to the reader the expanse of these mountain worlds within a vast country. The commitment of the government and peoples of China and their painstaking efforts to erase the lines that divide the haves from the have nots are represented in these pages. There is much to learn from this collection, and many ideas that can be further developed not only by development professionals but by policy-makers and planners dealing with similar issues to those faced by their counterparts in China.

Perhaps no collection of papers, no matter how varied or broad in scale, can do justice to the problems of the poor of mountain areas in China, nor the immense efforts made by its committed development professionals to overcome them. It is, however, an offering in the right direction and, as such, is a tribute to the organisers, the participants, and their constituents: the very poorest of the poor.

Narpat S. Jodha
Binayak Bhadra
Narendra R. Khanal
Jürgen Richter

Acronyms and Abbreviations

ACAP	= Annapurna Conservation Area Project
ADB	= Asian Development Bank
AKRSP	= Aga Khan Rural Support Programme/Pakistan
APPA	= Appreciative Participatory Planning
CAS	= Chinese Academy of Sciences
CBE/s	= Commune and Bridge Enterprise/s
CBO	= Community Based Organisation
CBS	= Central Bureau of Statistics
CCTV	= China Central Television
CIFOR	= Center for International Forestry Research
CNY	= Chinese yuan
CPR	= common property resource
CSO	= Central Statistical Organisation
DFID	= Department for International Development
DPCSD	= Department for Policy Coordination and Sustainable Development
DPP	= District Partners Programme
DSE	= Deutsche Stiftung für internationale Entwicklung (The German Foundation for International Development), now InWEnt
EPW	= Economic and Political Weekly
ESF	= Environmental Services Facility
FDI	= foreign direct investment
FG	= food grain
FG	= functional groups
FITs	= free independent trekkers
FYP	= Five Year Plan
GDI	= Gender-related Development Index
GDI	= Gender Development Index
GDP	= Gross Domestic Product
GEM	= Gender Empowerment Index
GIS	= Geographical Information Systems
GNI	= Gross National Income
GNP	= Gross National Product
GR	= growth rate

HDI	= Human Development Index
HIV/AIDS	= human immuno-deficiency virus/acquired immuno-deficiency syndrome
HKH	= Hindu Kush-Himalayas
hm	= hectare metre
HM	= His Majesty
HP	= Himachal Pradesh
HPMC	= Himachal Pradesh Horticultural Products Marketing and Processing Corporation Ltd.
HRD	= human resource development
IARI	= Indian Agricultural Research Institute
IBP	= Intensive Banking Programme
ICARDA	= International Centre for Agricultural Research in Dry Areas
ICIMOD	= International Centre for Integrated Mountain Development
IDS	= Integrated Development Systems/Nepal
IFAD	= International Fund for Agricultural Development
IFPRI	= International Food Policy Research Institute
IGU	= International Geographical Union
IIPS	= International Institute for Population Sciences
IMHE	= Institute of Mountain Hazards and Environment
InWEnt	= Internationale Weiterbildung und Entwicklung gGmbH (Capacity Building International, Germany)
ISRIC	= International Soil and Reference Information Centre
IT	= information technology
IUCN	= World Conservation Union
IYM	= International Year of Mountains
LRT	= light rapid transit
LUCC	= land use and land cover change
M&E	= monitoring and evaluation
MCPW	= Micro-credit Project for Women
MDG	= Millennium Development Goals
MNC	= multinational corporation
MOA	= Ministry of Agriculture
MW	= mega watt
NF	= non-farm
NGO	= non-government organisation
NPC	= National Planning Commission/Nepal
NR	= Nepalese rupee
NRB	= Nepal Rastra Bank/Nepal
NREP	= National Rural Employment Programme
NRM	= natural resource management
NSDP	= net state domestic product

NSS	= national sample survey
NTFP	= non-timber forest product
OGI	= Open General License
ORS	= oral rehydration solution
PCI	= per capita income
PCRW	= Production Credit for Rural Women
PLG	= Project Leading Groups
PMO	= project management office
PPP	= purchasing power parity
PRA	= participatory rural appraisal
R & D	= research and development
RCC	= rural credit cooperatives
RCCU	= rural credit cooperative unions
RLGP	= Rural Landless Employment Guarantee Programme
RMB	= Renminbi (another term for the yuan)
RSRF	= Rural Self-reliance Fund
SALT	= Sloping Agricultural Land Technology
SAPAP	= South Asian Poverty Alleviation Programme
SAPPROS	= Support Activities for Poor Producers/Nepal
SEPA	= State Environmental Protection Administration
SEWA	= Self-employed Women's Association
SFDP	= Small Farmer's Development Programme
SNV	= Netherlands Development Organisation
STD	= sustainable tourism development
STDC	= Sustainable Tourism Development Committee
TRPAP	= Tourism for Rural Poverty Alleviation Project
TVE	= township and village enterprise
UN	= United Nations
UNCED	= United Nations Convention (Conference) on Environment and Development
UNCSD	= United Nations Commission on Sustainable Development
UNDP	= United Nations Development Programme
UNEP	= United Nations Environment Programme
UNESCO	= United Nations Educational, Scientific and Cultural Organisation
UNFPA	= United Nations Fund for Population Activities
USD	= United States dollar

VAM	= Vulnerability Analysis and Mapping
VDC	= Village Development Committee
VDP	= village development plans
VIG	= village implementation groups
WCB	= Water Conservancy Bureau
WCED	= World Commission on Environment and Development
WF	= Women's Federation
WFP	= World Food Programme
WTO	= World Trade Organisation
WTTC	= World Travel and Tourism Council
WWF	= World Wildlife Federation
ZEL	= former Centre for Food, Rural Development and the Environment, DSE, now InWent, Div. for Rural Development, Food and Consumer Protection

Glossary

mu	one fifteenth of a hectare
RMB yuan	Reminibi, the word for Chinese currency. The largest units is the yuan. In 2002, 1 USD = 8.27 yuan

Table of Contents

Foreword

Preface

Abbreviations

Glossary

Chapter 1: Poverty: Issues and Options in Mountain Areas,
with Specific Focus on China 1
– N.S. Jodha, B. Bhadra, N.R. Khanal, J. Richter

Chapter 2: Rural Poverty in the Asia-Pacific Region: Incidence,
Constraints, and Opportunities 33
– G. Thapa

Chapter 3: Poverty in Mountain Areas of the Hindu Kush-
Himalayan Region 65
– B. Bhadra, N.R. Khanal

Chapter 4: Reducing Poverty and Developing Mountainous
Areas in China 87
– Cao Hongmin

Chapter 5: Poverty in Mountain Areas: Nature, Causes, and
Alleviation Strategy 93
– T.S. Papola

Chapter 6: The Importance of Development Indicators
for Assessing Mountain Development 119
– H. Kreutzmann

Chapter 7: Management and Use of Natural Resources for
Poverty Alleviation in Mountainous Areas of Western
China 135
– Liu Jiyuan, Liu Yansui, Deng Xiangzheng

Chapter 8: Management of Natural Resources in Bhutan 149
– W. Roder

Chapter 9: Highland – Lowland Linkages in the
Globalised World 167
– N.S. Jodha

Chapter 10: The Development and Governance of Human Resources in China	185
<i>– Ai Nanshan, Qin Yuan-qing</i>	
Chapter 11: Off-Farm Industries in Mountain Areas of China	195
<i>– Chen Guojie, Wang Qing</i>	
Chapter 12: Sustainable Rural Tourism and Its Implications for Poverty Alleviation in Tibet Autonomous Region, P.R. China	209
<i>– Li Lihua, He Jingming</i>	
Chapter 13: Tourism as an Instrument for Area Development and Poverty Alleviation with Focus on Nepal	221
<i>– P. Sharma</i>	
Chapter 14: Agricultural Transformation in Mountainous Areas of China	245
<i>– Wang Dasheng</i>	
Chapter 15: Agricultural Transformation, Poverty Alleviation, and Improvement of Livelihoods in Himachal Pradesh, India	255
<i>– T. Partap, H.R. Sharma</i>	
Chapter 16: Livestock Husbandry in Chinese Mountain Areas	277
<i>Wu Dengjun, Wen Xintian</i>	
Chapter 17: Approaches to the Rehabilitation and Socioeconomic Development of Mountain Regions Affected by Construction of the Three Gorges Reservoir on Chang Jiang River, P.R. China	283
<i>– Luo Yuanhua, Qiao Jianping, Zhou Pinggen</i>	
Chapter 18: Poverty Alleviation in Minority Regions of China	291
<i>– Huang Jianying</i>	
Chapter 19: Developmental Strategies and Policies of Mountain Areas of West China	299
<i>– Zhong Xianghao, Li Huixia, Cai Zongxin</i>	
Chapter 20: IFAD's Approach to Poverty Reduction in Marginal Upland Areas of China	313
<i>– Erik Martens</i>	
Annexes	341