

China's Poverty Reduction Success: Insights for Africa.



China's Poverty Reduction Success: Insights for Africa.



WRITTEN BY:

Dr. Hagan Sibiri
Senior Research Fellow, ACCPA
E: hagansibiri@gmail.com



China's Poverty Reduction Success: Insights for Africa.

In a remarkably short span of just four decades, China has not only emerged as a global economic powerhouse but has also achieved a remarkable feat of lifting a substantial portion of its population out of abject or extreme poverty. The World Bank's report, published in 2022, cogently captures this transformative progress. According to the report, over the past 40 years, nearly 800 million people in China have risen above the threshold of living on less than US\$1.90 per day, accounting for almost three-quarters of the total global poverty reduction since 1980. If measured against China's current poverty standards, approximately 770 million people have been lifted out of poverty in China. Without a doubt, the speed and scale of China's poverty reduction efforts stand as an unprecedented milestone in history.

China's remarkable rise on the global stage has left scholars puzzled, but its exceptional success in combating extreme poverty presents even more intriguing questions. How did China achieve such significant poverty reduction within an unimaginably short period? Moreover, are there valuable lessons from China's success that could benefit the developing world, which has struggled for decades to escape from the poverty trap without any sign of progress?

The China Story

The founding father of the present China, Mao Zedong, was a Marxist who advocated for the advancement of Communism through a distinct Chinese model. However, with Mao's central planning approach relying on revolutionary enthusiasm and mass organization, the Chinese economy faced significant challenges in the early period. After several attempts, Mao's vision of achieving a great transformation under the guidance of socialism remained unrealized upon his death in 1976.

Following Mao's era and under the new leadership of Deng Xiaoping, China recognized the necessity of industrial capitalism as a stepping stone towards achieving modern industrial socialism. This acknowledgement marked a significant step in addressing the country's profound challenges. Under the guidance of Deng, China initiated a market-oriented growth model known as China's Reform and Opening-Up period in the late 1970s. The implementation of gradual but successful reform programs enabled China to achieve rapid economic growth. This upward trajectory has been recognized as unprecedented and one of the world's remarkable development wonders. Today, China is the world's second-largest economy and an influential force in global affairs. As mentioned, it has made significant strides

in alleviating poverty, lifting about 800 million Chinese citizens out of poverty, accounting for about 70% of global poverty reduction efforts.

Today, under the ideology and concept of ‘Socialism with Chinese Characteristics,’ China, under its current president, Xi Jinping, has set ambitious goals for eradicating poverty and achieving a ‘moderately prosperous society’ for all Chinese citizens.

The Two-pronged Approach

According to the World Bank and the Development Research Center of China’s State Council, China’s remarkable success in poverty alleviation can be attributed to a well-executed two-pronged approach, focusing on broad-based economic transformation and effective poverty alleviation strategies. The economic transformation agenda revolves around four key pillars that have contributed to the country’s development:

1. Growing agricultural productivity: China recognized the significance of its agricultural sector and prioritized measures to enhance productivity and efficiency. By investing in modern agricultural techniques, infrastructure, and research, the country increased agricultural output, leading to improved rural livelihoods.
2. Incremental industrialization: China strategically developed its industrial sector, gradually transitioning from a primarily agrarian economy to a more diverse and industrialized one. This shift provided employment opportunities in urban areas and supported economic growth, benefiting many people previously living in poverty.
3. Managed urbanization and rural-urban migration: The Chinese government actively managed the process of urbanization, facilitating the movement of people from rural areas to cities in a controlled manner. This approach ensured that migration did not create urban slums or exacerbate poverty but instead contributed to urban development and poverty reduction.
4. Infrastructure development: A focus on infrastructure development was crucial in facilitating economic growth and poverty reduction. The construction of roads, bridges, schools, and healthcare facilities improved accessibility and provided essential services to previously marginalized regions.

In addition to the economic transformation agenda, China’s success in poverty alleviation can be attributed to well-designed and targeted poverty alleviation strategies. These strategies encompass:

1. Area-based poverty alleviation strategies: The Chinese government recognized that different regions faced unique challenges in tackling poverty. To address this, they adopted area-based approaches, tailoring interventions to suit each locality’s specific needs and circumstances.
2. Social protection policies: China implemented various social protection policies to safeguard vulnerable populations from falling into poverty or to support those already experiencing it. These policies included social welfare programs, healthcare coverage, and assistance for the elderly and disabled.
3. Targeted poverty alleviation strategy: Perhaps the most significant aspect of China’s poverty reduction efforts is the targeted strategy adopted to identify and support

impoverished households. This involved meticulous identification and verification of poor households, enabling the government to provide tailored assistance, such as financial aid, skills training, and access to resources.

Overall, the success of China's poverty alleviation initiatives can be attributed to a combination of effective governance, broad-based economic transformation, and well-designed poverty alleviation strategies. By employing these approaches, the Chinese government has significantly improved the living conditions and prospects of millions of its citizens, making remarkable strides in reducing poverty and setting an inspiring example for other nations striving for similar progress.

Sharing the Experience with Africa

China's commitment to sharing its experience in poverty alleviation with African countries has been evident through various initiatives and policy pronouncements. One notable event was the Global Conference on Poverty Reduction in Shanghai in 2004, jointly organized by the World Bank and the Chinese Government. This conference served as a platform for development stakeholders from around the world to come together and engage in discussions, learning, and exchanging development lessons and experiences. This move highlights China's dedication to learning from others and actively sharing its own experiences with the international community.

In addition to these actions, China has explicitly expressed its commitment to sharing its expertise with African countries in its second Africa Policy White Paper, published in 2015. In this policy document, China made specific promises to strengthen engagement with African nations, with a particular focus on experience sharing in poverty reduction. The policy also outlined China's willingness to collaborate with Africa in expanding cooperation across various relevant areas, including human resources development, education, science and technology, industrialization, and industrial capacity cooperation.

By actively engaging in initiatives like the Global Conference on Poverty Reduction and articulating its commitments in official policy papers, China demonstrates its intent to support Africa's poverty alleviation efforts through knowledge sharing and strategic collaboration. Going forward, this commitment will play a crucial role in fostering a strong and beneficial partnership between China and African countries, enabling them to learn from each other's successes and challenges and collectively address the issue of poverty more effectively.

Final Thought

China's commitment to sharing its experience in poverty alleviation is evident through various initiatives and policy pronouncements. The success story of China serves as an inspiring example for other nations striving to combat poverty. By learning from China's successes and challenges, African countries can meaningfully work towards effective poverty reduction. In doing so, they can shape a brighter future and make significant strides in improving the well-being of all Africans.



Author:

Dr. Hagan Sibiri

Senior Research Fellow

[Africa-China Centre for Policy & Advisory](#)

E: hagansibiri@gmail.com



CONTACT

Building No. 49-01, North Legon,
Accra, Ghana
+233 303 965259
info@africachinacentre.org

www.africachinacentre.org