

“Poverty Reduction in China: The 4 R’s—Roads, Rice, Research, and Reform”

presented by

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From its opening to the world in 1978 through 2020, China has become the most dramatically transformed country on the planet. A critical aspect of that achievement is the elimination of individuals below the lowest level of poverty.

When I first visited China In 1979, the poverty level in the country was approximately 70 %, about the same as the continent of Africa. Following a meeting with Paramount Leader Deng Xiaoping during which he discussed the importance of China's opening to the world and the establishment of diplomatic relations with the U.S., I traveled throughout the country including to Shanghai and Guangdong to see the situation firsthand.

Approximately 750 million Chinese citizens were mired in poverty, and there were no signs of modernization, except for a coffee shop in a hotel in Guangzhou, which was a harbinger of what was to come.

The eradication of absolute poverty in 2020, just forty two years later, is a truly extraordinary achievement. From my multiple visits to China during these past four decades, I have observed first hand the path that China followed to attain this goal and to modernize the country. The key elements of this process can be summarized as "**The 4 Rs**" - - Roads, Rice, Research and Reform.

The most essential lead element in China's poverty alleviation was the construction / improvement of farm-to-market *roads* that were re-built everywhere. Upgraded, all weather roads were the means by which new agricultural technologies, enhanced nutrition and expanded educational opportunities all became available throughout the country.

As I first learned during my experience as a rural development advisor in the Mekong Delta in the 1960s, and as I noted in my World Food Day address to the United Nations in New York in 2013, "where the road ends, poverty, hunger and malnutrition all begin."

A comparison of 1980 Chinese highway maps with those of 2020 would demonstrate the clear linkage between the improvement and upgrading of rural roads and the reduction of poverty throughout the country. Enhanced rural infrastructure is "The Road Out of Poverty," which was the theme of the 2017 World Food Prize Borlaug Dialogue International Symposium that I organized.

Turning to the second "**R**" the breakthrough achievement that dramatically *increased rice production and food availability* in China was provided by Professor Yuan Longping, the "Father of Hybrid Rice." His discovery of hybrid rice growing in Sanya in the 1970s led to his developing an array of high yielding seeds that were distributed across the country, increasing crop size and creating surpluses that made more food available to urban areas. It also increased individual farm profits that raised the standard of living for farm families.

Prof. Yuan's discovery was comparable to scientific advances led by Dr. Norman Borlaug, the Father of the Green Revolution. Reflecting that accomplishment, Professor Yuan received the 2004 World Food Prize Laureate in a ceremony over which I presided in Des Moines in 2004.

In 2019, Professor Yuan was one of only two persons to be presented the Medal of the Republic by President Xi Jinping in recognition of his historic contribution to ending poverty and hunger in China. I refer to Prof. Yuan as the greatest plant scientist now alive on our planet. I am privileged to serve as Vice Chair of Professor Yuan's International Rice Development Forum.

It is clear that scientific *research* - - the third "**R**" - - was a critical element of China's rapid development in many areas (e.g. space exploration), and an essential concomitant in China's surge to reduce food insecurity. Such institutions as the Chinese Academy of Agricultural Science, China Agricultural University, Peking University and the China National Hybrid Rice Research Center in Changsha have been at the forefront of systematic agricultural research. I was pleased to have student exchange programs with all of those institutions over two decades, as well as with the Shijiahuang Foreign Language School in Hebei Province.

In 2017, I was co-host of a Think-Tank Symposium in Des Moines with Dr. Wang Lei of the Chinese Academy of Social Sciences (CASS). In 2004, the World Food Prize Foundation co-hosted a conference in Beijing with the Chinese Academy of Agricultural Sciences (the other CAAS). Dr. Norman Borlaug and I both participated in that latter event.

The fourth element in China's remarkable progress in eliminating poverty - - **the 4th R** - - was the *policy reform* in terms of the free market approaches that were initiated by Governor Xi Zhongxun of Guangdong Province in the Shenzhen Special Zone. When I visited Guangzhou in 1979, Shenzhen was a small fishing village. When I returned in 2019, the transformation that had occurred due to that free market approach was beyond anything anyone might have imagined possible. The proliferation of modern, tall buildings in Shenzhen was as stunning as the changes I saw on Pudong across the Shanghai harbor, which I first observed as a vast empty space when I stood on the Bund in 1979. The dramatic array of architecturally spectacular towers on Pudong represent the modernization and transformation of the entire country.

Governor Xi in his role as a close advisor to and collaborator with Paramount Leader Deng Xiaoping had carried out the first experiment in introducing free market principles - - Socialism with Chinese Characteristics - - in industrial and manufacturing entities in Shenzhen. The success of that initial experiences was like the first explosion of the Big Bang Theory-- which led to the spread of modernization and economic progress throughout China, accompanied with towering skyscrapers and freeways clogged with cars and trucks.

One of the most critical issues facing the Chinese Communist Party in 1980, however, was whether this free market policy **reform**- - "Socialism with Chinese characteristics" - - could be applied to Chinese agriculture. The debate was about whether the socialist culture that had been imbued into agricultural communes would be lost if they were divided up into individual family farms.

In October of that year, Governor Xi Zhongxun led a delegation of Chinese governors to the United States. Their visit was part of the U.S. and China establishing diplomatic relations. The governors' itinerary included a stop in Iowa, during which I personally escorted Governor Xi around the state. Our travel included a stop at the Amana Colonies, which had been originally organized in the 19th century by German immigrants as a total communist society, but which had

successfully reformed its structure in the 1930s. The commune in Amana had been divided up into family farms, but as was evident during our visit 50 years later, their social and political culture had been retained.

This successful transformation fascinated Governor Xi who asked question after question about the Amana experience. Whether this exposure may have influenced Governor Xi is uncertain. However, I note that upon his return to China, in conjunction with Deng Xiaoping, he helped lead the reform of Chinese agriculture with dramatic results. In 1993, the Chinese Minister of Agriculture was presented the World Food Prize based on the significantly increased agricultural production brought about by those reformed agricultural policies, just 13 years earlier. I like to think that perhaps our stop at the Amana colonies in 1980 played a small but not insignificant role in China's significant policy reform.

It would be important to add another **fifth R** - - for focused **rural development areas**- - reflecting an element of poverty elimination that was added recently under President Xi Jinping's personal leadership. As President Xi noted in the letter dated December 14, 2020 that he sent to this Forum, the Chinese government launched a final push in 2012 to uplift the remaining 100 million Chinese citizens still mired below the poverty level.

The centerpiece of that effort was a focus on *identifying specific Rural development areas* in which large numbers of people were still below the poverty level, and then targeting them with an array of government programs specifically designed to impact those regions. The briefings I have received on this effort have been impressive, and it seems clear that instituting these rural development areas produced the desired results even in the most intractable remote rural villages.

The US Heartland China Association (UNHCA) recently sponsored a virtual program that detailed the very successful government poverty elimination program carried out in Yunnan Province, under President Xi's new campaign. Interestingly, it began with upgrading the old dirt road that runs through the province.

Other factors I have observed during my multiple trips to China over the past 40 years which have contributed to China's rapid rise out of poverty, include: widespread increased education opportunities; the sweeping integration of women into the work force; and the creation of a well trained administrative, civil service structure that successfully implements programs throughout the country.

In 2019, when I visited Shenzhen, I had the opportunity to visit the Shenzhen Museum which tracks and highlights the transformation of that small fishing village. There is one large photo on display that depicts Governor Xi Zhongxun, dressed in very traditional garb, speaking with local fishermen in the late 1970s about the plans he has.

Standing off to the side is a tall young man about 25 years old observing the conversation. That young man was Xi Jinping, Governor Xi's son and the future president of China.

To me that photo represents, more than any other, the historic 40 year long process that would transform China. The beginning that was initiated in Shenzhen by the father, Governor Xi, was brought to its successful conclusion by the son, President Xi Jinping in 2020. As a result of this four decade long endeavor, 750 million people were lifted out of poverty.

Going forward, the challenge for China will be how to maintain domestic growth while dealing with an array of significant international issues, including: animal, crop and human pandemic diseases; climate volatility; water insecurity; and maintaining a peaceful regional and international environment in order to facilitate a stable global trading system.

Given the enormous global need to fulfill the U.N. Sustainable Development Goals by 2030, and to feed the 9 to 10 billion people who will be on our planet by 2049, when President Xi noted that China will observe the 100th anniversary of the Communist Party holding state power, efforts to improve the U.S.- China bilateral relationship would seem to be as overriding objective. To achieve this end, the best approach may be found not in Washington or Beijing but rather in the Heartland of America.

In February of 2012, I hosted the U.S. -China High Level Agricultural Symposium at the World Food Prize Hall of Laureates in Des Moines, Iowa. There Vice President Xi Jinping, who was on a sentimental return trip to Iowa, delivered the keynote address. When I escorted President Xi into our building, I told him how three decades earlier, I had the privilege of taking his father around Iowa. This elicited a broad smile from the President, as did the report that \$3.5 billion dollars in soybean export contracts had earlier been signed in this same building. Later that day, US Secretary of Agriculture Tom Vilsack and Chinese Agriculture Minister Han Changfu signed a Strategic Cooperation in Agriculture Agreement at the Hall of Laureates. Feb. 16, 2012 represented a high point in Sino-American relations.

Over the last several years, the U.S. - China bilateral governmental relations have deteriorated. With the outcome of the US presidential election and the announcement by President-elect Biden of the nomination of Tom Vilsack to return as Secretary of Agriculture, there may be an opportunity to re-capture that spirit of 2012 and thereby improve the overall China - U.S. relationship. This could be done through further agricultural cooperation in middle America, known as the Heartland.

In 2021, in my new role as an advisor to the US Heartland China Association (USHCA), I would be anxious to work closely with CASS as well as CAAS and other Chinese organizations, to facilitate some exchanges to begin a process to build back to that spirit that prevailed in 2012 and which was built on the legacies of Governor Xi Zhongxun and President Xi Jinping's visits to Iowa and the American Heartland and the significant trade and cooperation to which they led.