

“Do a Good Job in Poverty Alleviation and Build Socialist Harmonious Society”

——A Case Study on the Experiment in Yilong County, Sichuan Province

Cao Hongmin¹ Division Chief of State Council Office of Poverty Alleviation

Lin Wanlong Vice Professor of College of Economics and Management
of China Agricultural University

Abstract: the case study shows: at the same time to help the poor groups solve the subsistence problems and increase their income, poverty reduction can shoulder the task of building social harmony; the experiment in Yilong researched new mechanism for promoting poverty reduction and development, and explored a successful road for building social harmony.

Key words: Poverty reduction and development harmonious society

1. The background and performance evaluation of Yilong experiment

1.1 Background.

Situated at the transitional area between the low mountains of northern Sichuan and the hills of middle Sichuan, Yilong County is the state designated poverty county. It is a traditional agricultural county on plant and animal farming, covering an area of 1767 square kilometers, possessing 58 townships and 875 administrative villages and having a population of 1.07 million, of which, 0.93 million are agricultural population. In 2005, the annual per capita GDP, general fiscal revenue and net farmer's income were 2961 yuan, 40.9 yuan and 2511 yuan respectively, which were respectively 21.2%、 1.7%、 77.1% lower than those of national average level. By the end of 2004, 67,500 people, 17875 households and 146 key poverty villages in the county did not shake off poverty; 10% school aged children were unable to finish the nine-year compulsory education due to family difficulty. Local people have difficulty to access to health care service and the phenomenon of falling to and returning to poverty

¹ Contact information: caohongmin@cpad.gov.cn

caused by disease was obvious.

In 2005, State Council office of poverty alleviation selected the Yilong, Sichuan as the experimental site of “Do a Good Job in Poverty Alleviation and Build Socialist Harmonious Society”, with an aim to explore the new mechanism of building harmonious society through poverty reduction and development and provide example and reference to poor areas similar to Yilong. Fully affirmed by Secretary-general Hu Jintao and Vice Premier Hui Liangyu, the experiment forcefully facilitated the poverty reduction in the whole country. The academic cycle also affirmed the related exploration made by Yilong experiment.²

1.2 Performance evaluation

Within the short 2 years from 2005 to 2006, the Yilong experiment mainly made the following achievements.

First, the local people’s production and living condition made new change. It has been given priority to improve local people’s production and living condition and enhance the county’s development capacity. Efforts have been focused, On the one hand, on solving the people’s living problems like drinking water and roads, and on the other hand, on the key projects that influenced the county sustainable development. The county had finished 19,593 drinking water projects, a solution to the drinking water problems of 260,000 population; newly built 98 kilometer township paved road, 670 kilometer village road and 450 kilometer convenient road, achieving the paved road to township rate of 98%and road to village rate of 47%; constructed 24,000 methane pits and renovated 20,000 household living environment. The county town was entirely moved by within 2 years. The newly built county town occupies an area of 6.5 square kilometer and an urban population of 40,000; with 1.1 billion yuan investment, the new electricity station with an installed capacity of 10.8 kilowatt can generate 20 million yuan fiscal revenue annually. The sole medium reservoir of the county called Side Reservoir was under integrated renovation, which renovated 27,000 mu lands and increased 94,000 mu effective irrigation areas. The 2 Roads and 1 Bridge Project connecting Nanchong city with Ma’an Town, the hometown of Marshal Zhude, was completed and open to traffic.

² For details, please see the report in the section 6 of People’s Daily, December 10th, 2006.

Second, the industrial cultivation achieved new fruit. Based on the current development situation in an area with low mountains and deep hills, the experiment enhanced the cultivation of industries by newly introducing 8 leading enterprises in agricultural industrialization and constructed 142 special villages with Rex raising which sold 3 million Rexes in 2006; efforts also focused on the innovation of pig variety and improving the commodity rate of pig raising, as a result, 1.2 million live pigs were sold in 2006; through strengthening the construction of industrial bases, the county built 200,000 mu high-quality grain and oil fields, 30,000 mu traditional Chinese medicine fields to meet the production requirements of leading enterprises and ensure the long-term income generation of the farmers. Huzui Village in Jincheng Township took active action in industrial reconstructing and Rex raising and fruit planting became its main industry, which increased per capita over 300 yuan in 2006. Huang Wanqiang, a poor farmer in Huangsici Village in Caijing Township, used to be a debtor with over 10,000 debt in 2004, but he shook off poverty only with one year or more through raising pigs and Rex in 2005 and neighboring work.

Third, Social undertakings made new progress. For education, schools with an area of 62,000 square meters were newly built or innovated; all students in the primary or secondary schools enjoyed the policy of Two Exemptions and One Subsidy; the enrolment rate of school aged children amounted to 98%. For health, 54 township hospitals were rebuilt; 61 village health station were newly constructed; near 85% farmers participated in the new type cooperative medical care system, which subsidized 8.339 million yuan medicine and treatment fees and benefited 212,681 person/times from January to September 2006. For social security, the rural lowest living security system and the system to assist the extreme poor farmers have been established, covering 5480 poor farmers. For communication, the telephone and cable TV coverage rates have reached over 40% and 60% respectively, and 146 villages got access to modern long-distance education network. As a result, the difficulties of local people to go to school and hospital have been significantly alleviated; school children in many families are no longer dropped out because of the tuition and both land-lost and disabled farmers are received living security.

Fourth, the Farmer's quality was improved. 200 farmer's scientific and technologic libraries and 44 village cultural centers were newly built. Training programs have

innovated, in which the legal training was carried out and village behavior criteria was worked out; 50,000 farmers accepted the training programs on applied technologies, constantly improving their capacities to get rich and adapt to the market economy. Through the self-educated activities with the theme of “Be a New Farmer and Build a New Countryside” and the selection activities of “Harmonious New Village”, “Harmonious Family” and “Five Goods” (Good daughter in law, good parents in law, good neighbors, good wives of brothers and good paterfamilias)”, the village outlook and custom were comprehensively improved, seeing positive and obvious changes in rural outmode custom and farmer’s appearance. For example, the surroundings of Jiulingchang Village, Xinzheng Township was dirty with the wastes littered everywhere in the past. During the integrated innovation, the village established a regulation of “Weekly Duty by Turns” to maintain the village cleanness to cultivate farmer’s healthy habits, by organizing villagers to check and assess each household, and publicizing the cleanest and dirtiest households in village bulletin board.

Fifth, new energy was put into the primary-level organizations. The 2 committees of all villages in the county were reelected by way of Recommending Publicly and Electing Directly. The strength of primary-level organizations was enhanced by giving unified training program to 875 village party secretaries, and selecting and assigning 146 outstanding cadres to take the position of the first party secretaries or village directors. The democratic model of “4 rights” to manage the village was researched to strengthen the primary-level democratic construction, improve the people’s capacity of participating in the village management and establish a close relationship between the ordinary people and the party and cadres. By doing so, a harmonious and rapid development was appeared in the county.

2.Main activities of Yilong experiment

Yilong experiment will be implemented in two stages: the first stage is from 2005 to 2006 with focus on 146 villages; the second stage is from 2007 to 2010, spreading to other villages in the county. by sticking to the concept of “by the people, for the people and of the people” and the principles of “starting from the projects to meet people’s urgent needs, from the projects of fundamental and long-term interests, from the projects with basic condition”, the experiment confirmed the guideline of “people’s self-determination, governmental guiding, targeting the poor and whole village progressing” and the key construction work of “building water and road

projects, cultivating industries, improving living surroundings and enhancing democratic and legal system”.

2.1 Selected the experimental sites through competition.

Under the work guideline of “establish a demonstration site, develop by linking the demonstration sites, expand the coverage based on the line and whole village progressing” and the procedures of “quota distribution, people’s discussion, village application, qualification check and approval, organization inquiry and site confirmation”, the site selection was carried out orderly. First, the quota of experimental sites was distributed to township, the township organized people by village to discuss and then the village takes active to send the application; second, the township organizes the survey of public opinions to the villages submitted applications, only those with a voluntary participation rate above 75% had the qualification to enter into the competition. And then, the speeches and inquiries were organized by areas to carry out the overall assessment on aspects of rationality of people self-selected projects, people’s enthusiasm in raising fund and investing manpower, integrated strength of village 2 committees. Finally, the experiment sites were selected out according to the results of overall assessment. Because the experimental chance was obtained through competition, the cadres and people cherish them very much and everyone collected the efforts to be the host of village development with cohesion and full cooperation. For example, Huiming Village, Laiyi Township showed the 30,000 yuan self-raised fund in the speech and inquiry site to prove the determination of the whole villagers. Through competition, among the 875 villages in the county, 146 villages with strong people’s enthusiasm and mutual conditions were selected out to be the experimental sites at the first stage.

2.2 Assess the projects by self-determination.

The village development plan was made scientifically, by respecting the people’s wills, and entitling the project selection rights to the people by changing the old methods to governmental selection, avoiding the projects people unwilling to do and participate. the proposed projects to be done in the experiment villages must go through the discussion and voting by village meetings, confirm the key work and implementation order, for the purpose of “do what the people really want to do”. For example, according to the development needs, representatives from Jiuwan Village in Rixin

Township proposed 10 projects ranging from production and living water, road, living condition, raising rabbits, planting fruit trees etc. through discussion, and then the villager assembly meeting was opened to confirm the implementation order. Finally, people voted the urgent project by “corn seed”, and according the number of “corn seed”, the order of project implementation was settled as water, road, industry, living condition and democratic and legal system. To ensure the scientificity of the village plan and avoid wasting the resources, the county invited experts and assigned staff from the 10 departments of agriculture, water conservancy, animal farming, poverty reduction and work for food to go to the village for field investigation and propose the elementary planning opinions. The opinions were submitted to local people for discussion and then specific project plans were worked out by combining the experts’ assessment and people’s self-determined selection, to avoid the blind project implementation.

2.3 Identify the poor households in a democratic way.

The principle of targeting the poor was insisted on. The old method to identify poor households by the statistics of poverty reduction department was changed into the one to selected out the poor by democratic assessment by people organized by the 2 village committees. According to the typical survey, the 10% rural population with lowest income almost covered all the rural poor in the county. Therefore, during the democratic assessment, the 15% poor households out of the total households were firstly nominated, and then the villager assembly meeting was opened to vote for the 10% poorest households with secret ballots. The result was open to public for supervision and finally, conformed by county poverty reduction department through entering into the registration book. Total 3150 absolute poor population and 9851 low-income population in 146 experimental villagers were selected out by democratic assessment to be the key assistance targets. The selected poor people were assisted and treated in different ways. For the extremely poor people who can maintain the simple production, the assistance was through the relief poverty reduction models of giving relieves by civil administration department, providing “5 guarantees” and establishing rural lowest living security system to solve their living problems. For people with production ability but having difficulty in expanding reproduction, the development-oriented poverty reduction model was adapted to guide them track on the road of self-dependence by taking the governmental assistance fund and project

fund as rewarding and subsidizing funds. For projects which can be done by manpower investment, people were encouraged to do them by themselves with an aim of reducing the cash investment. For public project with large investment like paving roads, building water conservancy and innovating lands, it adopted the method of government making dominant investment and people participating with manpower and self-raising fund. For the industrial development and living condition projects, the government provided the fund and technical supports and the people themselves carried out the construction and management. With regards to subsidized loans and farmer training, the poor and low-income people were given the priority to receive the subsidies, training and assistance.

3. Institutional innovations of Yilong experiment

3.1 Organized poverty reduction mutual aid cooperatives and integrated rural economic resources.

To strengthen the capacity of individual farmers in resisting market risks and competing in the market economy and according to the way of “selling shares to the rich, matching shares to the generally poor, and donating the extremely poor”, Yilong county selected the villages with better development base and primary founded industries to establish poverty reduction mutual-aid fund and mutual-aid cooperatives. For example, Kunshan Village in Sanjiao Township donated 1000 yuan shares per household to 30 extremely households with the governmental poverty reduction fund, matched 1000 yuan shares per household to 36 low-income households by donating 500 yuan governmental funds and selling 500 yuan to them; families with economically better-off condition bought the shares according to 1000 yuan per share and on a voluntary basis. Finally, with 116 household shareholders, government matching fund and 70,000 yuan farmer’s self-raised fund, the village poverty reduction mutual-aid fund was established. Through “borrow in a lump sum a repay by installments”, members borrowed money from the cooperative for development , earned money to repay it and participated in the training and technical exchange activities of the cooperative to promote the industrial development of the whole village. County poverty reduction office set up the poverty reduction mutual-aid center to supervise the use of cooperative fund, which can only be used within a village and can not lend to other villages. Meanwhile, the management of the

cooperative including director, accountant and cashier was elected by the members, the village cadres did not take position in the cooperative or intervene in the cooperative daily management. By the end of December of 2006, the county has organized 17 poverty reduction mutual-aid cooperatives, registered 1617 households (including 474 poor farmers, accounting for 29.3 %) and accumulated poverty reduction mutual-aid fund of 1.936 million yuan, of which, 726,500 yuan was shares voluntarily bought by farmers, 1,209,500 yuan was governmental poverty reduction funds, 474,000 yuan was the donated shares and 735,500 yuan was matched shares.

Based on the platform of poverty reduction mutual fund and cooperatives, impacts of 3 aspects were achieved: first, the method of government donating and matching shares to poor farmers not only targeted the poor farmers, but also innovated the mechanism of using fiscal poverty reduction funds and ensured the settlement of development-oriented guidelines because through injecting the poverty reduction funds to poverty reduction mutual-aid cooperatives, it collected the idle funds of farmers and made rolling and sustainable use of the project fund and farmer's fund. Second, the regulation of repayment by 10 days designed by the cooperative stimulated farmer's self-development, cultivated their credibility awareness and self-operation ability. Third, to organize cooperative by village unit effectively integrated project funds, facilitates the exchange, cooperation in production between farmers and overcame the problems of fund, technology and market in industrial development. For example, the cooperative in Huzui Village, Huama Township not only solved the technical problems in raising rabbits, but also lowered the production cost and improved production profits by providing collective services to rabbit parent supply, feedstuff purchasing, epidemic prevention and sale. And now the cooperative has developed from a financial cooperative to a union of production, purchasing and sale.

3.2 carried out the “4 rights ” village management and integrated rural political resources.

Primary-level democracy is the basic guarantee for doing a good job in poverty reduction. To further carry forward and expand the primary-level democracy and effectively integrate village-level political resources, Yilong County gradually

established the “4 rights (leadership right, decision-making right, executing right and supervision right)” system for village management and let the people decide the village’s important matters. The village party committee enhanced its leadership right through “First Proposal (put forward the proposal)” , “Second Discussion (organize discussion to form the plan)” and “Third Hearing (open the hearing meeting)” ; the Villagers (representatives) assembly meeting enjoyed regularized decision-making right through making decision to important village matters; the village administrative committee owned the executing right to be responsible for carrying out the decided matters; villager supervision committee kept the supervision right through inviting farmer supervisors to participate and check village management. The “4 rights ” model changed the situation in the past that people did not know and cadres were ambiguous about questions like what project implemented and how the fund used, effectively stimulated villagers’ enthusiasm to participate in the village management, regularized the operation of “2 village committees”, improved the executing capacity of cadres of the “2 village committees”, integrated and rationally matched the village political resources, clarified the duties and responsibilities and formed a mechanism to harmonize the party’s core leadership and villager’s autonomous management. For example, Liaoyuan Village in Rixing Township and Fangba Village in Zhouhe Township had fully mobilized people’s enthusiasm in village internal management and experimental construction, created an atmosphere of democratic village management and successfully explored a new road of democratic village management and development by sticking to principles of people making decision on people’s own matters and people managing people’s own matters and carrying out the activities of returning rights to people and transparent village management.

3.3 Carried out farmer’s self-education and integrated rural cultural resources

Culture is an important resource for the development of poor areas. With regard to the status that farmers in poor areas are short of science and technology knowledge, lack of development ideas, indifferent to democratic and legal system and to be improved in ideological and moral quality, Yilong County carried out “Four Pieces of Fours” projects for farmers self-education across the county including “ Four Comparisons” (comparing the before and after the founding of new China, liberation, comparing the before and after the implementation of reforming and opening up policy, comparing the before and after the reform of fees and taxation, comparing the

before and after the experiment), “Four Entries into Farmer’s Home” (entering policy into farmer’s home, entering law into farmer’s home, entering science and technology into farmer’s home and entering health into farmer’s home), “Four Selections” (Selecting harmonious families, selecting satisfactory cadres, selecting outstanding party members and selecting citizens abided by the law) and “Four examinations” (examining if the people’s income increased or not, examining if the cadre’s work style changed or not, examining if the long-term interest mechanism established or not, examining if the people are satisfied or not). It also educated the cadres and people to cultivate good habits and enhance ideological and moral outlook and political awareness through the commitment activity of “build new village, obtain benefits, think about development and promote social harmony” and the organization of entertainment performance of “Telling stories about deeds and people around”. The activities strengthened the host awareness of people and cadres and stimulated their enthusiasm to participate in the construction, and more importantly, explored a specific way to build cultural harmony in poor area through regularizing people’s daily behaviors by seeking the traditional cultures to encourage the self-awareness of farmers in the process of new countryside construction.

3.4 Implemented whole village progressing strategy to reducing poverty and integrated rural social resources.

Whole village progressing strategy is an effective way to improve poverty reduction efficiency and ensure the universal benefits, and an important measure to build harmonious new village. During the construction period, on the one hand, Yilong fully integrated all kinds of social resources and actively mobilized all social forces. With the organization of State Council Office of Poverty Alleviation, Yilong experimental coordination group was established by 21 ministry units of the Organization Department of the CPC Central Committee, Ministry of Finance, Ministry of Agriculture, All-China Federation of Industry and Commerce and PLC General Political Department to extend great supports from funds, technology, manpower and especially policy guiding. 50 enterprises of Macau Badi Foundation, Hongkong based Lee Kum Kee, Beijing Huiyuan Beverage and Food Group Co., Ltd.,

Golden Eagle International Group, Taiwan Team Adventure and Lenovo support the experiment by way of donation and assistance. Experts from universities and research institutions like Peking University, China Renmin University, China Agricultural University and State Council Development Research Centre went to Yilong for many times to give instructions and ideas for experimental construction. On the other hand, Yilong insisted on taking the village as an unit to carry out overall planning, simultaneously constructing and whole village progressing. For infrastructure, it firstly selected the projects of drinking water and living condition, and then by using the project as bond to mobilize local people build drinking water and road project to alleviating the difficulty in drinking water and transportation and lay a foundation for rural sustainable economic development. For industrial construction, the county persisted in the work guideline of taking local advantages, and combining short-term income growth and long-term getting rich, made efforts to develop 5 industries of pig raising, Rex raising, fruit planting, high-quality grain and oil and labor mobility to ensure that every village owned industries and every household possessed income-generated projects. For social undertakings, the county repaired some dangerous rural schools and newly built or rebuilt some rural primary and secondary schools, rural health stations and cultural stations and other rural public facilities to solve the problems of children going to schools and people going to hospitals through mobilizing social donation and counterpart assistance. For the construction of primary-level organization and spiritual civilization, the county enhanced the cohesion and capacity of primary-level organization by carrying out the education for Party Member Keeping Advanced Qualities; it guided the people to give up outmode ideas, cultivate civilized habits by creating new activity platform and carrying out selections of “harmonious family ” and “harmonious new village” and achieved good results.

4. Main Revelations of Yilong experiment

4.1 It is feasible to promote the construction of socialist harmonious society in poor areas through poverty reduction and development.

Generally, it is difficult to build harmonious society in poor areas because it has weak development base, universal poverty and more inharmonious social factors. The Yilong Experiment shows: poverty reduction can obviously improve local infrastructure, enhance farmer's development capacity and increase farmer's income by sticking to using poverty reduction to governing the overall rural work, starting from poverty reduction to do the project with people's urgent needs, best wishes and best conditions. It also shows the important role of poverty reduction played in building socialist harmonious society on the basis of solving the subsistence problem of poor people and increasing their income.

Under current situation that China's grain safety has been basically addressed and per capita GDP exceeded USD 2000, poverty reduction should shoulder more social functions and not limited to resolve poor people's subsistence and income problems. The Yilong experiment strongly approved: it is feasible for poor areas to build socialist harmonious society through poverty reduction and development.

4.2 It is necessary to establish a comprehensive social construction mechanism to build socialist harmonious society through poverty reduction and development

The construction of socialist harmonious society involves in many fields and contents, not only including the economic development, but also including political democracy, cultural progress and social restructuring, therefore, it must make overall plans and take all aspects into consideration to established a comprehensive promotion and social construction mechanism. By adhering to scientific development outlook and correct political performance outlook, Yilong experiment has taken the poverty reduction and development as platform to make a overall plan for integrating rural economic, political, cultural and social resources, mobilized all positive factors to promote the economic, political, cultural and social construction, found out the engine for sustainable development and facilitated the progress of social harmony. So, during the course of building socialist harmonious society in Yilong, poverty reduction has realized the transformation from simple "economic development" to comprehensive "social development" and become an important social construction mechanism. Yilong experiment tells us that: besides the economic assistance, poverty reduction should include the development of fields such as non-governmental organization, cultural value and community spirits. Only by doing so, the rural area can possess its

charm, villager autonomous management can become a long-term and effective mechanism to attract local elites to devote themselves in bringing good fortune for local people, and primary-level local government can again find the rural value during it fulfills its social responsibility. Therefore, rural poverty problem can come to a real end and rural and urban flowers can jointly open at the garden of modernization and commercialization, reaching rural and urban balanced development and harmonious existence.

4.3 It is necessary to respect and encourage people's enthusiasm and creativity to build socialist harmonious society through poverty reduction and development

People are both the constructors and beneficiaries of harmonious society. To quicken the development in poor areas must mobilize and organize the people through a way they agreed. During the experiment of "Do a Good Job in Poverty Alleviation and Build Socialist Harmonious Society", Yilong has all the time stuck to starting from the practice and respecting the people's willingness, built a platform in various ways for people's participation, entitled the people with speech right, decision making right and participatory right, treated people as the host of reducing poverty and building social harmony, furthest protect and encourage people's initiative and creativity, effectively mobilized people's participation enthusiasm in the construction and found the sustained power source for building social harmony.

4.4 It is necessary to specially pay attention to fair rules and regulations to build socialist harmonious society through poverty reduction and development

Targeting poor people are the key work of poverty reduction and development. Yilong experiment changed the method to select target poor people and intensified assistances focusing on poor people by adopting the democratic assessment to select poor farmers, policy support and social aid. By so doing, the poor people at lowest social sectors received more development opportunity, produced stronger development force, rapidly shook off the poverty and involve themselves into social life. The Yilong experiment not only effectively targeted the poor people to ensure the fair results and more importantly, it was through fair regulation that ensured the fair results. The people have fairly participated regulation formulation, fairly expressed their own willingness and fairly enjoyed the fruit of poverty reduction during all the activities. During the courses of building socialist harmonious society through poverty

reduction and development, Yilong ensured the fairness of rules and regulations, create a good and healthy social culture, which has the long-term influence in building harmonious society and is an important factor to ensure the sustainability of experimental fruits.