

Can China Reduce Entrenched Poverty in Remote Ethnic Minority Regions?

Lessons from Successful Poverty Alleviation in Tibetan Areas of China during 1998–2016

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SUMMARY

On October 16, 2016, President Xi Jinping announced on China Central Television that he would eliminate residual poverty in China by 2020. Doing so will be challenging, and may require different strategies than were used in previous successful poverty reduction efforts in the largely Han areas of eastern and central China. Reassessment of the less successful household-targeting strategies used in western China with persisting poverty may also be necessary.

Xi Jinping followed up his 2016 announcement with action, incorporating into the 13th Five-Year Plan (2016–2020) a program to raise 70 million people out of poverty. The poverty reduction strategy is the top development agenda of the 13th Five-Year Plan and focuses on ethnic minority populations living in relatively remote and harsh climatic conditions. This strategy includes all of the Tibet Autonomous Region and the Tibetan Autonomous Prefectures in Qinghai, Yunnan, Sichuan and Gansu provinces.

In the period between 1978 and 2015, the World Bank estimates that over 700 million people have been raised out of poverty based on a poverty line of \$1.50 per capita. It also estimates that about 48 percent of residual poverty in China is located in ethnic minority areas where top-down macroeconomic policies to reduce poverty have been least effective and where strategies to target poor ethnic minority households with additional financial, technical, and other support were not successful in overcoming cultural and other barriers to greater income and food security.

The Tibet Poverty Alleviation Fund (TPAF) provided assistance to Tibetan households and communities during 1998–2008 in the Tibet Autonomous Region (TAR), and during 2009–2016 in Tibetan Autonomous Prefectures of Yunnan and Sichuan provinces. In the TAR, TPAF activities targeting poor Tibetan households and individuals were planned and implemented by its Tibetan staff working closely and effectively with Tibetan ethnic minority government officials stationed at the prefecture, county, and township levels. In the process, TPAF Tibetan program staff also learned about the types of “bottom-up” poverty reduction activities that could best help to improve village household income, food security, and general wellbeing. These were found to be preferable to the typical government “top-down” approach to poverty reduction. Unfortunately, Tibetan riots in March of 2008 heightened government sensitivities toward

the continued presence of foreign nongovernmental organizations (NGOs) working to reduce poverty in Tibetan villages.

As a result, TPAF shifted its program focus to poor Tibetan townships in the province of Yunnan and later in Sichuan during 2009–2016. Because of the government’s continued sensitivity regarding foreign organization presence in poor Tibetan villages, TPAF shifted its approach in two respects. First, it subcontracted much of its village-based work to Chinese NGOs and to government units willing to implement assistance on its behalf. These local organizations frequently hired Tibetans to conduct household and individual poverty reduction work. Second, the TPAF built on its knowledge of effective poverty reduction practices in the TAR by introducing them in larger, more integrated bundles of poverty reduction “best practices” to benefit households in Tibetan townships in Yunnan and Sichuan provinces.

TPAF learned from its experience in the TAR during 1998–2008 that Tibetans were best suited to help other less well-off Tibetans at the village level to adopt behavior practices that could help them to boost their incomes and improve their health, sanitation, and hygiene conditions. Their shared strong belief in the Tibetan Buddhist religion and culture helped them to communicate convincingly with poor Tibetan villagers. Tibetan bonds helped them to better understand the constraints poor households faced in their rural village circumstances, and the best ways to overcome those constraints.

TPAF operating methods and “bottom-up” poverty reduction best practices were later incorporated into training materials that continue to be used to help strengthen capacities of local government officials responsible for the achievement of Tibetan community poverty elimination goals included in China’s ambitious 13th Five-Year Plan (2016–2020).

GOVERNMENT POLICIES AND PROGRAMS TO REDUCE POVERTY IN CHINA

According to the World Bank, based on a \$1.50 per day per individual poverty threshold criterion, China managed to reduce its absolute poverty from 770 million in 1978 to 55.7 million in 2015, and to reduce its poverty incidence from 97.5 percent of the

population in 1978 to 5.7 percent of the population in 2015.¹ This is an unprecedented accomplishment, and represents almost one-half of world poverty reduction during the same period. China’s strategy for poverty reduction in rural areas initially was macroeconomic and top-down in nature, giving priority to structural and economic reforms able to boost rural economic- and agricultural-sector growth, with simultaneous attention to the improvement of rural transport and communications infrastructure, and basic education and health services.

China’s greatest poverty reduction took place during the 6th Five-Year Plan (1981–1985) as a result of new land and economic reforms intended to establish rapid economic and agricultural growth in rural areas of the country. They included:

- **Land reform.** Most communal land was redistributed to households on a relatively equitable basis determined by household size and needs. This provided households with greater incentives to expand output, and the productivity of household agriculture rose by about 40 percent over the earlier collectives period;
- **Market reform.** A new Household Responsibility System was introduced that increased household agricultural production incentives by raising food prices and reducing quotas on grain sold to the state for urban consumption, and allowed for increased private marketing and sale of food products in local open markets; and
- **Price reform.** The government raised average procurement prices for major crops by 22 percent, and retail prices for main livestock and vegetable products increased by 30 percent or more. Price increases were responsible for an estimated 20 percent of the improvement in rural per capita incomes during 1978–1984. As a result of the incentives, agriculture grew by more than 7 percent per annum and had the effect of doubling rural incomes.²

Structural and macroeconomic policies and programs proved highly successful in reducing poverty, particularly in the large central and eastern provinces of China.

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1 Reported in “Poverty Reduction in Ethnic Minority Areas of China December,” Center for Integrated Agricultural Development (Beijing Agricultural University), 2016, 4.

2 United Nations Development Programme, “Human Development Report 1997” (New York: Oxford University Press, 2007), 49–50.

During the period 1978–1985, structural and macroeconomic policies reduced poverty by about 125 million.

After 1985, the central government shifted to a more structured approach to poverty reduction by establishing a Leading Group Office for Poverty Reduction and Development (LGOPD) in its State Council in 1986 to mobilize and coordinate government efforts, and by identifying and targeting 18 particularly low-income clusters in 592 poor counties. The poverty clusters tended to be concentrated in old revolutionary regions, ethnic regions, boundary regions, and regions with poor climatic conditions and high scarcity of natural resources. Tibetan areas were a major beneficiary target under the program. Special funds were mobilized by the central and provincial governments, and by the more developed eastern provinces and municipalities to finance regional development in the 592 poorest counties. Each county was expected to take the leadership in planning and implementing economic development and poverty reduction measures for its area. A main focus was the development of physical and social infrastructure, urban industry, hotels, and urban commercial centers.

By the early 1990s, it became evident that poverty reduction in the rugged and more remote south and southwest of China was proving to be slower and more intractable. The World Bank estimated that about 48 percent of residual poverty was located in the more remote ethnic minority areas of China.³ It was clear that poor Tibetan farmers and nomadic livestock herders received less benefit from the structural land reform and macroeconomic market and price reforms introduced in the 1978–1985 period. In response, the central government introduced a new household-targeting approach to poverty reduction as part of the 8-7 Poverty Reduction Program intended to eliminate poverty among 80 million in seven years (1994–2000). At the end of the program period, the residual poor remained at about 32 million. Again, poor households in the south and southwest of China, especially those of ethnic minority populations, benefited less from the government’s poverty reduction policies and programs.

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³ “Poverty Reduction in Ethnic Minority Areas of China December,” Center for Integrated Agricultural Development (Beijing Agricultural University), 2016, 3.

During the 8-7 Poverty Reduction Program, the LGOPD developed a conceptually simple guideline for the poverty reduction efforts targeting poorest rural households. It was referred to as the “5 Ones,” and its goal was to achieve basic household income and food security above the government’s poverty threshold. It initially included the following requirements for each poor household:

1. One *mu* (15 *mu* equals 1 hectare) of high- and stable-yield farmland per capita for growing grain food crops;
2. One *mu* of orchard or other cash crop per family;
3. One enclosed meadow per household for livestock, or in pastoral areas, one enclosed manmade pasture per household;
4. One family income-generating sideline occupation per family, or in pastoral areas, one livestock breeding area per household; and
5. One able-bodied person per family transferred from agriculture to an off-farm job in a township or town enterprise.⁴

The targeted poor-household strategy was subsequently further adjusted to give greater attention to renewable energy able to help preserve depleting forest and rangeland energy resources and with respect to nomadic households to give greater attention to livestock productivity and the marketing of livestock products.

A local official was often linked to one or more poor households and charged with personal responsibility for raising that household above the official poverty threshold. This often involved collaborative discussion, and the preparation and signing of a written poverty reduction contract between the poor household and a local party or government official. The contract objective was generally to get the household out of poverty in three to five years. In the contract, Party A, the poor household, would agree to work hard, take care of their tools, plant and carefully cultivate certain food and cash crops, acquire needed livestock, practice family planning, pay back a small loan, etc. Party B, the local government official, would then guarantee an Agricultural Bank of China (ABC) small support loan; help the family to acquire the seed, fertilizer, livestock and other farming inputs spelled out in the contractual agreement; and make frequent

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⁴ United Nations Development Programme, “Poverty Eradication in China: The UNDP Role 1996,” 2.

visits to the poor household to help ensure that farming innovations were being successfully introduced and implemented, and income goals were being achieved.⁵

To help with the implementation of targeted support to poor households, the government also mobilized its local civil service system with a 1-2-3-3 responsibility system whereby officials at the county, township, and village levels personally guaranteed ABC loans to the one, two, and three poorest “uncreditworthy” families, respectively, and technical personnel at the prefecture level were to provide needed technical advice and support to the poor families utilizing ABC loans.⁶

While a substantial increase of funding was allocated to poor households for agriculture and livestock development during the 8-7 Poverty Reduction Program period, there is evidence that substantial poverty reduction funds were still diverted to other purposes, especially as local governments continued to find themselves with conflicting pressures to:

- provide funds directly to poor households as directed by higher levels of government to reduce poorest household poverty;
- favor infrastructure and regional economic growth, and the profitability of richer farmers and enterprises able to pay taxes and fees to local governments; and
- direct funds to county and township governments with responsibility for the payrolls of staff providing education, health, and other basic services.

The strategy of local governments appears to have been to select among the tradeoffs on the basis of what would bring highest overall economic and financial benefits but not necessarily the greatest poverty reduction. This helps to explain why new policies to target poorest households during the 8-7 Program were not very successful.⁷

After 2001, the LGOPD shifted its approach from poverty reduction planning in the 592 poor counties to focusing on the 148,000 poor villages where integrated

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5 United Nations Development Programme, “Poverty Eradication in China: The UNDP Role 1996,” 2.

6 United Nations Development Programme, “Poverty Eradication in China: The UNDP Role 1996,” 4. Liu Yonggong, director of the Center for Integrated Agricultural Development, confirmed to the author that this contractual approach for poverty elimination with poor households took place in Tibetan areas of Sichuan Province and elsewhere, but lacked information on how extensive the practice was in poor areas or the impact it had on the reduction of household poverty.

7 World Bank, “China Overcoming Rural Poverty,” 2000, 43.

participatory planning of poverty reduction needs was to take place. Priority was to be given to: (1) integrated village development investment planning; (2) labor training; and (3) agribusiness development linked to ABC subsidized credit. In this new targeting strategy, the entire TAR and the Tibetan Autonomous Prefectures of Sichuan, Qinghai, Yunnan, and Gansu provinces with a total of 151 counties and population of 5.96 million ethnic Tibetans were identified and recognized as national destitute poverty areas. More preferential policies were formulated, funded, and implemented in these areas, and increased provincial staffing was made available to ensure adequate development-staff coverage, even in more remote, sparsely populated locations. At the same time there was widespread evidence that the village-level planning tended to be top-down, with a lack of the intended village household participatory planning and implementation in many Tibetan areas. Main subsidized loans continued to prioritize enterprises and rich farmers at the expense of poorest households.

In late 2015, President Xi Jinping announced a new goal to eliminate residual poverty among 70 million persons located in 1,200 poor administrative villages in China by the year 2020. This became the central development agenda of the 13th Five-Year Plan, and a major preoccupation of government officials, especially at the provincial, prefectural, county, and township levels. The president made clear that all government officials were to sign statements committing themselves to the successful achievement of the 13th Five-Year Plan poverty elimination goals, and lower-level officials were not to be promoted or transferred until their specific responsibilities for raising specified poor households out of poverty were successfully met.⁸

The program for poverty reduction during the 13th Five-Year Plan includes a wide range of measures to help achieve greater poverty reduction. These measures are often defined in terms of adequate income and food security, and improved household and community living conditions. They include:

- Investments to improve agricultural and industrial productivity and output;
- Employable skills-training and transfer of poor household labor to more urban jobs;
- Improved livelihoods through resettlement of poor people located in remote mountainous communities;

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8 World Bank, “China Overcoming Rural Poverty,” 2000, 44.

- Increased poor-household incomes through eco-compensation;
- Improved rural education and enhanced rural farmer skills;
- Subsidies and livelihood insurance to ensure adequate living standards for poor households unable to sustain themselves;
- Improved community social and public services for poor people, such as the supply of drinkable water, hygiene facilities, communication facilities, and cultural centers;
- Improved transportation, irrigation, and on-farm infrastructures;
- Improved rural market facilities and market access through e-commerce; and
- Improved rural finance services and increased income from cash shareholding and property shareholding mechanisms.⁹

This program is now at an early stage of implementation. Very substantial funds have already been allocated for the program, and additional higher-level provincial government personnel have been transferred down to the county, township, and administrative village levels to help ensure rapid implementation and achievement of objectives.

NATURE OF POVERTY IN TIBETAN AREAS OF CHINA

From 1978 to 2016, the central- and prefecture-level governments spent disproportionately large amounts of money on a per capita basis attempting to eradicate poverty on the Qinghai-Tibetan Plateau. Despite the relatively great effort, the governments were still faced with substantial poverty in 2016. The great expanse of the Qinghai-Tibetan Plateau and the low density and dispersed nature of the population mainly engaged in subsistence agriculture and animal husbandry complicated poverty reduction efforts. However, there were other factors also complicating poverty reduction efforts:

1. **High altitude and harsh environment.** The Tibetan population located on the Qinghai-Tibetan Plateau lives at an average altitude of over 4,000 meters (13,225 feet). The high altitude and frigid mountainous ecosystem contribute

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⁹ “Poverty Reduction in Ethnic Minority Areas of China: A Summary of Some NGO Best Practices and Successful Models,” Center for Integrated Agricultural Development (Beijing Agricultural University), December 2016, 30.

to frequent natural events including snow, freezing rains, drought, windstorms, and insect infestations. These events damage topsoil, reduce crop production, and degrade pasture grassland fertility. The harsh conditions contribute to frequent disasters and setbacks to subsistence farmer crops and to pastoralist livestock herds that threaten their livelihoods.

2. **Limited education and employable skills.** The relatively low level of Tibetan education attainment and the lack of vocational skills that can be used to gain off-farm employment in urban areas remain major sources of continuing poverty. As a result of great effort, the government had achieved nearly universal primary-level education in the TAR by 2005. The government has also established secondary-level vocational schools at the prefecture level, but Tibetans often do not possess the primary school-level attainment to take advantage of them, or prefer to follow general secondary school study to qualify for permanent government jobs. A further difficulty is that the vocational schools follow a classroom-oriented curriculum with limited skills-training, which fails to provide Tibetans with employable skills needed in the job market. Progress has been made in reducing illiteracy among Tibetans, but it remains high and an obstacle to employment in the modern cash economy. In 2001, Tibetan illiteracy was 33 percent in contrast to 7 percent for China as a whole according to the 5th National Census of 2001.¹⁰
3. **Urban industry.** Investment in rural extractive industries and other urban trade and manufacturing in Tibetan areas in recent years has been led by outside actors, mainly Han personnel and companies. This industry has developed separate from local Tibetan populations, except for most menial unskilled jobs, with little or no opportunity for skills-training and career advancement. The exclusion of most Tibetans from modern-sector training and employment has also been a major factor contributing to the growing disparity between Tibetan and urban Han community incomes.

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¹⁰ "Poverty Reduction in Ethnic Minority Areas of China December," Center for Integrated Agricultural Development (Beijing Agricultural University), 2016, 30.

4. **Religious and cultural factors.** Most Tibetans are devout Buddhists. In Tibetan areas of China, attachment to religion and its culture is reinforced by large numbers of monasteries, monks, and nuns who provide both religious and secular services to Tibetans. Despite over 35 years of development and modernization on the Qinghai-Tibetan Plateau, Tibetan Buddhism continues to deeply affect Tibetan outlook and behavior. The religion tends to dispose older Tibetans to be fatalistic and accepting of their lives, and disinclined to be materialistic and acquisitive at the expense of other Tibetans. They are also inclined to help others who are suffering, experiencing difficulties, or caught in deep poverty. At the same time, they have demonstrated their strong interest in achieving greater income and food security while confronting the harsh natural environment prevalent on the Tibetan Qinghai-Plateau.

A range of factors—climatic, natural-resource fragility, demographic, social, religious, and cultural—have reduced the effectiveness of the poverty policies and programs found to be successful elsewhere. They underline the importance of adopting new approaches tailored to particular Tibetan circumstances and needs. These factors were central considerations in the design and implementation of TPAF projects intended to reduce poverty in rural Tibetan areas.

TIBET POVERTY ALLEVIATION FUND ORGANIZATION AND OPERATING PROCEDURES

From the beginning, TPAF had two priority objectives. The first was to develop a methodology for working closely and compatibly with local government at all phases of the project cycle—including project activity identification, fundraising, implementation, and monitoring. Secondly, it sought to determine the types of project activities that proved most effective in increasing the income and food security of poor Tibetan households, and in improving their health, hygiene, and sanitation practices. During 1998–2008, these two objectives were pursued and essentially achieved in the TAR. During 2009–2016, TPAF made adjustments in its operating procedures to reflect the

growing sensitivity of national and local governments toward foreign NGOs working in Tibetan villages. In Tibetan areas of Yunnan Province, TPAF resorted to working with and through local Chinese NGOs, especially those employing Tibetans, and in a Tibetan nomad township in western Sichuan, it resorted to the “national execution” of its assistance through a center affiliated with Beijing Normal University. It continued to experiment with best practices found to be appreciated and successful in reducing poverty in poor villages.

TPAF Program Staff

To carry out its activities during the 1998–2008 period, TPAF built up a program office team of about 12 Tibetan program, accounting, and administrative staff. The team was largely drawn from tourist organizations and companies, and to some extent, other foreign assistance programs. The team was trilingual (Tibetan, Mandarin, and English), and highly motivated and willing to endure much travel in remote and difficult rural conditions. They commented on many occasions that they viewed their poverty alleviation work as a way of realizing their Tibetan Buddhist belief in the importance of helping other Tibetans less well-off than themselves.

Tibet Poverty Alleviation Fund Office Operating Procedures

After establishing the Tibet Poverty Alleviation Fund in 1998, its president adopted operating procedures similar to those followed during his employment in Beijing as Resident Representative of the United Nations Development Programme (UNDP) in China. The TPAF procedures included the establishment of project documents with the same format but with less-detailed descriptions of project activities and budgetary requirements guiding implementation than included in UNDP documents. The president also established staff operating procedures similar to those of UNDP that helped to ensure full financial accountability for the use of donated funds at all times. The procedures included cash advances to staff travelling and working in remote locations,

and subsequent collection of receipts for all expenditures. The TPAF office in Lhasa had separate program and financial staff who collaborated on the implementation and financial accountability of all project activities. Independent annual audits of activities provided TPAF and its donors with assurance of the financial integrity of its activities. The TPAF Tibetan office staff quickly adapted to the high degree of discipline imposed by the TPAF operating procedures. Staff commented that the TPAF operating procedures were based on international practices and standards, and required more program reporting and financial accountability discipline than procedures required under government arrangements.

In 2003, TPAF launched a program to help reduce poverty among Tibetan artisans in the TAR. The program focused on the improved design, production, marketing, and sale of Tibetan artisan products to the international tourist trade in Lhasa and to buyers in the large US market for artisan products. For this purpose, a staff of about 15 Tibetans was recruited and provided training in artisan-products development as well as financial accountability procedures similar to those established for TPAF staff. The team was set up under Chinese law as a municipal enterprise called Lhasa Villages. Unique in the TAR with its mission to support the production and sale of artisan products, it functioned as a social enterprise, covering its operating costs from a small portion of the sales proceeds of artisan products it sold locally and in the US market. While TPAF, as a foreign NGO, could not provide direct support to Lhasa Villages as a local enterprise, it was still possible to finance two foreign artisan-products specialists who were able to help provide advice and training to Tibetan artisans. Today Lhasa Villages continues to function effectively with its own Tibetan leadership and staff, and some government grants to support additional artisan training and development activities.

TPAF and Government Poverty Alleviation Office Collaboration on Project Selection and Implementation

In 1998, TPAF staff made contacts with government Poverty Alleviation Offices (PAO) at the prefecture level in the TAR and explained that it wished to support activities helping to reduce Tibetan poverty in rural and urban areas. PAO personnel saw this as

a way to expand and broaden the types of poverty alleviation activities that they were including in their own annual poverty reduction programs. The proposed government–TPAF collaboration was seen as a “win-win” collaboration. The pattern of collaboration assured that government priorities were reflected in project design and implementation, but allowed discussion of ideas from TPAF and the donor.

Senior PAO prefecture staff (Tibetans) would come to the TPAF office in Lhasa to develop collaboration. They generally proposed the location and type of TPAF poverty reduction assistance, with PAO collaboration, based on their own contacts with county and township governments. Discussions over tea were earnest, humorous, warm, and long, with TPAF seeking to learn as much as possible about likely implementation and beneficiary requirements. Often TPAF’s previous experience in somewhat similar situations would be influential in the content and objectives of the proposed assistance. In some cases, the PAO and TPAF program staff made a joint visit to the proposed target villages to gather more information on needs and the village-level commitment to the proposed assistance. When sufficient information on proposed project content was gathered and agreed upon, the president of TPAF would be brought in on the discussions, and then he would prepare a draft project document in English that would be discussed with one or more potential donors. On the basis of any donor suggestions, the draft project document would be modified and submitted back to the donor for formal approval. Once support of a donor was secured, TPAF program staff would then discuss with their PAO counterparts the detailed arrangements agreed upon with the donor for project activity financing and implementation in the first year.

TPAF program staff and their PAO counterparts engaged in joint programming of implementation details on an annual basis. During the implementation of assistance there was close collaboration, with each partner contributing according to its ability. This generally involved the PAO determining which poor households and individuals to target and which Tibetan consultants to employ. TPAF Tibetan program staff was involved both in detailed planning and the timely provision of funds for activities. PAO staff was often too thin or inexperienced to undertake direct implementation of activities, and in these circumstances implementation tended to be subcontracted to Tibetan trainers and consultants, or to TPAF program staff. TPAF Tibetan program

staff was directly involved in the implementation of more complex activities, including Grameen Bank-style microfinance for poor women. TPAF program staff worked directly with government Health Bureau personnel in village-based preventive-health training and with government Livestock Bureau personnel demonstrating improved livestock products processing and marketing in nomad pastoral areas.

The TPAF contribution to poverty reduction projects generally covered the costs of consultants, supplies, and equipment, and related office-supporting costs. The PAO, with its limited staff resources, was generally most involved in project planning and, together with TPAF, the monitoring of implementation and any needed troubleshooting. Generally, projects were planned for two to three years with a typical cost of from \$100,000 to \$350,000 during 1998–2008.

TPAF Actions in Response to Increasing Political Sensitivities

Tibetan uprisings against Chinese rule in March 2008 directly affected TPAF’s operating approach of relying on local Tibetan employees to coordinate with local government on the planning and implementation of village-based poverty reduction. The resulting political sensitivities obliged most foreign NGOs to leave the Tibet Autonomous Region. TPAF moved its base to Shangri-La Municipality in Yunnan Province where it continued to implement the types of project activities it had found successful in the TAR. Initial TPAF efforts to continue using its Lhasa Tibetan program staff were discouraged, and as a result it shifted its approach to rely more on local Chinese NGO execution of its village-poverty program assistance. TPAF subcontracted community-based implementation activities to a major Chinese NGO, the Center for Biodiversity and Indigenous Knowledge based in Kunming, Yunnan Province. With respect to health activities, TPAF relied on another well-qualified Chinese NGO. After 2012, this partnership with local Chinese civil society organizations for implementation of Tibetan community poverty reduction activities also became too sensitive. TPAF then teamed up with a national government organization, the China Philanthropic Research Institute affiliated with Beijing Normal University. Making the adjustment to national execution of its program implementation arrangements enabled it to complete the implementation of planned

Tibetan community poverty reduction activities in Tibetan areas of both Yunnan and Sichuan provinces. In doing so, TPAF lost direct contact with the poor Tibetan households and communities that it was trying to assist.

Funding for TPAF Poverty Reduction Assistance

The first evaluation of TPAF assistance was carried out the by CIAD, the Center for Integrated Agricultural Development at Beijing Agricultural University. It covered all assistance carried out by TPAF in its first 10 years (1998–2008). The evaluation determined that the TPAF poverty reduction activities carried out in four prefectures, 19 counties, 83 townships, and 98 pilot villages helped to reduce the poverty of about 100,000 farmers and nomadic livestock herders in the TAR. The evaluation team concluded that “comparing the number of beneficiaries and the total project investment, the TPAF funding and implementation efficiency is very high.” During 1998–2008, TPAF raised a total of about \$6,750,000 from interested private foundations, bilateral donor organizations, international NGOs, and private individuals. The main donor support came from the Ford Foundation, Kadoorie Charitable Foundation, the Bridge Fund, and three governments including the Netherlands, New Zealand, and the United States.¹¹

Starting in 2009, TPAF implemented larger, more-integrated best practice activities in villages of five townships. Assistance focused on achieving improved Tibetan wellbeing in three broad areas: sustainable Tibetan livelihoods, preservation of Tibetan village environmental resources, and Tibetan cultural preservation. The integration was intended to achieve greater benefit to households in the selected townships. TPAF estimates that best practices directly benefited a total of 12,205 people in the five townships. For these activities during 2009–2016, TPAF raised an additional \$6 million, mainly from USAID and the Dutch government.

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¹¹ “NGOs and Poverty Reduction in Ethnic Minority Regions in China: Best Practices and Successful Models,” Center for Integrated Agricultural Development (Beijing Agricultural University) June 2012, 20.

POVERTY REDUCTION IN TIBETAN AREAS

In 2016, TPAF collaborated with the CIAD at Beijing Agricultural University to produce a sourcebook summarizing TPAF bottom-up best practices and successful models for poverty reduction developed by TPAF in Tibetan areas during 1998–2016. The CIAD staff was able to draw on evaluations of TPAF project activities that they carried out in 2008 and again in 2015. The sourcebook was completed in late 2016, and a Chinese version was used by the staff of CIAD to support training they undertook for government personnel involved in poverty reduction activities in Qinghai Province and the TAR. The CIAD expects to continue using the materials for further local poverty reduction training purposes in various Tibetan and other poor regions of China during the 13th Five-Year Plan period.¹²

KEY TPAF BEST PRACTICES DEVELOPED IN TIBETAN AREAS FROM 1998 TO 2016

During 1998–2016, TPAF developed a set of best practices found able to boost the income and food security of Tibetan agriculturalists and nomad livestock families, and to improve general health and wellbeing. The best practices were initially experimental in nature, and were largely guided conceptually by the government’s “5 Ones” developed and promoted during the government’s 8-7 Poverty Reduction Program period. The purpose of the “5 Ones” had been to help guide local officials responsible for the targeting of poverty elimination activities for poor households. The intent was to benefit poor households in selected villages to learn from experience and to develop best program practices suitable for broader replication under Tibetan community conditions.

1. Credit for Investment in Household Income-Generating Activities

TPAF demonstrated that lending programs based on the principles of the Grameen Bank in Bangladesh could be successful in lending to very poor households, launching small enterprises and achieving very high rates of loan repayment.

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¹² “Poverty Reduction in Ethnic Minority Areas of China: A Summary of Some NGO Best Practices and Successful Models,” Center for Integrated Agricultural Development (Beijing Agricultural University), December 2016, 30.

The main innovations in the TPAF approach were requirements that:

- loans be to women, representing their households;
- loans be only for income-generating purposes;
- loans be made to villages too poor for lending by the ABC; and
- loan recipients receive a maximum of two rounds of small loans and then the program funds be moved to other poor villages.

TPAF often found that after successful lending to women in very poor villages, the Agricultural Bank of China would move in with its own low-cost lending. TPAF would then move on to other poor villages without any ABC lending presence.

The loan activities supported by TPAF were generally consistent with the “5 Ones” strategy introduced by the government during the 8-7 Poverty Reduction Program period (1994–2000). Poor women most often sought microcredit in order to introduce or expand household income-generating activities such as hand-weaving, and the establishment of small village stores and other service organizations. They would also purchase tools, small tractors, and other items for their husbands to use for income-generating purposes.

The TPAF lending approach was a variant of the Grameen Bank approach also being promoted by the Chinese Academy for Social Sciences and some foreign donors. The approach was to lend to women organized in mutual support groups of five within the framework of a larger village women’s group and a township-level branch bank in which each woman had an account. As poorest households had no collateral, the approach depended on a group guarantee system in which women helped each other as necessary to meet quarterly loan repayments. Loans initially were for about 1,000 RMB (about USD 150) over 12 months. When the small group loans were all repaid, the women would qualify for a subsequent round of loans up to 1,500 RMB. An evaluation of the program found that women generally made about a 50-percent profit on their loans. TPAF-funded loans ultimately were provided to over 3,300 women and had a 98-percent payback rate, a stark contrast with the governmental ABC loans that obtained about a 60-percent payback during this period. After the experience

of handling credit, most women grew in self-confidence and provided greater leadership in their households and village communities.

2. Food Crops Development

Traditional Tibetan farmers generally plant one crop annually because of the high elevation and cold conditions. TPAF demonstrated that poor households with small greenhouses could plant earlier in the year, and then introduce a second vegetable crop during the fall and winter with a greater variety of more nutritious vegetables such as spinach, cabbage, lettuce, eggplant, chili peppers, bell peppers, tomatoes, onions, garlic, and chives. TPAF also showed that in the more northern pasture areas, nomad households could introduce the cultivation of vegetables around their houses in winter village locations. Nomads generally lacked experience with vegetable production, but often would eagerly learn with the initial help of an experienced Chinese vegetable grower.

TPAF greenhouse programs for poor households were often subcontracted to the staff of the local Agricultural Bureau, which possessed greenhouse materials and was experienced with their construction. The Agricultural Bureau was also helpful with training in greenhouse maintenance and crop cultivation, and could provide useful initial training to selected villagers. Villagers were also trained to provide subsequent greenhouse maintenance and support to other poor villagers. Small greenhouses of about 20 square meters cost approximately 1,000 RMB. Some poor villagers were able to acquire larger greenhouses of about 30 square meters. As these required metal hoops and plastic sheeting, they were more expensive and TPAF and government subsidies often facilitated their purchase. Follow-up assessments determined that farmers generally were able to maintain their greenhouses for more than four years with the original materials.

3. Cash Crops Development

TPAF gave priority to the introduction of high-value cash crops to provide an important continuing source of income to poor villagers. In Shangri-La County, it demonstrated the value of introducing Chinese herbal medicines. A particular herbal medicine plant (*Rhizoma Atractylodis*) was found to flourish at about

2,000 meters of elevation and was easy for village farmers to cultivate. Planting material was financed with rural household microcredit. Villagers quickly found it possible to cultivate this crop with some initial guidance from the township government staff and benefit from an annual net income of about 3,000–4,000 RMB/*mu*. In support of the villager cultivation of this high-value crop, the township government also established a *Rhizoma Atractylodis* processing cooperative and an associated herbal medicine trading company at the township level. This enabled villagers to purchase needed seed and other inputs, and to market their harvested production of *Rhizoma Atractylodis* each year.

4. Small Livestock Development

TPAF demonstrated the importance of small and large livestock in efforts to improve the income, nutrition, and food security of poorest households. Small livestock, such as chickens and goats, were often purchased with the availability of microcredit. Larger animals, such as Tibetan pigs, cattle, and yak (when in short supply) were financed by TPAF and promoted on a commercial scale in order to boost poor household incomes on a sustainable basis.

Most poor Tibetan farmers were familiar with Tibetan black pigs and many had raised them for family consumption on a limited basis. The Tibetan pigs were smaller, leaner, and more “tasty” than the fatty Chinese pigs, and had a ready but underdeveloped market in Tibetan urban areas. TPAF Tibetan pig development programs in both the TAR and Yunnan Province demonstrated that commercial pig production could help traditional farmers respond positively to and benefit from the strong market demand for Tibetan black pig meat.

In the TAR, TPAF and a local township government collaborated in the establishment of a farm raising Tibetan piglets up to two months of age, at which time they were transferred to poor village households for further raising and sale. Once strong farmer interest and Tibetan black pig profitability were determined, the township government set up a marketing and processing association to facilitate the sale of Tibetan black pig meat in Lhasa and other main urban markets. The association also became a main source of continuing technical support to villagers agreeing to raise the Tibetan pigs for commercial sale. As a result of the organized purchasing, processing, and marketing

arrangements of the marketing association, poor households quickly found that pig-raising could be very profitable. Selling an average weight pig of 20–30 kilograms to the association could make villagers a profit of about 1,500 RMB for each pig. In the first two years of the program, villagers had managed to sell on average 10 Tibetan pigs each. The pig program proved so successful that the county government chose to expand the program to include poor households in all villages of the county. The program also demonstrated that subsistence Tibetan households would respond positively to market incentives when typical product processing and distribution constraints were resolved.

5. Sideline Income-Generating Activities

TPAF microcredit loans helped to enable many poor Tibetan households to invest in supplemental small household income-generating activities. For women and their husbands, this often included small investments in the establishment of village dry goods stores, tea houses, barley beer bars, and the weaving of *nambu* woolen cloth for sale in urban markets. For men, who would access funds from the microloans being managed by their wives, this included funding for the purchase of carpentry tools for commercial woodworking and furniture-making, and for the acquisition of small tractors with trailers to provide marketing services for fellow villagers and to work in local building and road construction projects.

6. Off-Farm Employment

In its plans, the government gave priority to enabling one family member from each household to secure off-farm employment in an urban area. This was seen as a way to stabilize family income. Many Tibetan rural areas were experiencing an estimated unemployment or underemployment of 20 percent or more, and many Tibetan youth have been migrating to urban areas to secure jobs on a seasonal or full-time basis. A constraint has been that many Tibetan youth lack the needed basic education, and vocational and behavioral skills to secure longer-term employment and incomes in urban enterprises.

TPAF learned, when providing employable skills-training to Tibetan youth, that training was most successful when it used an apprenticeship or on-the-job skills-training approach under instructor supervision. There was ample

evidence in Tibetan areas that the government approach, relying on skills-training at secondary vocational centers with emphasis on classroom theoretical training and use of tools out of the context of actual enterprise working conditions, did not prepare Tibetan trainees for permanent employment. Tibetans learned new skills better in an experiential learning setting.

TPAF's basic apprenticeship or on-the-job skills-training approach placed trainees in existing private- or public-service enterprises such as hotels, restaurants, and tractor and auto repair shops. Other vocational skills-training was located at building construction worksites, lightly traveled road sites for truck and taxi driving skills, and conveniently located stone cliff sites for stone-cutting skills. Unemployed youth with only primary-school education or less, and little or no off-farm employment experience, generally required supervised on-the-job training for four to six months to become proficient and self-reliant with their new vocational skills. The TPAF-funded training included brief initial coverage of vocational concepts, followed by on-the-job practice in mastering the essential vocational skills and guidance on behavioral practices necessary to a modern workplace. These latter skills included relationships with work colleagues and customers, as well as timeliness and reliability. The training was also accompanied by training in specific literacy and numeracy skills needed for work in the particular trades. For the best trainees, some training in the start-up, organization, and management of small rural enterprises was also provided. After the training, 80 percent of trainees gained employment and, in a small number of cases, former trainees with new motorcycle maintenance and repair skills established shops in their own township locations. As part of its integrated approach, TPAF sometimes provided microcredit so that these trainees could purchase tools and parts needed in the establishment of their shops.

7. Ecotourism Development

TPAF collaborated with the Shangri-La Association for Community Development in an approach to ecotourism in Shangri-La that aimed to reduce rural poverty through villager training and employment in various ecotourism skills that also helped to ensure the preservation of surrounding flora and fauna.

Local villagers were trained in the importance of protecting their local flora and fauna as a way to ensure sustainable income from an ecotourism industry. Twenty-eight of the villagers were then trained in more specific functions, including overall management, tourist guiding, tourist lodge management, and cooking and ecotourism promotion skills, while villagers were trained in the provision of Tibetan food and the demonstration of traditional song and dance performances to tourists. Other villagers were paid to provide their horses to tourists taking treks and to help with tents and other field support arrangements. TPAF assistance also financed the construction of two base camp lodges where tourists could stay. The project provided an additional income to 200 households, and catered to over 1,430 ecotourists during 2011–2015.

8. Environmental Preservation

For many poor villagers the overutilization of forest resources for cooking and heating purposes has meant the need to walk to increasingly distant locations in order to collect firewood. TPAF introduced two specific household initiatives intended to save on the time and costs to villagers collecting scarce firewood, and to reduce the use of wood for essential cooking and heating purposes.

The first initiative was help with the financing of solar hot-water heaters that could provide hot water needed for mixing of animal feed and for the cooking of household meals. The solar units were often installed above new bathroom units as a way also to encourage bathing and improved personal hygiene. The solar units were financed jointly by the PAO and TPAF, while the bathroom units were generally constructed with household labor and materials.

The second initiative was the introduction of fuel-efficient wood stoves in kitchens. Studies showed that fuel-efficient stoves could reduce the amount of wood needed for cooking and heating by as much as 30 percent. In nomad villages, fuel-efficient stoves could also reduce the amount of yak dung that needed to be collected for heating purposes. (Yak dung not collected and burned in stoves for cooking and heating helped to preserve and restore pasture fertility.) The fuel-efficient stoves were well-ventilated with stove pipes, thus helping to reduce noxious smoke from open fires in living areas that contributed to bronchial diseases and eye infections.

The TPAF-financed solar hot-water heaters and fuel-efficient stoves for poor households were partially financed with government funds.

9. Nomadic Rangeland Management

Tibetan pastoralist preference for traditional nomadic husbandry practices presents unique challenges for poverty reduction. TPAF initiatives focused on ways to demonstrate how to reverse the pasture degradation taking place, and to increase the value added and profits from the sale of yak byproducts in urban markets.

The first TPAF project operated in four nomad villages with the objective of changing nomad attitudes, which led to the introduction of improved rangeland protection and livestock marketing practices. It provided fencing for each village to enable families to collectively experiment with optimal pasture rotation and recovery practices, and with the testing of various varieties of seed to determine the best for the recovery of badly degraded areas. In the process of testing pasture rotation and recovery practices, the herders themselves were learning about what worked best and which practices they wanted to sustain. A separate aspect of this project sought to enable nomad villages to take advantage of the best times to sell their animal products. By providing each of the project villages with a small truck, the nomads could sell their yak skins, butter, and cashmere wool in markets as a group rather than individually, and do so at times of optimal market prices.

The second project involved poor nomad households in two townships and provided them with price incentives to sell their surplus yak milk to two small milk-processing plants that were located on a main highway providing easy access to an urban area. The project established rural milk-collection centers and provided vehicles that could then transport the fresh milk to the milk-processing plants that had a capacity to make high-quality yogurt, butter, and cheese prior to their sale in a main urban area. The scheme was intended to reduce the wastage of fresh milk at the household level, stimulate a demand for increased milk production and sales, and to provide nomad households with steady income for their surplus milk made possible with the steady demand for processed milk products in urban areas. The project also created

extra employment for villagers in the commercial management and operation of the processing plants, the accounting for plant financial transactions, and for the payment of households for milk delivered to the plants. Altogether, about 105 families with 525 family members benefited under the program. The project was also intended to serve as a model for wider replication by the government in other nomadic township areas.

10. Promotion of Tibetan Artisans

Large numbers of older Tibetan artisans continue to produce high-quality traditional products but live in poverty in part because of reduced local demand for their products. Demand decreased at the same time as living costs in urban areas were increasing. For these reasons, many poor artisans, particularly those living in urban areas, actively look for alternative higher paying urban jobs unrelated to their traditional artisan pursuits. This trend is leading to many valuable Tibetan cultural products and traditions being ignored and forgotten.

In order to boost the incomes and reduce the poverty among traditional Tibetan artisans, TPAF introduced a variety of measures to boost their incomes and stabilize the production of traditional products of cultural value. A main initiative was the establishment of two local municipal companies operating as social enterprises—one in Lhasa in the TAR and the other in Shangri-La in Yunnan Province—to enable greater outreach of artisans and their products to foreign tourists in Tibetan areas and to overseas buyers most interested in Tibetan products. The objectives of the two social enterprises were to: (1) improve the design, quality, and market appeal of Tibetan artisan handicraft products; (2) enhance artisan understanding of evolving market tastes and trends; (3) expand market opportunities to sell artisan products in local tourist markets catering to the foreign tourist trade and in the lucrative US market for Tibetan artisan products; and (4) strengthen the capacities of the two social enterprises to sustain artisan-supporting activities on a commercially viable basis. The social enterprises have been managed and staffed by Tibetans who work closely and continuously with the Tibetan artisans. Particularly the Lhasa social enterprise was able to secure substantial government grants to help finance expanded artisan training activities. The Shangri-La enterprise was set

back by a major fire in the old town area where it was located that for two years stopped foreign tourism. The two enterprises coordinate their sales activities, particularly in their efforts to meet the large demand for Tibetan artisan products in the US market.

TPAF assistance also supported poor Tibetan artisans directly through training in a broad range of artisan skills including woodworking, painting, leatherworking, ceramics, metalworking, and textiles. More recently, to help offset the departure of urban artisans to other higher paying urban jobs, TPAF has also trained poor village women in the weaving and production of textile products attractive to tourists and foreign buyers. Altogether, a total of 222 poor rural women received training and currently have become an important source of artisan products being sold by the two social enterprises.

11. Rural Preventive Health Care

The government has made very significant progress expanding the coverage of county- and township-level health facilities, and improving the outreach of health services to families living in rural villages. Despite these advances, poor rural families still have difficulties reaching distant public health services in times of emergency and coping with the substantial costs of treating major diseases.

TPAF programs focused on building the capacity of households to adopt preventive health and hygiene practices able to help avoid the common diseases responsible for most morbidity and mortality in rural areas. Relying on behavior change approaches tested elsewhere in Asia, the programs supported a cascade approach of trainer training enabling the program to reach all pilot poor households with simple health messages and suggested improved personal and family practices.

The improved behavior changes needed and advocated for through the villager training methodology targeted: (1) expecting mothers, emphasizing the need for regular prenatal checkups at township clinics or county hospitals, especially when potential complications were noted; (2) children, emphasizing the importance of vaccinations at clinics; (3) households, stressing the importance of regular washing of hands and cooking and eating utensils; (4) households, urging the construction of small household greenhouses to

grow vegetables to improve family nutrition; (5) households and communities, stressing the need for periodic cleaning of household and village latrines; and (6) households and communities, communicating the importance of the collection and safe disposal of garbage and trash.

In another initiative, TPAF trained 35 monks in four sessions during 2004–2007 at the Drepong Monastery in Lhasa. The monks came from outlying monasteries, and were given six months of intensive training in basic surgery, internal medicine and gynecology subjects, and the use of western and traditional Tibetan medicines. At the end of their training, the monks returned to their respective monasteries around the TAR and set up clinics to provide basic health services to nearby villagers and to nuns in nunneries located within proximity. The project provided each monk with initial basic medical equipment and drugs to use on his return to his monastery. In many cases the monks worked out arrangements with the nearest government township clinics whereby the township clinic would provide additional needed drugs to the monastery clinics, and the monastery clinics would refer women with complex reproductive health needs to government hospitals. The overall program was coordinated by the doctors of the Drepong Monastery Hospital in Lhasa. TPAF regretted that it could not continue the program after 2007, as it found the monks to be very diligent trainees and the village level coverage of their clinics to be extensive. Local inspection of the program found that villagers frequently would first go to the monastery clinic, and then to the government program for more intensive care if needed.

RELEVANCE OF TPAF BEST PRACTICES TO THE 13TH FIVE-YEAR PLAN OBJECTIVES

President Xi Jinping has personally staked his reputation on the successful implementation of residual poverty among 70 million poor people living in 1,200 administrative villages during the 13th Five-Year Plan (2016–2020). Very large amounts of money have been committed to help ensure the successful implementation of the program, and Party members and workers at all levels of government are giving priority to the achievement of the poverty reduction goals.

During 2016, TPAF contracted with the CIAD to prepare a comprehensive sourcebook describing the TPAF poverty reduction best practices developed and implemented during the 1998–2016 period. This sourcebook was completed in Chinese and English versions.

TPAF also provided CIAD with funding to implement workshops on TPAF best practices in Qinghai Province and in the TAR. In each case, CIAD was requested to incorporate TPAF best practices into existing training materials being used in those locales. The consolidated training materials were then used as the basis for training local government workers directly involved in local poverty reduction activities. TPAF also made financial provision for the training of 20 local government officials involved in poverty elimination work. As a reflection of the pressures on local governments to succeed with their poverty elimination targets, the Qinghai and TAR authorities increased the number of workshop trainees to 90 and 40, respectively, bearing the additional costs involved. TPAF also made funds available for the China Philanthropy Research Institute (TPAF’s national execution partner at Beijing Normal University) to host a workshop for Litang County poverty reduction officials at the site of TPAF’s poverty reduction program that was implemented in the Rige Administrative Township of the Ganzi Tibetan Autonomous Prefecture in Sichuan Province. This included observation and a detailed discussion of the various best practice measures introduced for all 44 poor households in Rige Township over the past two years. The workshop also considered plans to extend poverty reduction measures, including those demonstrated at Rige and in other townships in Litang County.

CIAD staff involved in the training activities in Qinghai and TAR noted that local officials believed that the “bottom-up” nature of TPAF best practices were particularly relevant for the elimination of residual household poverty in poorest rural Tibetan villages. The CIAD staff summarized the lessons of greatest importance drawn from the workshop discussions as follows:

1. Government poverty reduction efforts should stress “bottom-up” best practices targeting and incorporating poor individuals and households in a more integrated approach than generally followed by local government to provide for income and food security needs;

2. The more integrated approach should target improved livelihood needs as well as related environmental protection and cultural preservation requirements;
3. Best practices identified as important in reducing poverty should be adapted to local wishes, needs, and priorities through a local consultative process, and not imposed when not agreed to by the poor households;
4. Local government should plan its household and individual poverty reduction activities in a more holistic manner, taking into account a more comprehensive activity cycle: initial planning, implementation, monitoring of results, evaluation of results, and reporting back to leaders (as required by Xi Jinping);
5. In minority areas, ethnic minority personnel with knowledge of the local culture, attitudes, and language should play the key role in planning and implementation. This is critical to getting needed local acceptance and support during implementation; and
6. Activities should give more conscious attention to the importance of changed behavior practices necessary for the adoption of new skills and attitudes leading to increased income and food security and improved health. Households need to be committed to new practices. New behavior practices are seen to be essential if poor households are to break loose from traditional ways of life and behavior patterns, and engage in the modern cash sector and sustainable improvements in their living standards.¹³

RECOMMENDATIONS

Is it likely that President Xi Jinping will achieve his ambitious targeted poverty elimination objectives during the 13th Five-Year Plan? He imposed unprecedented discipline and motivation on Party members and government civil servants at all levels, and has provided the needed funds. Local poverty reduction officials in the TAR and Qinghai have indicated that the main challenge is how to spend available funds most

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¹³ "Poverty Reduction in Ethnic Minority Areas of China: Best Practices and Successful Models," (excerpt), Center for Integrated Agricultural Development (Beijing Agricultural University), December 2016, 9.

productively so as to achieve household poverty reduction goals. This helps to explain why, at the TPAF-funded training workshops implemented with the leadership of CIAD, local government participants expressed so much interest in the TPAF “bottom-up” best practices, and the incorporation of the TPAF best practices into the Qinghai and TAR training documentation.

Working against the achievement of 13th Five-Year Plan objectives are several factors. First, local governments in the past have shown resistance to targeted poverty reduction approaches, preferring to finance regional and agricultural development, and investment in rural enterprises and rich farmers that then pay increased taxes and fees to county and township governments that are generally underfunded for their onerous budgetary responsibilities.

In ethnic minority areas, poor rural education and lack of employable skills further constrain the ability of poor rural households to benefit from migration, and job and income growth in the modern cash economy. Heavy Han Chinese presence in the local civil service decision-making process also leads to misunderstandings and lack of Tibetan villager acceptance of poverty reduction activities, despite the generally earnest desire of Han civil servants to achieve the poverty reduction goals.

Past poverty eradication programs have fallen short of their objectives for a variety of complicated economic, social, and cultural reasons. The 8-7 Poverty Reduction Program was intended to reduce poverty by 80 million people in seven years. In 2000, the program had left 32 million in residual poverty. This could happen again. The best hope in Tibetan areas would be to carefully review and learn from earlier experience with the targeting of poor Tibetan households during the 8-7 Poverty Reduction Program, but also importantly to devolve greater responsibility in the poverty reduction effort to Tibetan government officials and to Tibetan personnel in local NGOs and in the private sector. In this sense, responsibility means not only devolving authority and resources but also offering rewards and recognition for successes achieved. TPAF found many capable underutilized Tibetans in and out of government who functioned well in a Tibetan Buddhist environment and who were keen to get more involved in poverty reduction activities. In this respect, a number of recommendations are made to the government:

1. Review the ranks of Tibetans in government civil service to determine which ones might be given greater responsibility in the planning and implementation of poor village and household poverty reduction activities;
2. Establish a roster of Tibetans out of government and their skills for possible recruitment for poverty reduction work;
3. Give a greater role for local NGOs, especially ones with skilled Tibetans, to be subcontracted for village poverty reduction activities;
4. Aim at incorporating improved behavior practices into poor household poverty reduction activities that are compatible, sustainable, and reinforcing within the Tibetan culture;
5. Establish a framework for Tibetan monks, nuns, and monasteries to provide essential developmental, secular, and spiritual support services to poorest households and communities; and
6. Conduct a study of factors contributing to diversion of poverty reduction funds away from the intended targeting of poor households, and take corrective actions, while ensuring the budgetary stability of local governments and their continued ability to provide villages with essential services.



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