
BEIJING'S "PEOPLE FIRST" DEVELOPMENT INITIATIVE FOR THE TIBET AUTONOMOUS REGION'S RURAL SECTOR—A CASE STUDY FROM THE SHIGATSE AREA¹

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One of China's most difficult problems is how best to deal with Tibetans in China and in exile. The likelihood of this problem being resolved externally through a negotiated settlement with the Dalai Lama has become increasingly remote, while internally, Tibetan nationalistic demonstrations have been on the rise. Externally, Beijing's options have been limited, because the Dalai Lama's demand for a "One Country, Two Systems" type of autonomy, namely, for a different political system for all Tibetans in China, is beyond anything that Beijing will accept, and conversely, because the Dalai Lama is unwilling to accept lesser forms of autonomy. Internally, Beijing's options have also been constrained by its unwillingness, for what it considers security reasons, to address the politico-religious grievances of many Tibetans in China, for example by lifting all restrictions on monasteries and giving Tibetans greater control in their autonomous region. As a result, the government of China has opted to resolve the issue internally by prioritizing modernization and economic development in Tibet as a means of linking Tibet inextricably with the rest of China, while also inculcating loyalty by showing Tibetans that being part of the PRC is in their short- and long-term material interests. This economic strategy also allows China to respond to international criticism by showing that living conditions in Tibet are good and improving.

The first Lhasa riots of 1987–89 led to a year of martial law and shocked Beijing, which after 1980 had adopted a conciliatory ethnic policy, for example allowing monasteries to reopen as places of study and worship. China responded to them in a variety of ways, including a strategy of development and modernization during its 9th and 10th Five-Year Plans (1996–2000; 2001–05).² The 10th Five-Year Plan invested 31.2 billion yuan (US\$4.2 billion) for 117 projects aimed at rapidly enhancing development and infrastructure in Tibet, the emphasis being on economic growth and

¹ "Tibet" in this paper refers to the Tibet Autonomous Region, which corresponds roughly to the territory ruled by the Dalai Lama at the time that it was incorporated into the PRC in 1951.

² For a discussion of the 1987–90 riots and the Chinese responses, see M. C. Goldstein, *The Snow Lion and the Dragon: China, Tibet and the Dalai Lama* (Berkeley: University of California Press, 1997).

GDP.³ Much of this investment derived from China's "Develop the West Campaign" (*xibu da kaifa* 西部大开发). This campaign was intended to reduce economic inequality and thereby defuse political tensions among the ethnic minority inhabitants of the nation's western regions.⁴

External audiences, however, have questioned the effectiveness of Beijing's large investments in development in Tibet. They have argued that Tibetans, especially the 82 per cent of them who live in rural areas, have benefited only marginally, if at all, and that most of the gains have gone disproportionately to non-Tibetan Han and Hui who have flocked into Tibet as economic migrants to avail themselves of the new opportunities.⁵ The Tibetan government-in-exile, for example, issued a report that argued:

The Western Development strategy [of the 10th Five-Year Plan] gives little priority to investment in local agriculture and livestock, although the majority of the western population, especially non-Chinese ethnic populations experiencing the most acute poverty, are in these two sectors ... State economic development efforts so far have not affected the Tibetans, particularly in the rural areas in Tibet, in a positive way. Hence, it cannot be assumed that rural Tibet is progressing or that development is inevitable.⁶

Similarly, a recent article on contemporary Tibet criticized China's development policy for marginalizing Tibetans:

Because of the rosy picture painted by official statistics and the state media, most Chinese are unaware that Tibetans have been among the big losers in the course of China's economic miracle, and that within Tibetan areas (both the Tibet Autonomous Region and Tibetan autonomous prefectures in the neighboring provinces of Qinghai, Gansu, and Sichuan), the pace of economic modernization has polarized Tibet's economy. While a minority of Tibetans

³ [Http://www.china.org.cn/e-white/20050301/IV.htm](http://www.china.org.cn/e-white/20050301/IV.htm), "Government White Paper, Part 4: The Central Government's Support and Assistance for Ethnic Autonomous Areas", accessed October 2008, and "Scientific Outlook on Development", in *China Daily* (12 October 2007), [Http://www.chinadaily.com.cn/language_tips/2007-10/12/content_6170884.htm](http://www.chinadaily.com.cn/language_tips/2007-10/12/content_6170884.htm), accessed 26 March 2009.

⁴ The explicit goals of the campaign were to "eliminate regional disparities gradually, consolidate the unity of ethnic groups, ensure border safety and social stability, and promote social progress". See *Shishi xibu da kaifa zongti guihua he zhengce cuoshi* (The Overall Plan of Western Region Development and Related Policy Measures) (Beijing: Zhongguo Jihua Chubanshe, 2002), cited in Heike Holbig, "The Emergence of the Campaign to Open Up the West: Ideological Formation, Central Decision-making and the Role of the Provinces", *The China Quarterly*, No. 178 (2004), p. 349.

⁵ Andrew M. Fischer, *State Growth and Social Exclusion in Tibet: Challenges of Recent Economic Growth* (Copenhagen: Nordic Institute of Asian Studies, 2005).

⁶ DIIR (Department of Information and International Relations), *Tibet: A Human Development and Environmental Report* (Dharamsala: Central Tibetan Administration, 2007).

have been rewarded with state jobs, the majority of Tibetans, who are poorly equipped to access new economic opportunities, have been marginalized.⁷

The Chinese government has never officially accepted such criticisms, but their internal research has revealed problems. One report, for example, cited the example of Nyemo, a county just west of Lhasa where 65.3 per cent of the population had no electricity, 70.2 per cent had no running water and 24 of the 35 townships had no medical clinics.⁸ Consequently, as the time for constructing the 11th Five-Year Plan (2006–10) in Tibet approached, the Chinese government tried to address such shortcomings by adding a major emphasis on social development, that is, development to improve the quality of life of rural Tibetans. This added dimension is often referred to by the Chinese government as a “people-first” (*yiren weiben* 以人为本; tib. *mi rtsa bar 'dzin*) approach to development, or a development emphasis that targets social improvement in addition to economic growth.⁹

The basic idea of “people first” is not completely new. It had also been implicit in previous Five-Year Plans through the “trickle-down” notion that overall economic growth would gradually filter down to rural Tibetans, but Tibet’s current Five-Year Plan now calls explicitly for the allocation of huge financial resources for projects that reach *directly* to village households in order to improve the rural quality of life. Tibet’s 11th Five-Year Plan, therefore, is allocating funds not only for typical large-scale infrastructure projects such as an airport in far western Tibet but also billions for soft developmental projects that seek directly to improve the quality of life of Tibet’s roughly 2.14 million rural inhabitants.

This new priority has been widely conveyed by China’s leading officials. For example, at a meeting of the Politburo on 26 August 2005, it was stressed that “The primary task in Tibet’s economic and social development should be to increase the income and improve the living conditions of farmers and herdsmen. The policies reflecting the interests of farmers and herdsmen should be carried out to the letter so that they can fully enjoy economic development and social progress.”¹⁰ Furthermore, on 20 June 2007, Qiangba Puncog, governor of the TAR, said, “At the moment we are committing ourselves to fast economic development while persisting in the concept of ‘people-first’ and the scientific

⁷ Ben Hillman, “Rethinking China’s Tibet Policy”, *The Asia-Pacific Journal: Japan Focus*, accessed online at http://japanfocus.org/-Ben_Hillman/2773, 10 September 2009.

⁸ “Rural Construction II”, China Tibet Information Center, 21 May 2007 (<http://eng.tibet.cn/culture/>, accessed 15 April 2009).

⁹ This was first articulated by Hu Jintao in 2003 as part of what he called the “scientific outlook on development”. It called for improvement of social quality along with growth of GDP in a sustainable and economically sound fashion for all of rural China (“China’s ‘Two Sessions’ to Use ‘Scientific Outlook on Development’ to Tackle Problems”, www.chinaview.cn, 27 February 2008 [http://news.xinhuanet.com/english/2008-02/27/content_7679089.htm]) and “Scientific Outlook on Development”, in *China Daily* (12 October 2007), http://www.chinadaily.com.cn/language_tips/2007-10/12/content_6170884.htm), last accessed 11 May 2008.

¹⁰ Xinhua News Agency, 26 August 2005.

concept of development”.¹¹ Six months later, Qiangba Puncog reiterated that the top priority of his government was to improve the lives of farmers and herdsmen;¹² more recently, on 9 March 2009, a government news service reported that General Secretary Hu Jintao “expressed the hope that Tibet should embark on more projects that will directly result in the improvement of people’s life and working conditions, particularly those of farmers and herdsmen”. The same source also reported that China’s General Secretary said, “The government must also give priority to addressing people’s immediate needs, so that people of all ethnic groups in Tibet will be able to share the fruit of development”.¹³

The new emphasis of the 11th Five-Year Plan has been extended to other non-government internal aid projects such as the “101 Aid Program” (*dui kou zhi yuan* 对口支援) which committed Chinese cities and companies to assist Tibetan cities and counties by providing them directly with development aid. Beginning in 2007, Hu Jintao instructed companies participating in the “101 Aid Program” to shift their focus down from cities and counties to provide direct assistance to rural townships. Similarly, government office units in the TAR which had been required to send cadres to assist “sister counties” in rural Tibet now also concentrated on the township level.

The magnitude of funds allocated for the Five-Year Plans in Tibet is enormous. In the current plan, this allocation is expected to exceed 100 billion yuan (US\$13.3 billion),¹⁴ an amount more than double that allocated in the 10th Five-Year Plan. Of the 180 projects listed, 33 are specifically “people-first” projects, aimed at upgrading the living conditions of farmers and herders. A total of 21.9 billion yuan (US\$2.9 billion) has been reportedly allocated for these 33 projects, which amounts to an expenditure of about 10,200 yuan (US\$1,360) per rural Tibetan and about 55,000 yuan (US\$7,333) per rural household.¹⁵

The cornerstone of the current Five-Year Plan’s “people-first” orientation is what the government calls the “Comfortable Housing Program” (*anju gongcheng* 安居工程; Tib. *bde sdod rnam grangs*). It is premised on the idea that to have good lives, rural households need to have comfortable, modern housing. To help them accomplish this,

¹¹ [Http://news.xinhuanet.com/english/2007-06/20/content_6267366.htm](http://news.xinhuanet.com/english/2007-06/20/content_6267366.htm), “Chinese Central Government Increases Investment in Tibet”, accessed September 2008.

¹² [Http://english.gov.cn/2008-01/22/content_865626.htm](http://english.gov.cn/2008-01/22/content_865626.htm), “Tibetan Government Lists Better Lives of Farmers, Herdsmen as Top Priority”, accessed September 2008.

¹³ *China View*, 9 March 2009, http://news.xinhuanet.com/english/2009-03/09/content_10977938.htm, accessed 6 April 2009.

¹⁴ *Tibet Facts and Figures 2008*, www.en.showchina.org/features/08/06/200903/t277316.htm (last accessed 12 August 2009). In this paper we use a conversion rate of 7.5 yuan per US\$1, which is approximately the average rate from 2005 to 2008.

¹⁵ In 2007 the population of Tibet was 2.84 million, 92 per cent of which was Tibetan, of whom 82 per cent lived in rural areas in households with an average size of 5.3 residents. Accordingly, in 2007 there were about 2.14 million rural Tibetans living in roughly 400,000 households.

the government has allocated a staggering 3.2 billion yuan (US\$427 million) for grants to villagers so that 80 per cent of rural Tibetan households will be able to upgrade their housing conditions by 2010, the end of the current Five-Year Plan. Such an ambitious goal for housing is unprecedented, and the TAR is the only provincial level entity with a funded mandate to upgrade the housing of the overall rural population.

Tibet's 11th Five-Year Plan also includes 12.3 billion yuan (US\$1.6 billion) for a mix of other soft development targets such as education, health, culture, science and technology, village roads and eco-environmental projects.¹⁶ It has also set out to increase per capita rural income by creating village-based programs to produce goods for the market and by implementing new village-level development projects to increase farm production, such as new irrigation facilities and more mechanization of farming.

However, as in many countries, attractive pronouncements from the top in China sometimes get diluted or ignored as they work their way down to the village level. The New York based organization Human Rights Watch (HRW) has criticized the CHP project, contending that it is harming, not improving, the quality of life for rural Tibetans. HRW asserts that the CHP program "requires villagers ... to rebuild their houses in accordance with strict official specifications ... Affected villagers are not able to contest the decision or refuse to participate, even if complying causes them great economic hardship." HRW also charges that "the new houses are also usually smaller than the old ones and lack courtyards, which means that residents cannot keep their livestock and must sell them", thus harming their economic condition.¹⁷ If HRW is correct, contrary to the goal of improving the rural quality of life (and by extension the attitude of rural Tibetans toward the state), the CHP is likely to be intensifying anti-government sentiment. The consequences of China's 11th Five-Year Plan on rural Tibet are important, therefore, not just for an understanding of how economic change and modernization are proceeding in rural Tibet, but also for the broader Sino-Tibetan political issue.

This paper addresses these controversies by using data collected through anthropological field research in rural farming communities, focusing on how development programs in Tibet are being implemented at the village level. To provide a more coherent view on the situation, we have divided the analysis into two parts: (1) projects aimed at improving the quality of life of rural Tibetans, including upgrades in housing and health care; and (2) projects intended to generate income for rural villagers.

¹⁶ [Http://www.china-un.org/eng/gyzg/xizang/t420200.htm](http://www.china-un.org/eng/gyzg/xizang/t420200.htm), "China's Central Government Helps Tibet Develop Economy and Society", accessed September 2008. Pu Qiong, the deputy Party secretary of Tibet, reported recently that 8 billion yuan will be invested in 2009 and 2010, the last two years of the 11th Five-Year Plan, so that by 2010 the safe drinking water problem will be solved and 200,000 households will have bio-gas units for cooking. At the same time, village-to-village telephone communication will be completed (<http://www.sina.com.cn> 2009年01月16日19:41 中国政府网 China Government Internet).

¹⁷ HRW (Human Rights Watch) 2006, "Tibet: China Must End Rural Reconstruction Campaign", <http://hrw.org/english/docs/2006/12/20/china14903.htm>, accessed 12 June 2008.

Research Sites and Methodology

Between 2006 and 2009, we conducted four stints of fieldwork for a total of approximately nine months in three villages in Tibet's Shigatse Prefecture to investigate the impact of modernization on rural families and the elderly.¹⁸ The three villages, while not selected to represent all of Tibet, lie within a major agricultural corridor running between Tibet's two largest cities, Lhasa and Shigatse, which contains about 30 per cent of Tibet's population. They were selected to meet a research design comparing a continuum of villages from relatively wealthy to relatively poor (more to less affected by modernization). Sogang, the least affected by development, is located in Panam County in the upper (mountainous) part of a tributary river valley, while Norgyong, the intermediate site, is situated below Sogang on the main river. Norgyong is located immediately beside the county seat in Panam. Sogang and Norgyong were part of a previous study by one of the principal investigators (Melvyn Goldstein) and longitudinal changes that are occurring there have been documented elsewhere.¹⁹ Betsag, the third site, is located only 10 kilometers from Shigatse City and was included in the current study to represent a wealthy farming village that is more heavily affected by mechanized agriculture and government development programs. Despite these economic differences, the three villages are geographically close, within a one- or two-hour drive of each other, and are part of the same Tibetan sub-ethnic cultural and linguistic zone.

The data presented in this paper are based on extensive interviews with rural township officials at the front-line of implementing development programs, village heads who are the primary liaison between villagers and township officials, and villagers who are the targets of development. Through repeated visits, prolonged residence and in-depth interviews in these villages, we were able to check and cross-check the accounts of township and village leaders and ascertain the experience and attitudes of villagers. There were no restrictions on our access to the villagers. We were free to meet with them without needing permission, and the villagers could also come freely to visit us. In addition to interviews, the project conducted demographic and socio-economic surveys of all households in the three villages.

¹⁸ This is an NSF-sponsored research project (# 0527500) that is being conducted in collaboration with the Tibet Academy of Social Sciences in Lhasa.

¹⁹ Melvyn C. Goldstein, Ben Jiao (Benjor), Cynthia M. Beall and Phuntsog Tsering, "Fertility and Family Planning in Rural Tibet", *The China Journal*, No. 47 (2002), pp. 19-39; Melvyn C. Goldstein, Ben Jiao (Benjor), Cynthia M. Beall, and Phuntsog Tsering, "Development and Change in Rural Tibet: Problems and Adaptations", *Asian Survey*, Vol. 43, No. 5 (2003), pp. 758-79; Melvyn Goldstein, Geoff Childs and Buijung Wangdui, "'Going for Income' in Village Tibet: A Longitudinal Analysis of Change and Adaptation, 1997-2007", *Asian Survey*, Vol. 48, No. 3 (May/June 2008), pp. 514-34.

Quality of Life Programs

The "Comfortable Housing Project"

The "Comfortable Housing Project" (CHP) is providing direct grants to Tibetan villagers to assist them to construct new, high quality houses that have 'modern' features such as concrete floors and arrays of glass windows. Although the government has provided some houses in the past for very poor rural households as part of its poverty-alleviation programs as well as for its nomad housing programs, the current CHP is distinct in that it calls for direct subsidies to most rural households beginning in 2006, the start of the current Five-Year Plan.²⁰ Government subsidies varied depending on whether new houses were built or old houses renovated and on the economic status of the recipient. Extremely poor households ("poverty-alleviation" households), for example, received about 20,000 yuan (US\$2,667) for a new house, while other "regular" households received only 11,000–12,000 yuan (US\$1,467–US\$1,600) for a new house and around 8,000 yuan (US\$1,067) for a major renovation. These subsidies included cash and materials such as wood pillars and beams.

The CHP program was voluntary, and households had to apply to their village leaders, who, in turn, made recommendations to the township government based on their assessment of whether the household had sufficient labor and income potential to complete the project on time, that is, within roughly one year of commencing construction. In our research area, the CHP program was well received because the desire to renovate and build new houses was already well established. Like villagers all over Tibet, Sogang, Norgyong and Betsag entered the post-commune era in 1980–82 with old and ramshackle housing, so upgrading these was one of their first activities when economic conditions improved. Having a nice home was, and is, considered an important measure of one's standard of living and a visible sign of a family's status and prestige. Consequently, although many people had already rebuilt or renovated their houses in the early decades after decollectivization, there was still a strong desire to upgrade when the CHP began in 2006. More households, in fact, wanted the subsidies than could be accommodated through available funds.

²⁰ New houses are also built in new "poverty-alleviation villages", which are comprised of impoverished households who have been relocated from other villages. One of these, located near our study area, was built by the government roughly a decade ago, and consists of two long rows of concrete houses built in a uniform style beside a road. While we did not study this village, we learned that four households from our poorer study village, Sogang, had moved there around 2001. They were given new houses and furniture and larger irrigated fields (four *mu* per person), at no cost. The government's logic for these villages is that concentrating very poor households in a new village near a road would make it easier to provide oversight, services and technical help to raise the living standard of these chronically dependent households. However, because moving from one's natal village to a new village is not an easy decision, even with the promise of economic improvement, the government allowed people to retain their house and fields in the original village for a year so that they would be able to return if they wished. In the case of Sogang, only two daughters from one family returned. They were given two people's shares from the family's original land. Such poverty-alleviation villages will not be discussed in this paper.

Most new houses are large, two-storey structures. The cost to rebuild an entire house varied in the three study villages. In the richest village, the median cost was 80,000 yuan (US\$10,666); in the middle village it was 60,000 yuan (US\$8,000); and in the poorest, it was 50,000 yuan (US\$6,666). As a result, the outright CHP subsidy represented on average only between 15 and 20 per cent of the cost of totally rebuilding the houses. Participating households therefore had to provide substantial funds and materials themselves in order to complete the job. To assist this, the government made CHP participants eligible for three-year, interest-free loans from the Agricultural Bank of China (ABC). With a letter from their local township government, families in the program could request loans from the bank, which were normally granted if the family had sources of income that would enable repayment. Borrowing from banks, it should be noted, was not a new phenomenon in these villages, as people have been taking loans to buy tractors, trucks, vans and so forth for a number of years. Some already had well-established lines of credit with the ABC. In addition, it was common to borrow money from relatives, since such loans did not normally have repayment deadlines or interest. The villagers in our study area reported taking ABC loans ranging from a few thousand yuan to as much as 50,000 yuan (US\$400 to US\$6,667). The remaining construction costs came from the household's own savings and from the income that household members earned each year.

Consequently, despite the attraction of getting “free money” from the government for something they already desired, participating in the CHP required a large investment in money and labor from households. At the start of the program in 2006, households had to decide whether they could muster the labor and/or additional funds needed to build a house that year or whether they should wait, and prepare for construction by saving money and themselves making the thousands of bricks that were needed, since it was announced that the project would continue throughout the 11th Five-Year Plan (2006–10).

In addition, those opting to build a new house had to decide whether to build it on the site of their old house or give up some of their valuable agricultural land for a new construction site. Decisions also had to be made about the size of the new house and the elaborateness of internal elements and decorations, for example, should the stairs as well as floors be made of concrete. They also had to decide how large a loan they needed to take and from where and, with respect to the ABC, how they would repay the loan in three years. Consequently, decisions about rebuilding and taking loans were a common source of debate within families in our study villages. We generally found that the older generation was more conservative, preferring either not to participate or to borrow less from the bank and just renovate their current house. In contrast, the younger generation preferred to build completely new, higher-quality houses. In part, this is because many in the younger generation were earning non-farm cash income as migrant laborers and felt that they would be able to earn the cash needed to repay the loans.²¹ As a result of

²¹ See Melvyn Goldstein, Geoff Childs and Buijung Wangdui, “‘Going for Income’ in Village Tibet”, for a discussion of the phenomenon of “going for income”.

the younger generation's confidence, the majority of household heads who had built houses and were surveyed in 2009 did not worry about being able to repay their ABC loans. In Betsag, many families had already saved enough in separate bank accounts to repay their loans when they came due. According to local officials, if a household failed to repay the three-year interest-free loan on time, they would be given an extension, but the loan would then begin to accrue interest.

During the CHP's first four years, a total of 145 households received a subsidy to rebuild or renovate their houses (see Table 1). That represented 46.9 per cent of all households. Of these, 132 were regular households and 13 were poverty-alleviation households. The government's direct expenditure for these was about 1.6 million yuan (US\$213,000).

Table 1: Number of Houses Rebuilt or Renovated by Village and Year*

Funding Source	Village	2006–07	2008–09	Total
CHP Regular Households	Sogang	13	20	33
	Norgyong	35	16	51
	Betsag	48	0	48
Poverty-Alleviation Households	Sogang	5	4**	9
	Norgyong	0	1	1
	Betsag	1	2	3
		N	%	
Total from Both Funding Sources, 2006–09	Sogang	42	45.7	
	Norgyong	52	41.9	
	Betsag	51	54.8	
	Total	145	46.9	

* At the end of 2005, these three villages together contained 309 households, with Sogang having 92, Norgyong 124 and Betsag 93.

** In 2008 three households received half (10,000 yuan) of the normal allotment for a poverty-alleviation house construction.

Table 1 reveals that, although participation in CHP across the villages was uneven in 2006–07, by 2009 it had evened out, with only a small percentage difference between the three villages. However, Table 1 also shows that the CHP program in this area has fallen short of the government's original goal of 80 per cent getting housing, and no additional funding was expected in 2010, the final year of the Five-Year Plan. Additionally, the CHP project was less effective for households just above the poverty level, since they were often too poor to afford the household's share of the total costs but too rich to qualify for poverty-alleviation houses. Despite such shortcomings, the CHP in our three villages has clearly been a success, since it has distributed subsidies of well over

1.6 million yuan to almost half of the local households. Not surprisingly, the CHP was widely sought after, and many more villagers still would like to receive such assistance in the future.

Some aspects of the government's plans for putting this program into operation, however, met with strong resistance, because they deviated from traditional norms. For example, while villagers liked the innovation of having concrete floors and stairs, they disliked the government's plan that new houses should be built alongside roads to improve communication and facilitate the implementation of social programs. Villagers saw this rule as impractical and unnecessary, because most households liked where they lived and did not own land next to the road; building there would require exchanging land with another household, a transaction that was not easy to complete. Consequently, in Betsag only a few families who were strongly motivated (for example, those who owned trucks that had a difficult time navigating village roads in winter) rebuilt next to the road. Nevertheless, it cannot be ruled out that local officials in some rural areas may have pressured or coerced villagers to relocate by main roads, but we have not seen this in the areas where we have worked, and consider such situations, if and where they exist, to be the exception rather than the rule.

Housing design was another issue of concern for villagers. The government supplied several blueprints which families were supposed to follow, and initially told villagers to keep their domestic animals in a separate house (barn) rather than on the ground floor of the main house, as was traditionally done. This measure was universally resisted. Building a new house already meant losing farmland, since the new building site usually came from one's own fields; building a separate barn would entail sacrificing even more (not to mention the additional costs of a second building). One villager explained his experience in the following terms:

The government provides a blueprint ... There are three different blueprints that vary according to the number of people in the house. We chose the medium-sized one that calls for five separate windows in the front, but we could only buy three [windows]. And we couldn't find a large enough parcel of land to build the [blueprint sized] house, so we made our house a bit smaller. The requirements stipulate that you must build and paint the house, and make cement floors. The government said, "Build a stone-faced house if possible, but if not, you can also do it in the traditional way [that is, with mud bricks]." We couldn't use stone, but we did put cement over mud bricks and then made a brick pattern [to make it look like it was concrete blocks]. They [government officials] also encouraged us to build a separate barn for animals. They said that animals and people living together create bad health effects, so they should live separately. But we couldn't [build a separate barn]. Nobody has done that yet. There isn't much empty land here. If you build a separate barn then you need an area [equivalent to building] two houses.²²

²² Anonymous, interview. It should be noted that, although we found no coercion with respect to CHP in our area, we cannot discount the possibility that some officials in other areas could have tried to coerce villagers.

In the end, on this and a series of other less important issues such as concrete floors and strict adherence to a one-year construction deadline, the local government yielded to villagers' concerns and preferences by implementing the CHP with flexibility, tweaking programs in culturally acceptable and financially affordable ways. In contrast to the claims of Human Rights Watch mentioned earlier, all these houses were built with traditional walled compounds. In these aspects of rural life, villagers clearly demonstrated a degree of agency and control over their lives.

The CHP, moreover, is not just being implemented in the more visible central farming zone of the TAR. It is also being implemented throughout the TAR, including remote nomadic areas such as those studied by one of the authors in 2009. In that year these nomad areas, which are located about 300 miles west of Lhasa on the Qinghai-Tibetan Plateau at altitudes of 15,200–17,500 feet, received 225 new houses (and roofed corrals) for a little over 50 per cent of the communities' households at a cost of around 5.5 million yuan (US\$733,333) in subsidies. As in the farming villages, these houses were sought after by the nomads and were built in the same localities as their current tents and houses. Moreover, having a house does not mean sedentarization or permanent settlement and the end of the nomadic pastoral way of life. These nomads are simply substituting a house for a tent, and continue to follow the same pasture migration patterns that they have followed since decollectivization in 1980 when there were no houses. For example, they all continue to move with their animals and tents for the traditional autumn migration to new pastures, either locking up their houses or leaving a family member to look after the premises.

Consequently, for both the nomad and farming areas that we are studying, the common assertion, most recently made in a 2009 paper by Robin, that the housing program is reshaping the rural landscape by forcing farming households to build rows of houses alongside roads, resulting in "the total disruption of the social network in the countryside, affecting nearly all Tibetans in the TAR", is simply incorrect.²³

Other Quality of Life Projects

In addition to the CHP, the government has also tried to improve the quality of life for rural Tibetans through a number of social service initiatives. One of the most important of these is its reform of the system of health care insurance.

²³ Françoise Robin, "The 'Socialist New Villages' in the Tibetan Autonomous Region: Reshaping the Rural Landscape and Controlling the Inhabitants", *China Perspectives*, No. 3 (2009), p. 58. It should be noted that a partial cause of such divergent accounts stems from the Chinese government's policy of limiting academic fieldwork in rural Tibet, which forces many scholars to assess the situation in Tibet based on the interpretation of official Chinese press reports and, in some cases, impressionistic observations from brief trips and anecdotal reports that are difficult to verify. It is hoped that in the future the Chinese government will reverse this policy, so that more in-depth fieldwork will be possible.

Concern over health care became a major issue across China when the commune-era system of free health care was replaced by a fee-for-services system, with negative consequences for the health of the poor, including those living in Tibet.²⁴ To address this, in 2004 a health insurance system (*jiating zhanghu jijin* 家庭账户基金) was started in rural Tibet. It required a payment of 10 yuan for each family member per year, which the government matched with a subsidy of 100 yuan per person. A family of 5, therefore, would have had a health account of 550 yuan (50 yuan contributed by the family and 500 yuan by the government), which its members could use for outpatient costs. In 2008, the money available for outpatient care increased significantly when the government's contribution went up by 40 per cent to 140 yuan per person. At the same time, reimbursements for inpatient care also improved. For example, in Panam County, where Sogang and Norgyong are located, from 2005 to 2009 the percentage of reimbursement for inpatient stays in township hospitals/clinics increased from 80 per cent to 95 per cent of the total cost. For in-patient stays in county hospitals, reimbursement increased from 70 per cent of cost to 90 per cent, and in prefecture and higher-level hospitals, including clinics specializing in Tibetan medicine like those in Shigatse and Lhasa, reimbursement increased from 60 per cent to 80 per cent of the patient's total cost.²⁵ Consequently, although there are still many problems with the health care insurance system in rural Tibet, it is not surprising that almost all villagers are enrolled in the government's health insurance plan—100 per cent in Betsag, 97.9 per cent in Norgyong, and 87.2 per cent in Sogang.

The new emphasis on social development has also seen the creation or expansion of subsidy programs for families facing serious hardships. One such program gives needy farmer/nomad mothers or couples over the age of 55 a cash grant of 600 yuan per year if they have only one surviving son or one to two surviving daughters. Similarly, an annual subsidy of 300 yuan is also now being provided to elderly individuals who are 80–89 years old, and 500 yuan to those aged 90 and above. There is also a program to give subsidies to elderly Party members who had been non-salaried members since youth, as well as to Party members who held leadership roles, and to elderly persons who had received a “model” award during their lives. These elderly Party members received between 150 and 350 yuan per year, depending on their service and other factors. In addition, the social welfare program for poor rural people has recently been revamped and standardized so that the poorest households receive direct cash subsidies to bring them up to a minimum level of income (*zui di shenghuo baozhang* 最低生活保障, or “subsidies to bring them up to a minimum level of income”). In the poorest study village, Sogang, 18 of 92 households were officially categorized as such, and are now receiving funds ranging from 12 to 35 yuan per person per month, depending on the household's condition.

²⁴ David Blumenthal and William Hsiao, “Privatization and Its Discontents: the Evolving Chinese Health Care System”, *New England Journal of Medicine*, Vol. 353, No. 11 (2005), pp. 1165-70.

²⁵ Although the basic system is the same and the percentages have increased throughout Tibet, the precise percentage increase varies slightly across counties.

The government has also been making a major effort to improve rural education by making primary school (6 years) and Junior High School (3 years) compulsory, by renovating and building new schools and by providing school children with free school clothing, books and, for those who live far from the school, room and board. Although some farmers and nomads question the utility of the last three years in Junior High School because of the loss to their households of these students' labor, these improvements have been visible all over rural Tibet.

Finally, the government has been building new roads, bridges and community buildings throughout rural Tibet. In the remote nomad areas visited by one of the authors last year, the government spent 2 million yuan (US\$266,667) in 2008 rebuilding a 100-kilometer dirt road that transects the township, together with a series of small bridges across streams that in the past had been difficult to cross by vehicle. More significantly, since 2008, village-level administrative units have been receiving roughly 170,000 yuan (US\$22,667) to rebuild their community meeting halls. In Panam County alone a total of about 19 million yuan (US\$2,561,000) has been allocated for rebuilding the county's 113 villages. As local contractors do most of this work, much of this investment is going directly into the pockets of rural Tibetans.

Raising Per Capita Income

Stimulating Market-Oriented Production

As mentioned above, the social development programs have been complemented by initiatives aimed at directly increasing rural cash income. The current plan includes the ambitious goal of raising Tibetans' net per capita income to the national average of 3,829 yuan (US\$509) by 2010. Since this income in Tibet was 57 per cent lower than the national average in 2005, rural Tibetans would have to sustain annual increases of 13 per cent during the entire 11th Five-Year Plan to reach this goal.²⁶ Part of the plan calls for helping farmers to move beyond subsistence agriculture by fostering, for example, more village enterprises that raise sheep, pigs and chickens for the urban meat market.²⁷ This agenda is not entirely new, because the government has been advising villagers to participate in the market economy since the early 1980s, and it has also sponsored limited programs in some localities. As with the housing program, however, the scale of funding has increased dramatically. Three new strategies have been enacted: 1) increasing agricultural output through technology; 2) stimulating the production of goods for sale in the market; and 3) increasing direct cash subsidies.

One large-scale project of the second type was implemented in Gyatsoshung Township, to which Betsag, the wealthiest of our study villages, belongs. This new program subsidized village households to enter the chicken-fattening business by providing funds for them to build chicken coops/enclosures and by organizing a

²⁶ Zhou Wei and Sun Yong (eds), *Zhongguo Xizang nongcun anju gongcheng baogao 2006* (The Rural Comfortable Housing Project Report 2006) (Beijing: China Tibetan Study Publishing House, March 2008), pp. 5-6.

²⁷ www.gov.cn, "Tibet Innovates to Eradicate Poverty", 16 December 2006, accessed October 2008.

system for them to obtain, raise and sell the chickens. This made economic sense because of this township's close proximity to Shigatse, a growing city that will receive a railway spur from Lhasa in the next few years. This project included five of Gyatsoshung's 23 villages and involved the construction of over 500 chicken coops/enclosures, each of which was to fatten 1,000 chicks per year.

The project was implemented as a collaboration between a private Chinese businessman and the villagers, with the township (and the Shigatse city) government functioning as middleman to ensure that both the businessman and the villagers were treated fairly. The Chinese contractor signed a five-year contract (overlapping with the duration of the Five-Year Plan) during which time he was responsible for importing the baby chicks from Sichuan two or three times a year, distributing them to participating village households, collecting them after they had been fattened for three months, and selling them in Shigatse. He was also responsible for making and selling chicken feed, technical expertise and sterilization services for the villagers' enclosures.

The government facilitated local acceptance of the project by providing free coops/enclosures for all participating villager households, as well as free chickens and partial chicken feed for the first year. Initially, local officials sought to give these coops to poor families but, when not enough expressed interest, the program was opened to all households regardless of wealth. In 2006, the township government recruited 30 of Betsag's 93 households to participate, and in 2007 another 37 Betsag households joined the project, several of whom built more than one enclosure. That brought the total number of chicken enclosures built in Betsag to 111.

Each participating household was given cash and materials worth 8,000 yuan (US\$1,067) to construct the coop/enclosure. In addition, each was given the first year's allotment of roughly 1,000 chicks free, along with one kilogram of feed per chick. The value of the free chicks and feed was 7,900 yuan (US\$1,053), so the government's total subsidy for *each* coop/enclosure was 15,900 yuan (US\$2,120). The total cost of the subsidy for the 111 coop/enclosures in Betsag village, therefore, was 1.8 million yuan (US\$240,000), and Betsag was only one of five villages in this township that were participating in the program. The local government informed us that the overall government subsidy for the chicken program in Gyatsoshung Township was roughly nine million yuan (US\$1.2 million).

This chicken-fattening program was attractive for the villagers, since managing a chicken enclosure required only light physical work (feeding three times a day and cleaning the coops and enclosure), which was mainly done by family members who remained home during the day, mostly women and the elderly. Consequently, looking after the chickens essentially became an extension of domestic activities. Although it added several hours to the workload, fattening these chickens affords those who remain at home a means to generate cash income. For most participating households, this market-production innovation generated profit, roughly 1,500 to 2,000 yuan (US\$200 to \$267) per coop per year.

A similar project was initiated by Panam County, to which Sogang, our poorest study village, belongs. It provided participating households 1,300 yuan (US\$173) to build sheep feed lots in which one or two batches of sheep would be

fattened and then sold to the market. Sogang was deemed appropriate for this project because it is situated in the upper part of a valley, has access to good pastures, and many households there already were raising sheep. In Sogang, 13 households were given the materials to build sheep pens, together with high-quality lentil seeds to grow fodder for the sheep on a portion of their land. This initiative, however, has not been very successful. Although villagers were happy to receive the free materials, they said that they had too few sheep to sell any, and were reluctant to purchase additional sheep to make the program work, since there were too few shepherds available to expand the herd sizes, as many young people leave the village to earn cash income, or were in school.

Another government initiative in Sogang involved greenhouses. In 2007, six households received 160 square meter greenhouses, and in 2008, three more households received this subsidy. The government provided materials for these greenhouses, and the villagers provided mud bricks, stones and labor to build them. Although Sogang is relatively far from the nearest urban markets, just below the village there is a large township boarding primary school which purchases vegetables. While the annual profits from selling vegetables are rather small, locals also benefited by having fresh produce all year round, for their own consumption and to give as gifts to relatives and friends.

Improving Agricultural Productivity and Subsidizing Farmers

Major initiatives have also been implemented in Betsag and Sogang to increase agricultural productivity by repairing and improving irrigation canal systems that had originally been built during the commune era. In 2006, Gyatsoshung Township (Betsag) received a grant of 30,000,000 yuan (US\$4 million) to fix and expand its 18-kilometer-long irrigation canal, in cooperation with the Water Resource Department of the TAR. The project included building several pump stations to carry the water 400 feet higher so that it can irrigate more land in 16 of the township's 23 villages. The township government was in charge of construction, and hired local people, paying daily wages of 40–50 yuan (US\$5.30–\$6.70). The goal was to increase agricultural production by providing a more reliable source of water for local fields. In Mag township, where Sogang is located, a reservoir was being rebuilt in 2008–09 at a cost of 3,500,000 yuan (US\$466,667). The contract for this project was given to a Chinese contractor who was hiring local people to work for him.

Another government program seeks to increase the mechanization of agriculture by subsidizing the purchase of tractors and other machinery. In one village, the government made 30 small tractors available, paying 30 per cent of tractors' cost. A similar initiative was launched in Sogang, where the government is paying for 30 per cent of the cost of 14 threshing machines. In addition, the government increased the annual farm subsidy to around 25 yuan per *mu*²⁸ for land planted with barley or wheat.²⁹ For the three study villages, this annual payment amounted to roughly 100,000 yuan per year (US\$13,300).

²⁸ A *mu* is a unit of land measurement used in China equivalent to 0.067 hectares.

²⁹ A similar subsidy has been proposed for nomads, but has not yet been approved.

The government also subsidizes the cost of fertilizer, allowing villagers to purchase fertilizer at roughly 45 per cent below market price.

Discussion

The people-first development emphasis embedded in Tibet's 11th Five-Year Plan represents an ambitious and expensive effort by the Chinese Central Government to improve the life of rural Tibetans. It is part of an "internal" political strategy aimed at fostering greater loyalty among rural Tibetans, by convincing them that being part of the People's Republic of China is beneficial to their short- and long-term material well-being. The new programs seek to show rural Tibetans that their future in a "Rising China" holds tangible promises of social and economic improvement. However, attempting to change both rural living conditions and increase per capita income rapidly is not easy or straightforward, even when large-scale funding is allocated. The history of development undertakings in the poorer areas of the world is littered with well-intentioned but unsuccessful ventures.

Although we do not know how much of the money announced for allocation to "people-first" activities at the national level has actually reached rural people, our findings indicate that the rhetoric of senior Chinese and Tibetan officials regarding the social development of rural Tibet has been actively pursued. Although the government's CHP target of 80 per cent of rural households getting new houses by 2010 will not be fully met in this area, and presumably also not in Tibet as a whole, it is impressive that 46.9 per cent of all households in these three villages did receive housing subsidies in the first four years of the Five-Year Plan. Progress was also made in areas such as electricity, clean water, health care and education. Not all problems will be solved by 2010, however, so these types of projects will have to be continued and expanded in the next Five-Year Plan.

The attempt to increase per capita income rapidly has experienced mixed results. In addition to the outright cash subsidy of around 25 yuan per *mu* of land to farming households, the government was also trying to increase farm production and create new sources of rural income. The Gyatsoshung chicken program, as we saw, provided start-up expenses to participating households in Betsag, at a cost of 1.8 million yuan (US\$240,000), and produces several hundred thousand chickens annually for meat to Shigatse city, as well as an annual cash income of roughly 1,500–2,000 yuan per coop to farmers. However, it is unclear how such enormously expensive programs can be replicated all over rural Tibet, particularly in more remote villages far from cities and towns. In fact, even within Gyatsoshung, only 5 of its 23 constituent villages were selected for the chicken program. A similar attempt to implement a sheep-fattening program in Sogang was not very successful. It is therefore unlikely that the new cash income being generated will be sufficient to fulfill the government's goal of increasing per capita rural income in the TAR to the national average by 2010.

These initiatives, however, should be seen as complements to a larger, more important economic trend that was already underway before the current Five-Year Plan began, namely the migrant labor that Tibetans refer to as "going for income"

(Tib: *yongbab la droya*). In a previous article, we documented a paradigm shift in the importance of farm income in rural Tibet. In 1997, three-quarters of household income in the fieldwork sites derived from farm products (grain, dairy products and animals), whereas by the end of 2005 three-quarters of income came from *non-farm* sources (wage labor, salaries and so on). Today, the majority of non-farm income is earned through working as laborers, contractors, skilled craftsmen, drivers and so forth, with a huge proportion of adult males migrating within the TAR to earn income for part of the year. In 1997, just 18 and 24 per cent of males aged 20–29 in Sogang and Norgyong earned non-farm wages, but by the end of 2005 these percentages had risen to 69 per cent in Sogang and 64 per cent in Norgyong. Today, the only households in the three study villages with no migrant labor are those comprised of elderly couples, single people or young couples with infants. As Table 2 shows, going for income is generating substantial income in our study villages.

Table 2: Net Income in Yuan and US Dollars from Non-farm Work in 2005³⁰

Village	Per Village	Per Household
Sogang	657,469 (US\$86,509)	7,146 (US\$940)
Norgyong	2,326,318 (US\$306,095)	18,761 (US\$2,469)
Betsag	2,215,633 (US\$291,531)	23,824 (US\$3,135)

Source: Melvyn Goldstein, Geoff Childs and Buijung Wangdui, "‘Going for Income’ in Village Tibet”.

The significance of this transition has not been lost on villagers or their local officials. The head of Gyatsoshung Township commented:

Different levels of governments are pushing and emphasizing that local people should go out to earn income. It is a very important resource for developing our economy. If farmers do not go out for income and only depend on farming, it is impossible to maintain the current economic standard [here]. The government is trying to make it convenient for those people who go out for income.

Consequently, in contrast to the widespread academic, political and human rights criticism that the 9th and 10th Five-Year Plans marginalized rather than benefitted rural Tibetans, our research has shown that there was a significant trickle-down effect that provided rural Tibetans opportunities to earn non-farm cash income by working as migrant laborers. Rural Tibetans clearly were actively competing in the market economy to improve their standard of living.

The current Five-Year Plan has increased such opportunities, not only through its large-scale infrastructure programs but also through the CHP, which has created a housing boom throughout rural Tibet and a huge demand for construction labor which is being filled by Tibetans. A good part of the 3.2 billion yuan being channeled

³⁰ "Net income" refers to the income that individuals actually turned over to their households, so does not include the amount of wages they spent on food, housing and so on, nor does it include agricultural production and sales.

through the CHP, therefore, is going into the pockets of Tibetan workers. In all three study villages, officials and most villagers reported that there were more jobs today than before and that wages were trending upward. Laborers who earned 20–25 yuan per day in 2007 were earning 30–50 yuan per day in 2009, while skilled craftsmen’s wages have risen from 30–40 yuan to 50–70 yuan during the same period.

A second important trend regarding “going for income” is the expanding ability of rural Tibetans to move up the economic ladder. There is increasing evidence that a nascent “entrepreneurial transition” is underway. Rural Tibetans are now consciously trying to improve their earning capacity by moving beyond the bottom of the job hierarchy. They now seek to earn more income by competing as drivers of trucks, minibuses and taxis and by learning skills in masonry, carpentry and traditional painting, all of which pay higher wages than manual labor. In addition, an increasing number are starting household businesses by purchasing tractors, trucks or mini-vans and competing for contracts in distant parts of Tibet.

Table 3: Change in Percentage of households owning vehicles between 1997 and 2006

Village	Year	Car, Minibus or Truck	Small Tractor
Sogang	1997	0.0	10.0
	2006	3.3	55.4
Norgyong	1997	9.1	22.9
	2006	23.6	67.4
Betsag	2006	27.6	86.7

Source: Melvyn Goldstein, Geoff Childs and Buijung Wangdui, “‘Going for Income’ in Village Tibet”.

Table 3 reveals the significant increase in ownership of trucks and tractors in our three study villages, but especially the greater ownership of cars and trucks in the middle and richer villages (Norgyong and Betsag). Operating a truck, it should be noted, was seen by most villagers as the most effective way to improve one’s income and standard of living rapidly.³¹

An example of this nascent entrepreneurial transition is the case of a Betsag villager who convinced the head of a remote nomad county (his relative) to award him a contract to build some of that area’s scheduled 230 new (CHP funded) nomad houses. This villager had no experience as a housing contractor but, as a junior village head with managerial and accounting skills and recent experience in overseeing the construction of his own new house, he assured his relative that he could assemble a team of experienced craftsmen and laborers and get the houses built on time and according to plan. He was ultimately awarded a contract to build 30 of the houses, at a set fee of 27,400 yuan (US\$3,653) per completed house. He ended up renting two

³¹ Melvyn Goldstein, Geoff Childs and Buijung Wangdui, “‘Going for Income’ in Village Tibet”.

trucks to transport building materials to the work site, where he took four masons, five carpenters, 34 laborers, a foreman and two drivers. All 46 members of his crew were Tibetans from his natal village and the surrounding area. The following year he was able to secure a government contract to build a township community building.

Despite the successes, the new initiatives will not pull the per capita rural income of rural Tibetan households up to the national average by 2010. To achieve or exceed this, not only would the size of the investment for people first projects have to be increased substantially, but the nature of the investments would also need to be revised and expanded.

Given the dominant role that income earned from "going for income" plays in the current rural economy, an important deficiency of the 11th Five-Year Plan is the absence of any new rules and policies that would improve the ability of Tibetans to compete more effectively for jobs or contracts with workers and companies coming from inland China. Without a new set of affirmative action laws and programs that give preferences to Tibetans in jobs and contracts while simultaneously expanding vocational training, it is difficult to see how rural Tibet can reach parity with the rest of China in the near future, let alone hope to exceed that level.

In conclusion, it is clear that the Chinese government has launched an expensive new social development program with enormous political implications for the Sino-Tibetan conflict. By making a concerted effort to improve living conditions in rural Tibet, Beijing is trying to demonstrate to rural Tibetans that their best hope for a positive future lies within the People's Republic of China. The current economic strategy in Tibet, therefore, is escalating the role that economic and social development play in the larger Sino-Tibetan political conflict, and will probably continue to do so in the next Five-Year Plan and the expected Fifth Work Forum on Tibet, said to be scheduled for 2010. Nevertheless, despite an overall improvement in the quality of life in rural Tibet, it remains unclear whether this "people-first" orientation will be able to fulfill Beijing's broader political objectives. Our data suggest that the current development initiatives are demonstrating to villagers that the government is interested in improving their living conditions and that the villagers understand that their standard of living is improving as a result of these government programs. However, there are other deep-seated issues that concern Tibetans, such as restrictions on monks and monasteries, language, and the large number of non-Tibetan migrant workers, so it is too early to determine whether this, in and of itself, will be sufficient to increase their allegiance to the PRC without Beijing also actively addressing such grievances. The current decision-makers in Beijing apparently believe that it will be enough, but we suggest that it is too early to say whether this belief is correct or just wishful thinking.