CHAPTER 6

Impoverishment Risks Caused
by the Ecological Resettlement Project

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Abstract
Having conducted field research on the ecological resettlement of Tibetan villages in Qinghai, this chapter found that ecological re-settlers face significant risks of impoverishment in host communities, as they can no longer work and live in ways that they are used to, and once they join these host communities their earning capacity is in fact worsened. The risks of impoverishing this group of people can in fact undermine efforts to protect the land. Moreover, such approaches may pose new challenges to poverty alleviation work in Tibetan areas, and thus merit further attention. On the basis of our findings, this author recommends that in addition to financial compensation to populations displaced by the ecological resettlement project, investing in the human resources of these populations (i.e. both adults and children) is extremely important for ecological re-settlers to improve their earning capacity in the host communities and to integrate into their new urban environment.

Keywords: Ecological Resettlement Project; Impoverishment Risks; Tibetan Areas.

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I Background of the Research Project

From early to mid July 2007, the Research Team of the Chinese Academy of Social Sciences (CASS), of which the author is a member, conducted a comprehensive survey on the work and life of local Tibetan farmers and herdsmen in Maqin County and Dari County of the Guoluo Tibetan Autonomous Prefecture, and Yushu County and Chongguo County of the Yushu Tibetan Autonomous Prefecture, all found in Qinghai. The main theme of this survey was poverty alleviation and development for Tibetan farmers and herdsmen found in alpine areas and at the sources of large rivers.

Poverty in China derives from multiple causes. The risks of impoverishment, caused by ecological resettlement projects, are a special type of poverty-inducing factor in the Tibetan areas of Qinghai Province, which is a key focus of this survey. During the process of resettlement from their original pastures to host communities, some ecological re-settlers face significant risks of impoverishment in their new host communities (relative to original inhabitants of the host communities), although it is not necessarily the case that they have now been impoverished to the extent that they are on the poverty line. This is because they can no longer work and live in ways that they are used to and their earning capacity in these new communities is in fact worsened. This chapter aims to discuss the risks of impoverishment associated with the ecological resettlement project.

This survey includes the sources and upstream areas of China’s three major rivers: the Yangtze River, the Yellow River and the Lancang River. The areas are high in altitude, and have a harsh climate, complex terrains, frequent natural disasters and a vulnerable ecological system. For instance, Guoluo Prefecture has an average altitude of over 4,200 meters, with annual precipitation of 400 millimeters to 700 millimeters, as well as an annual mean temperature of -4°C. Over the course of the year, there is no

1 According to Sen (1999), poverty can be understood as the deprivation of capabilities, while low income only has instrumental significance. However, considering the importance of relationships between income and capabilities, especially the relationship between changes in income and changes in the capabilities of ecological assets, this chapter approaches poverty mainly from the perspective of income.

2 According to the 2004 Communique on Water Resources in the Yangtze River Basin and Rivers in the Southwest (http://www.cws.net.cn/cnnet/guest/changjiang/200411.html, downloaded on September 10, 2007), Yangtze River Basin covers an area of 1.8 million square kilometers, crossing 19 provinces, autonomous regions and municipalities. According to the 2005 Communique on Water Resources of the Yellow River (http://www.yellowriver.gov.cn/zh/zhgh/2005.htm, downloaded on September 10, 2007), the Yellow River basin has an area of 795,000 square kilometers, crossing nine provinces and municipalities. According to the Yunnan Channel on Xinhua (http://www.yn.xinhuanet.com/topic/2005-08/19/content_5356173.htm, downloaded on September 15, 2007), Lancang River has a basic area of 164,800 square kilometers in China, crossing only three provinces (autonomous regions) and six countries (known as Mekong once it leaves China’s borders).
Over the past few decades, large-scale degradation and desertification have occurred in the pastures of the Three-River Source. This has happened in part because of the natural climate, but some of the change is also a result of human activity.

Glaciers, snow mountains, lakes and wetlands have been retreating and have even dried up in some cases. Wildlife habitats have been damaged, bio-diversity reduced, the eco-environment has been degraded, and the capacity to conserve water has been diminished for many areas. These phenomena have seriously affected the eco-security of the Three Rivers' basins and even other parts of China, threatening local economic sustainability. Within the Three-River Source, 125,000 square kilometers of pasture lands have been severely degraded. This area accounts for 58% of the region's usable pasture lands. Moreover, there are 28,000 kilometers of seriously degraded black soil, which accounts for 15% of all arable pasture lands. Fairly severe soil erosion (defined as above medium severity) has affected 96,200 square kilometers of land, which accounts for 26.5% of the total land area in this region. Around 13%-20% of all species (both plants and animals) in this area are under threat. This is 5% higher than the world average. The importance of protecting the eco-environment in the Three-River Source is self-evident.

In order to protect the local environment and raise living standards, starting in 2003, Qinghai Province has carried out the "Three-River Source Ecological Resettlement Project". One of its key goals is to return grazing land to pasture land and restore to former ecological makeup. Ecological re-settlers from Maduo County of the Guoluo Prefecture and Changmahe Township of the Maqin County have been resettled in Heyuan New Village and Qinyuan New Village in the Maqin County, Guoluo Prefecture (the two villages this survey focuses on). According to the plans laid out for each of these villages, Heyuan New Village will receive "permanent re-settlers", who no longer hold a contract over the land from which they have migrated from and will not be returning there. In Qinyuan New Village, they will receive "temporary re-settlers", who still have some rights over the land they left and may still return to those

Refer to the report by the Qinghai Provincial Government (2007).

Cai (2007).

In the future, the new resettlement villages will need to work together with the local government to formulate strategies for adapting and improving the new social and economic conditions. At the same time, the ecological re-settlers need to be provided with new skills and knowledge to ensure their success in this new environment. This requires a greater degree of understanding.

Taking the above analysis into consideration, this chapter focuses on examining the risks of impoverishment associated with the ecological resettlement project in the surveyed region. It investigates the changes in the lives of the settlers once they have moved to their new host communities and the socioeconomic effects of the resettlement projects, as well as attempts to identify possible improvements to resettlement policies, which are compatible with the resettlement project.

II Livelihood Changes Facing Ecological Re-settlers

Resettlement is an inevitable outcome of social development and also presents socioeconomic problems that need to be addressed
by all countries as they develop. In general, resettlement falls into two categories: voluntary resettlement and involuntary resettlement. It is apparent that the re-settlers of the Three-River Source ecological resettlement project are involuntary re-settlers. Hu Jing has made a number of detailed research pieces summarizing involuntary resettlement.2 Her summaries include the following types of research: (1) Research on the involuntary resettlement of peoples from an economic point of view; (2) Analysis of the institutional background of resettlement in terms of project planning and the decision-making mechanisms in place, as well as a discussion on how to improve the resettlement systems in relation to specific resettlement projects; (3) Research on the resettlement of involuntary migrants; (4) Research on the compensation associated with involuntary resettlement. This part of her research includes a cost-benefit analysis of resettlement; evaluation of the losses incurred as a result of resettlement, the methods and standards of compensation for re-settlers, and understanding the benefits these re-settlers receive from various projects. These studies have provided a useful reference point for this chapter.

The World Bank’s website states: "Involuntary displacement can be caused by environmental degradation, natural disasters, conflicts or development projects. It is associated with loss of housing, shelter, income, land, livelihoods, assets, resources and services, among other things." According to research done by the World Bank, resettlement projects may have a series of impacts on re-settlers, such as the destruction of their system of production, a loss of work-related income sources, a weakened rural organizational structure and social relationship networks, the scattering of whole families, a loss of distinctive local cultures, as well as an end to traditional social structures and a breakdown of mutual assistance networks.6

We have found from our survey that the ecological resettlement project has also brought about some similar consequences. However, it also has a unique impact on the livelihood of re-settlers, given the distinct

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2 Refer to Hu (2007).

natural and social environment of surveyed region. We will use the following cases to show the changes that took place after the implementation of the resettlement project.

Case 1 Family A of the Heyuan New Village

The four members of Family A are all of Tibetan ethnicity. Mr. A was born in December 1955 and his wife (from his second marriage) was born in February 1975. They have a son who was born in May 1979 and a daughter who was born in March 1988. Family A resettled from the Requ Animal Husbandry Cooperative in the Huanghe Township (Maduo County, Guoluo Prefecture), into Heyuan New Village (Dawu Town, Marqin County). According to the plans associated with the resettlement project, Heyuan New Village receives permanent re-settlers, i.e. re-settlers that do not have the option to return to their homes, as it has been decided that the eco-environment in their original lands needs to be protected over the long run. The government had already built resettlement housing for all re-settlers, before Family A moved to the Heyuan New Village. The allocation of this housing was determined by the government, according to the order of registration of all the households. In the words of Mr. A, "Whichever house you have been allocated, you have to accept it. You have no right to choose." In addition, the first 20 households to resettle into the new village were given the additional incentive of getting housing with warm sheds.

For the three years prior to being resettled, Mr. A was a driver for Maduo County Hospital. He was a temporary staff, and his salary was 225 yuan per month. Some time later, he became a temporary driver for the Maduo County State Tax Bureau, earning a monthly salary of 390 yuan (with a daily allowance of 10.5 yuan for travel to and from Xining City, the capital of Qinghai Province). According to Mr. A, he was forced to leave the State Tax Bureau due to a new policy that prohibits government departments from hiring temporary staff like him. In order to make a living, he found a job as an automechanic in Maduo County. He learned how to drive by himself many years ago, and when he started driving, he drove
government cars for the most part. In 2005, before his family was resettled, he bought a second-hand minibus which cost him 4,000 yuan and then, in 2006, he sold it for 3,000 yuan. After selling the old minibus, he bought a new minibus for 34,000 yuan. His rationale was simple: After his family was resettled, he wanted to ensure he could earn some income through driving.

Before they were resettled, Family A raised between 40 and 50 cattle and about 150 to 160 sheep. Grazing was their main source of income. After the resettlement, the family could no longer graze cattle on their original lands, as the policy forbade such action. Unfortunately, the new village did not offer them any additional pasture lands either. So, their only option was to sell their cattle and sheep. In order to maintain livelihood in the new village, Family A opened a grocery store in their house. They used the minibus to transport passengers in the vicinity of Maqin County (for which they charged two yuan per passenger). As Mr. A puts it, "Now, as I grow older and sicker, I am no longer fit to dig caterpillar fungus and no one is willing to hire me. In order for me to make money, my only option is to open this store and be a self-employed driver." Because the new village already has two or three grocery stores, and the customers are mainly re-settlers, his business is not flourishing.

At the end of April or early May each year, the Maduo County Animal Husbandry Bureau dispenses 8,000 yuan to each re-settler to cover the costs of resettlement. So far this fee has been given out for two years (2005 and 2006). But Mr. A is not clear about how long they will continue to provide these funds. He heard that it will be dispensed for five to ten years at most.

While talking about the changes to their livelihood after resettlement to the new village, Mr. A and his wife both sighed, summing up their new predicament with this statement: "Everything is so expensive now, and what used to be free now costs us money." Mr. A only attended the first year of elementary school and his wife received no schooling whatsoever. The whole family used to live a nomadic life, living off animal husbandry; they cannot speak much Putonghua (Chinese). After moving to the new village, they no longer live off animal husbandry and now live at a fixed residence, but it is hard for them to find a job that can give them their original level of income.

In addition to providing a short-trip transport service via their minibus, the couple undertook miscellaneous work occasionally at the prefecture’s textiles plant. Some of these jobs in the prefecture involve cleaning, while others involve driving cars or tractors. They commented at the time, "We do as much work as our strength permits." However, these temporary jobs only bring them a low and unstable source of income. They have never undertaken the task of collecting caterpillar fungus, and are not skilled at it. If they did decide that collecting caterpillar fungus would be a good source of income, they would need to pay a fee of several thousand yuan to the owner of the pasture land (the fee can be as much as five to six thousand and at least two or three thousand yuan, with the final figure decided through face-to-face negotiations with the land owner). As complete strangers to the area, they have no real opportunity to make money from collecting caterpillar fungus.

Their son studied at the law schools in Maduo County and Xining City, and passed the higher education self-study examinations for an associate degree. He currently teaches Chinese and Tibetan languages at the vocational school and the elementary school of Helio Township, Maduo County. His monthly salary is 500 yuan and he receives an additional 1,000 yuan from his family. Although this is a temporary teaching post, it took him more than a year to find it and he has been teaching for over a month now. As a result of studying for years, he now suffers from myopia. Even though he managed to obtain a diploma, he is unable to do any manual work, such as digging for caterpillar fungus or grazing animals. Their daughter is now in her second year of elementary school and also needs money. In 2006, the mother had to have an appendicitis operation at the prefecture hospital. This cost around seven to eight thousand yuan, taking into account various expenses.

In the past, the family did not need to pay for any by-products of animal husbandry such as beef, cow leather, cow hair, cow dung, milk, mutton, sheepskin, and wool. But now they need to spend money on buying these goods as they no longer raise cattle and
sheep themselves. "Prices are increasing too fast in the city," Mr. A said with a sigh. He explained that now pork, beef and mutton all cost around 24 yuan per kg, but it used to be less than 18 yuan per kg; butter now costs 24 yuan per kg, milk 8 yuan per kg, coal 0.6 yuan per kg, and cow dung 10 yuan per bag (a bag of dung can burn for two to three days). With the rise in the price of meat, it is now the case that the family lives mainly on rice and wheat, rather than meat, as they did before. In addition, food and clothing are much more expensive in the city, so the family feels that the resettlement fee of 8,000 yuan per year is insufficient. Mr. A remarks, "I'm afraid of urbanites talking about the rising salaries, because once there is talk, everything becomes more expensive, even before salaries actually rise." With little increase in the amount of money they earn each year, the whole family is very sensitive to price changes. They currently owe over 20,000 yuan, of which 30% is borrowed from private individuals, and the rest is a loan from a credit cooperative.

Almost all of the re-settlers in Heyuan New Village used to lead nomadic lives, so it is often the case that they are now "unfamiliar with the neighbors", even though they might have moved here from the same township.

In 2005, Family A participated in the new rural cooperative medical system in the Maduo County, and received a medical certificate. However, they were "a little unclear about how to use this certificate" and "participated in the system simply because all the others did". After moving to the new village, Family A encountered a rather acute problem. Since their hukou is still of Maduo County and the availability of the medical care is tied to participants' hukou, there will be some "cross-regional transaction costs" associated with reimbursement by the system. In the words of Mr. A himself, "The reimbursement I receive in Maduo County is not worth the cost of travel."

Although Couple A did not clarify exactly how much they earn and spend over the course of a year, it is apparent from what they said that it is not easy for them to lead an urban life. When the couple thought about the future, they were at a loss.

(Interview in Heyuan New Village on the morning of July 4, 2007)

Case 2: Family B in the Qin yuan New Village

All the four members of Family B are of Tibetan ethnicity. Mr. B was born in 1961 and his wife was born in 1968. His first son was born in 1992, followed by their second in 1995. In August 2003, their whole family moved from Xuema Village in the Changnachoe Township (Maqin County, Guoluo Prefecture), to Qin yuan New Village. According to the resettlement project plan, Qin yuan New Village is for temporary re-settlers. If the eco-environment in their hometowns recovered significantly, the re-settlers could move back to their original residences. Meanwhile, not all the herders in their original residences have moved out. Seven herding households remained there and were allowed to graze their animals on the land. The rationale behind such an arrangement is to prevent herdsmen from other regions from grazing on the pastures contracted by the herdsmen, who have been displaced by the resettlement project. Following the arrangement, the family of Mr. B's brother was allowed to stay on the land, and before moving out, Mr. B gave all his cattle (more than 100 cattle and 600 sheep) to his brother to graze. In addition, Mr. B left his eldest son to assist his brother with the grazing of their herd as his brother has no children. The agreement between Mr. B and his brother is simple: Every year, the eldest son brings home some meat, milk, butter, dung, skin and fur, and moreover, if Family B returns to their original village, his brother will return all of his cattle and sheep to Mr. B.

As in the previous case, re-settlers in the new village also have free housing provided by the government. According to the resettlement policy, a household that has the pasture use permit in their original residence will be granted a house of 62 square meters with a courtyard of 250 square meters, and it is also entitled to an annual resettlement allowance of 6,000 yuan. In contrast, a household that has no pasture use permit will be granted a house of 43 square meters with a courtyard of 250 square meters, with an annual resettlement allowance of 3,000 yuan.

Mr. B's eldest son received no schooling and does not live at home with his family because he spends his time tending to B's
brother's animals. The second eldest son has received no schooling so far, but is preparing to attend elementary school this September. When he was asked why his children received no schooling, Mr. B said quite frankly, "They would end up as hooligans if they did not study hard at school. In addition, it's difficult to find jobs even if they do go to school, and besides, if they did go to school, they would forget how to tend to the animals."

Like other re-settlers, Family B had a small income and encountered a number of difficulties after moving to the new village. In 1999, before his family was resettled, Mr. B opened a grocery store in his original residence. In 2000, he bought a minibus with over 20,000 yuan to transport goods from Dawu Town, Maqin County to the grocery store. After resettlement, however, Family B no longer raises cattle or sheep and Mr. B continues to run a grocery store in the new village, while doing some short-distance passenger transport. For both the running of his grocery store and the usage of his minibus to earn extra money by taking passengers back and forth, Mr. B lacks a number of important permits. He explains this by saying, "It's because the fees are too high for the licences." Because Mr. B lacks the correct permits, he does not dare to use his minibus to transport passengers as often as he used to.

Meat, milk and dung are all expensive in the city. Luckily, Mr. B's eldest son can regularly bring some back home (especially over festivals). Reflecting on the changes to his life after resettlement, Mr. B said that desertification was a serious problem on his pasture lands. The environment and the climate were bad, but many herdsmen had to stay because all they knew was cattle herding. They still find it hard to adjust to life in the new village and if possible, they would choose to go back.

(Interview in Qinyuan New Village on the morning of July 6, 2007)

Case 3 Two Tibetan Youngsters at the Prefecture Government Hotel

One night, I met two Tibetan youngsters at the guardhouse of the hostel where I was staying. I found their life stories extremely interesting. One of them is called C and serves as security guard of the hotel; the other is called D, who is a dancer in a private troupe. They are cousins.

There are six members in C's family. In addition to his wife, the family includes his parents, his daughter and his son. Mr. C was born in 1984, his wife was born in 1983, his daughter in 2006, and his son in 2007. The whole family has been displaced by the ecological resettlement project, and moved to the Heyuan New Village. Currently, their main source of income comes from digging caterpillar fungus in the pasture lands, but this requires a "pasture fee" which has to be paid to a local pasture contractor on an annual basis. In 2006, his family earned 4,000 yuan from digging caterpillar fungus. In 2005, Mr. C got married and had children just after his graduation from the junior middle school. He speaks good Putonghua (Chinese) and wears a pair of glasses, which are in sharp contrast to his security guard uniform. Mr. C said that at first he also collected caterpillar fungus, but later on he gave up because he had developed myopia due to studying. This prevented him from seeing the caterpillar fungus clearly, making it harder to collect. He found other jobs instead. In August 2006 he got this security guard job through the security brigade. The reason that he was able to get this job was that he had studied till junior middle school and could speak Putonghua fluently. The security brigade assigned him to duty at this hotel. His monthly salary is 600 yuan, but the brigade deducts 100 yuan per month. Due to ill health, his parents stay at home most of the time. His wife's job is digging caterpillar fungus, and she also does miscellaneous jobs in the prefecture, earning between 400 and 600 yuan per month. When talking about the future, Mr. C said that he had not thought about it a great deal. When describing the changes that have occurred since he moved to the new village, Mr. C remarks, "I eat less meat and cannot use dung or drink yogurt as much as before. I spend more and earn less. I earn (annually) about 20,000 yuan less than I did before the resettlement."

Mr. D is Mr. C's cousin and younger than Mr. C by one year. His mother is Mr. C's aunt. Their family has also resettled in Heyuan.
New Village. As they are of similar age, they often dine and chat together. Mr. D attended five years of elementary school. Besides his parents, he has two sisters and two brothers, who are all in school. In March 2006, he was hired by a troupe, and he sings and dances for them. Now every month, he earns a base salary of 400 yuan at the troupe, and his actual income is from 1,000 yuan to 4,000 yuan depending on the number of his performances and the amount he gets per performance. His troupe has tournaments around neighboring counties and charges 5 yuan per ticket. The furthest the troupe has been to are large cities such as Shanghai, where he was able to earn as much as 400 yuan per performance. Compared with Mr. C, Mr. D looks more fashionable in terms of clothing and hairstyle, more handsome and brimming with a youthful vitality. Like Family C, Mr. D’s parents’ income depended on collecting caterpillar fungus and other family members would help. In 2007, the family made a net income of 7,800 yuan. Before working for the troupe, Mr. D had a cleaning job in the prefecture, but his income was meager. Their family had 80 cattle and 200 sheep. Before moving to the new village, these cattle were all sold to local Hui people (an ethnic minority in China).

(Interview at the prefecture government hostel on the evening of July 5, 2007)

It can be seen from the above cases and other studies that the Tibetan re-settlers (including local Tibetan aboriginals) are all motivated to seek happiness for themselves and their families, on the basis of their situation and external environment. Moreover, the Tibetans have few choices when they are faced with resettlement. We must closely look into the various interconnected changes that affect the ecological re-settlers when they move into their host communities.

1. Changes to everyday life

It is worth noting that these changes are linked to the changes in the re-settlers’ income and expenditure after their resettlement.

Before resettlement, herdsmen wore traditional ethnic clothing that suited both their nomadic work and life. After resettlement, the re-settlers were increasingly found to wear Chinese Han style modern clothing. This clothing is cheaper than their traditional dress, more varied in style, and more suitable for urban life. In the above cases, all the male interviewees wore Han-style clothing, while the women still wore their ethnic clothing. In addition, the interviewees’ homes had Han-style interior decoration and furnishing. This indicated a strong sense of “Tibetan-Han integration”.

Before their resettlement, the diet of the herdsmen lacked variety, dominated by beef and mutton. They were completely self-sufficient when it came to food. Conversely, after resettlement, the herdsmen were no longer able to keep their animals as before so meat could only be bought at the market. It is important to note that meat is more expensive in the cities. Without experiencing a corresponding increase in their incomes, the re-settlers had to lessen the amount of meat in their diet.

Before their resettlement, the herdsmen had led a nomadic life. After resettlement, they had to settle down and familiarize themselves with the new way of living and the rules associated with living in a sedentary community. For instance, herdsmen often used motor vehicles (motorcycles and cars in most cases) for travel. In the vast majority of cases these vehicles were unlicensed, and usually either abandoned or second hand. The herdsmen were used to driving in the countryside, where there were few restrictions. After resettlement, however, re-settlers had to face stricter driving rules, so unlicensed cars, and those that should be scrapped, were not permitted to be driven on the urban roads. Unable to pay for these new fees, the re-settlers were unwilling to apply for a license plate, and thus, chose not to drive a car. As a result, they faced greater travel restrictions than before.

Before resettlement, herdsmen spent little time watching TV. This was, in part, because their TVs were not portable, and more importantly, a stable source of power was hard to secure. After resettlement, they no longer spent time looking after animals and thus, had more spare time to watch TV. In these host communities, TV sets can be conveniently installed and access to power is much more stable. TV plays a significant catalytic role in transforming the work and life of Tibetan re-settlers, enabling them to learn much more about life outside of their communities.
9. Changes in sources of income

It should be noted that for many Tibetan ecological re-settlers, relocation means a reduction in their earning capacity as some of their previous methods of obtaining income are no longer available to them and it is harder for them to develop new sources of income.

Before resettlement, the main source of income for the herders was animal husbandry. Moreover, by-products (e.g. meat, milk, fur, skin and dung of yaks) could be either used by the herders themselves, or sold for cash. Many re-settlers may well have gathered caterpillar fungus on their contracted pastures, in order to earn a steady and stable cash income.

After resettlement, because they no longer have the rights to the original pastures, they are unable to graze their cattle or sheep, or collect caterpillar fungus, as they did before.

The counties studied in this chapter are major caterpillar fungus growing areas (the fungus, a precious medicine, mainly grows on alpine pastures at an altitude of 3,500-4,500 meters in the Qinghai-Tibet Plateau). However, as discussed previously, the contract rights to the pastures are, for the most part, owned by local Tibetans. Due to the high unit price of caterpillar fungus (40,000-160,000 yuan per kg depending on quality), the gathering of this precious medicine in the pastures is monopolized by local Tibetan pasture contractors. Without the permission of these contractors or the village committees, non-locals are prohibited from gathering caterpillar fungus there. During the high season, for those people who are not from the local area and want to gather the caterpillar fungus, they have to pay a "resource royalty" that is quite high to those contractors or the village committees (the per capita seasonal resource royalty ranges from 1,000 yuan to 4,000 yuan, depending on the quality of the caterpillar fungus). Non-locals are generally not permitted to dig caterpillar fungus during the peak harvest period. Put simply, the local population has erected a number of barriers to prevent non-locals from digging for caterpillar fungus.

For aboriginal Tibetans in host communities, collecting caterpillar fungus has become an important source of income and in some cases, even their sole source of income. Although gathering the fungus is hard work, it is only seasonal (i.e. usually only in the months of May and June) and because unit prices are high, this activity is only short-term, but extremely profitable. Generally speaking, if a family has sufficient labor resources and the contracted pasture lands are abundant with caterpillar fungus, it will take only two months to make a level of cash income that is high enough to support the family for the whole year. However, for ecological re-settlers, not only have they lost the opportunity to harvest caterpillar fungus in the pasture lands from where they came from, but there are many restrictions which prevent them from gathering caterpillar fungus in the lands they have moved to. These restrictions prevent them from earning a reasonable profit in their new host communities.

The resettlement project generally required that compensation of 6,000 yuan be provided annually to each resettled household that owned the contract rights to land, and 3,000 yuan to those that did not, regardless of the number of people in each household. This compensation is an important source of revenue for most re-settlers. But generally speaking, it is difficult for re-settlers to maintain their past dietary habits and lifestyles with this fixed level of compensation because of the increasing prices of most commodities in urban areas where they have moved to. For many herders, a significant part of their income in the past was not in the form of money. It was accessible directly from the animals they kept at home (e.g. meat, fur). But now, almost everything costs money. In particular, they find it hard to afford meat; and now even dung has to be bought. In addition, it is unclear how long this compensation will be provided for. Once the government stops handing out compensation to the re-settlers sometime in the future, re-settlers will have to fend for themselves. Due to resettlement, many herders have lost previous sources of income and are forced to look for non-farming jobs in urban areas.

We must pay great attention to these transitions. It is worth noting that before the implementation of the ecological resettlement project, the secondary and tertiary industries in host communities had already been monopolized by migrant populations from outside the province or prefecture (i.e. mainly those who are either from the Han or Hui ethnic groups). The migrant populations overcame all kinds of difficulties to make a living in the alpine and oxygen-deficient regions, and are therefore elites in the small business areas they engage in. These migrant populations have succeeded in the market, and are courageous, enduring, and experienced in doing business (see Case 4). Their striking difference from
the re-settlers is that the latter are Tibetans who are used to a more traditional way of life, speak a different language, and for the most part, have little or no experience of work that is not farming related. It is difficult for the Tibetan re-settlers to compete with the migrant populations when it comes to activity in the non-agricultural sector, so many Tibetan re-settlers cannot find good jobs and earn a stable income, regardless of how hard they try.

Case 3 reminds us that although some ecological re-settlers can secure a stable income by digging for caterpillar fungus in the host communities, these re-settlers have to meet a basic condition in order for them to do so, i.e. their families must have sufficient labor to dig for the caterpillar fungus. In reality (as Case 3 shows), the more labor a family has, the more capable it is to earn other sources of income.

It is fair to say that those re-settlers who have been interviewed are not living below the poverty line, but they are very vulnerable to impoverishment as their original earning capacity has been greatly reduced. Without improvements to their earning potential, it is hard to say what will happen to their work and life in the future. During the interviews, all the re-settlers expressed different degrees of concern with respect to their future livelihood. They generally felt that for the most part, even if there are opportunities to get work, they are either not up to the job, or they are not viewed as an attractive candidate by the recruiters. It is the author’s considered view, that running a grocery store is what most re-settlers choose to do (in the non-farming sector) and it is what they are capable of. But in order to do this, the re-settlers need start-up funds, which only those from relatively rich backgrounds have. The family in Case 1 opened up a grocery store. The couple are fairly intelligent and speak a bit of Putonghua Chinese (though it is fair to say, fairly limited). They started a grocery store just after resettling in their new house, but so far there has not been a lot of business. Thus, they are worried about what the future might bring. There are not many re-settlers in the new village who are in a better situation than they are, and even for people like them, making a living is not easy.

Comparing traditional animal husbandry and gathering with non-farming related work, there is a clear difference. The latter is more susceptible to changes in the market. Thus, workers that operate in the non-farming sector need to be adaptable to the ever-changing market place, rather than relying on one skill (i.e. farming). Evidence suggests that this is too demanding for most Tibetan ecological re-settlers.

Currently, the local government also provides some job opportunities for the re-settlers, which tend to be in three areas: the county blanket plant, urban environmental sanitation and security services. However, these job opportunities are limited in number and insufficient to cover the needs of the large number of re-settlers. As most of the re-settlers used to engage in rather conventional primary sector work, there are very few who are sufficiently educated to meet the tougher criteria for the new urban jobs.

From the interviews with re-settlers, discussing the above-mentioned problems and difficulties of making a living, the author became aware that some re-settlers have already planned or are planning for some of their family members to secretly return to their original homes to continue herding. This undoubtedly undermines the goal of protecting the environment, and thus the whole rationale for the ecological resettlement project. This is an important trend that deserves our attention.

Case 4 Non-Local Business Owners

In the four county seats (towns where the county government is located) that the author has been to, it is apparent that almost all of the shops, eateries and places to hang out are run by non-locals. Although almost all shop tablets have both Tibetan and Chinese (there is usually a line of Tibetan above the Chinese) that includes the shop’s name and what it sells, walking into the shops, it became apparent that very few of the shopkeepers were native Tibetans. In Dari County, shops that sell clothes (i.e. wholesale and retail, Tibetan or Han Chinese apparel), are almost entirely run by non-locals. Looking at the issue from a geographical perspective, most of these people are from Qinghai Province, Gansu Province, Sichuan Province, Chongqing Municipally, Hunan Province and Jiangxi Province; and most of them are either ethnically Han or Hui.
In trying to understand this common "phenomenon", the author and colleagues had the following questions:

(1) Why are there so few Tibetan shopkeepers in the areas visited?

(2) In the high altitude areas where the transport infrastructure is underdeveloped and the climatic conditions are harsh, why did the non-locals decide to start businesses here? In particular, analyzing those who have come from Hunan and Jiangxi, who would have had to travel thousands of miles, and encountered countless hardships, why did they choose this particular place, rather than somewhere else?

(3) The stores are small on the whole and are fairly homogenous. So, how are they able to make them profitable, and thus earn enough to stay in this area?

(4) If starting a small business is so profitable, why have many native Tibetans not done the same? According to comments made by the local inhabitants, it has been the case, for many years, that there are not many Tibetan shopkeepers.

(5) It is true that some Tibetans are "itinerant traders", and trade across a number of regions, like many of the non-local business people. Some of them should have some business acumen, so why have they chosen this life instead of setting up their own store?

With these questions in mind, the author and colleagues went to a number of stores run by non-locals. The first store made clothing. It is a well-known fact that many of these stores not only sell clothes but also make bespoke pieces of clothing, in line with the needs of their customers. Many such stores are specialized, making and selling Tibetan garments. Obviously, Tibetans are their main clients. Although the tailors can skillfully make Tibetan outfits, many of them are not Tibetans. At a fur clothing store in Maqin County, the author was able to ascertain why this is the case.

Author: "Where are you from?"

Shopkeeper (female, replying while continuing to sew a piece of fur clothing): "Hunan Province."

Author (somewhat surprised): "That's far. Why did you come to this alpine and remote area?"

Shopkeeper (calm and replying without raising her head): "We saw the map and knew it is cold here, so we came here to sell fur coats."

Author (still quite bewildered): "Is it easy to do business here?"

Shopkeeper (replying without hesitation): "Local Tibetans can dig caterpillar fungus in May and June and make a lot of money, so they can afford to buy from us."

Author (beginning to understand their rationale): "I'm assuming you were not aware of this place at the very beginning, were you?"

Shopkeeper: "We were introduced to it by our relatives."

Author: "Your relatives? Where are they now?"

Shopkeeper (thinking that we might not have understood what she was talking about, she gave a fuller explanation): "Our relatives are in Xining and when we were at home, they told us that there is a lot of business here, so we decided to make the journey from our hometown. We are traveling all over the country, and willing to work wherever it is possible to make money. The Tibetans make money when they dig caterpillar fungus. They like our coats, but they cannot make them, so they come to us."

Author (questioning further): "Why are local Tibetans unwilling to go into business like you have?"

Shopkeeper (smiling): "How can the locals do business? It's a small place and everyone knows everybody else, so it is hard to bargain. Plus, they don't have the relevant skills to make these coats."

Author (naively doubtful): "Is it not possible for the locals to learn?"

Shopkeeper (with another smile): "They make a hell lot of money digging caterpillar fungus, so why should they bother?"

This simple conversation seems to have answered the author's doubts.

There is an important situation that needs to be pointed out concerning non-locals doing business in this area. These stores
are superficially independent, and appear to be open to competition, but in fact, many have developed a form of alliance with other shopkeepers. Many shopkeepers are related to each other, or are friends and fellow villagers. In many cases, these people swarmed to the area opening up a lot of shops at once, and it was often the case that the stores were apparent competitors to one another. It appears that these stores are not simply in competition with each other, but quite the opposite. They help each other, re-allocate inventories, and cooperate when it comes to issues around supply, sales and pricing. The non-locals have formed stable social relationships, which make them feel stronger and more secure.

The counties analyzed in this chapter are all very large geographically, but sparsely populated. In each county, only a few thousand locals have local hukou, a great proportion of whom is government staff. The local population is small and the members have been living closely together for some time. As the statement from the shopkeeper referenced above shows, many local Tibetans know each other, and this is indeed a disadvantage when it comes to bargaining (especially considering the influence of their traditional culture). Some capable Tibetans are more willing to do business outside their hometown, and this is why very few local Tibetans run their own stores and instead choose to be itinerant traders.

While local Tibetans are able to earn a decent income through gathering caterpillar fungus, the non-local and non-Tibetan population can provide daily necessities and make a reasonable amount of profit as well, thus forming a special division of labor. It must be admitted that the division of labor and how the two populations professionally interact are important. Local Tibetans monopolize the gathering of caterpillar fungus, so that their skills of gathering caterpillar fungus and maintaining the pastoral lands are utilized and improved; on the other hand, non-local populations have developed an effective system for supplying goods to the local market.

(Interview in Maqin County on the afternoon of July 5, 2007)

III Conclusions and Policy Discussions

We have drawn the following conclusions from the analysis cited above, with respect to the consequences (i.e., potential impoverishment) arising from the ecological resettlement project:

1. The ecological resettlement project brings few positive changes to the situations of those who are the poorest, and indeed is likely to trap more people into poverty. Facing a new natural environment and new market conditions, ecological re-settlers must face multiple changes to their work and life. During the transition, it is often the case that those who cannot adapt to their new environment find themselves poverty-stricken. Under the constraint of their personal experience (i.e., it is difficult for them to apply the skills and knowledge, which they developed over many years of leading a nomadic life, to a completely new environment), it is very difficult and even impossible for certain groups of people to improve their livelihoods and adapt.

2. Ecological re-settlers and existing residents of host communities are in competition for local resources, and the former are usually quite vulnerable. It takes time for both to integrate. Moreover, most business activities in central urban areas (e.g., the urban areas in the county seat) are dominated by non-locals, and it is hard for locals to compete with them. Thus, the local population mainly engage in tertiary industry activities, which are scattered across the townships and villages. Local Tibetan residents mainly engage in animal husbandry and gathering (caterpillar fungus), while most other industries are dominated by non-locals or other ethnic groups. Due to limited skills, language and experience, it is hard for ecological re-settlers to improve their livelihoods. Many ecological re-settlers have attempted to gain employment, but were unsuccessful.

3. Some ecological re-settlers returned to their original habitats, and once again turned to raising cattle and sheep in order to make a living. This has reduced the effectiveness of the environmental protection that was intended to come about as a result of the policy.
Without security and enhancement of ecological re-settlers' income capability and living standards, there might be severe consequences with respect to economic development, social stability and national unity in the host communities. These impacts must be taken seriously. The government should continue to assist ecological re-settlers, who have made great personal sacrifices for the protection of the eco-environment. Efforts to assist ecological re-settlers will pay off, in terms of development and stability, in the future. According to our survey and the above-mentioned analysis, this chapter identifies the following policy recommendations:

1. Ecological resettlement projects may consider resettlement to more prosperous areas or areas with more opportunities to earn a decent level of income, rather than to poor regions with underdeveloped transport infrastructure, as is the case now. The two new resettlement villages in our survey are both located several kilometers from the central urban area of Maquin County. Maquin County is geographically remote (both in Qoqo Prefecture and in Qinghai Province), sparsely populated, small in terms of its urban land mass and economically underdeveloped. The new resettlement villages are on the outskirts of Maquin county seat. From the above points, it is possible to conclude that the ecological re-settlers will have to lead an urban life, but their disadvantage is inherent. Although Qinghai Province is large, sparsely populated, alpine and remote in China, there are many small villages along central highways, many of which are economically developed. It appears that these regions have more opportunities and should be considered as potential host communities for future ecological resettlement projects. This should mean that the re-settlers will not be marginalized from the outset.

2. In addition to cash compensation to individual households, public facilities should be constructed and public services provided in resettlement areas for the re-settlers, free of charge. This should help foster a sense of belonging and identity for ecological re-settlers and a spirit of social responsibility. Urban resettlement entails adequate infrastructure and urban management, including security, healthcare, education and firefighting. These activities will not only increase the overall quality of life for re-settlers, but change their original perceptions of work and life as well, facilitating their integration into urban life. Basic education and public healthcare services will increase the quality of the ecological re-settler's human capital at a fundamental level and empower them to fight the risks associated with poverty.

3. Poverty alleviation policies should identify specific target groups, rather than be indiscriminately applied. It is unnecessary for poverty alleviation work to pursue “universal” effects. Rather, targeted policies should be developed in light of the status of specific groups in market competition, so that the limited poverty relief funds can be brought into greater play, maximizing their effectiveness. Despite common characteristics, there may be different causes of impoverishment for poor people. Poverty relief policies should thus be developed and implemented in light of those specific causes, rather than be indiscriminately applied to all the different groups of poor people.

4. Resources should be mobilized for effective human resource investment, especially free language training and the development of other skills for the ecological re-settlers. The training should focus on the improvement of individual skills and competencies, in light of market demand, so as to avoid a fertility of effort. Human resource investment should be carried out for people of different age groups and cultural backgrounds. For younger groups, training may focus on basic skills such as language, arithmetic and computer skills, with a focus on teaching them how to self-learn. For the middle-aged and older groups, the priority should be on the skills that are most needed in the market.

5. It is not advisable to simply copy policies that have been implemented to address the issue of poverty in other areas of the country, without fully understanding the situation on the ground. It is important to note that not all poor families have the same market-competing potential and that they face different external environments. On the other hand, successful pilot schemes are sometimes indeed being replicated privately (at least among those in neighboring regions) before the government's promotion. In other words, the public are ahead of the government when it comes to implementing effective ideas. Thus, the government may choose to do a grass-roots survey, before rolling out successful practices to other areas. This would give them
an opportunity to see what results have been achieved as a result of these actions. At the very least, the government should avoid rolling out practices or policies that have been privately proven to be successful in one place, but unsuccessful in another place.

6. For the first generation of re-settlers, if the results of poverty alleviation policies are insignificant due to the personal inadequacies of individuals in question, the priority should be to develop the competencies — particularly market competitiveness — of the second-generation of re-settlers. There should be greater investment in basic education, training, infrastructure, and basic healthcare services. Proactive efforts must be made in order to avoid the intergenerational transmission of "resettlement-induced poverty".

Bibliography


CHAPTER 7

Preventing Intergenerational Poverty Transmission with Antenatal Care

Zhu Ling

Abstract

Antenatal care can help children from poor families get a good start to their lives and thus avoid the transmission of intergenerational poverty. Therefore, this chapter argues that focusing on the provision of antenatal care for children from poor families is the right place to start if your objective is to reduce poverty. The Chinese government has launched a program which aims to reduce maternal mortality and mortality in newborns. This program plays a similar role to that of antenatal care. However, women living in pastoral areas in Yurhu and Guoliang (the two Tibetan Autonomous Prefectures in Qinghai Province) do not sufficiently use antenatal care. Based on information collected through fieldwork, this chapter will try to find out the reasons behind this pattern of behavior, as well as understand the policy implications of this phenomenon.

Keywords: Poverty Reduction; Antenatal Care; Tibetan Women and Children.

Based on evidence gathered from fieldwork in Yurhu and Guoliang, this chapter discusses how to reduce intergenerational poverty transmission by improving maternal healthcare. This issue has arisen because of the following: Governments and the general public in the developing world (including China) are increasingly conscious of the importance of the