A Comparative Study of Poverty Alleviation in China and Thailand

Prof. Dr. Tang Zhimin & Sorawan Poungsang China ASEAN Studies, PIM (CASPIM)

Paper presented in the 9th Thai Chinese Strategic Seminar December 8-9, Nakhon Nayok, Thailand



CASPIM: Think-Tank On China ASEAN Since 2012

External Grant: Project & Client

Processed Food & Tourism Market in Yunnan China (ITD)

Competition Strategy for Thai Jasmin Rice Export to China (MC

Chinese Trade & Investment in GMS (ITD)

Railway Connectivity of Thailand to China (CE)

Banking Industry in ASEAN (BOC)

Banking Industry in Thailand (BOC)

Negotiation Strategy of Thailand for TPP (MOC)

Policy & Strategy of Thailand for Industrial Development (Cl

Port Development in Thailand (GSPA)

Cooperation in Science & Technology between Thailand & China

Resource Database for Linking Thailand 4.0 & Made in China 2025

Chinese Investors for Eastern Economic Corridor (EEC)

Demand Driven Strategy for Export of Thai Fruits to China (MC

A Study on Top IT Companies in China (JTG)

Industrial Cooperation between Thailand & China (MOI)

Competition Strategy for Thai Brown/Colored Rice Export to China

DTN Business Plan Award 2019: FTA for SME (MOC)

Win Win in ASEAN Winter Camp

Win Win in ASEAN Summer Camp

China ASEAN Scholars (CE)

Insight of China (Thai Journalist Association))

DAC)
E)
MOST)
(MOST)
DAC)
(MOAC)



Journal of ASEANPLUS⁺ **Studies**

Volume 1 No. 1 January - June 2020

ISSN 2730-1311 (Online)



CASPIM: Field Survey Footprint & Media Exposure

	-	a Ar Andrew	11
Red Fride Tomana		12 Countries	25
With the Proves	1	Cambodia	the second
	2	China	11
M MR AMBAN	3	Japan	1
中#	4	Korea	
Carde Jone H & M. M. M.	5	Laos	
	6	Malaysia	
	7	Mexico	
	8	Myanmar	
	9	Singapore	
	10	Thailand	
A BAR AND	11	USA	马克萨斯群岛
- 1 Stan No 14	12	Vietnam	±



	29/31 Mainlan	d Pr	ovincial Units
1	Anhui	16	Jiangsu
2	Beijing	17	Jiangxi
3	Chongqing	18	Jilin
4	Fujian	19	Liaoning
5	Gansu	20	Ningxia
6	Guangdong	21	Qinghai
7	Guangxi	22	Shaanxi
8	Guizhou	23	Shandong
9	Hainan	24	Shanghai
10	Hebei	25	Shanxi
11	Henan	26	Sichuan
12	Heilongjiang	27	Tianjin
13	Hubei	28	Yunnan
14	Hunan	29	Zhejiang
15	Inner Mongolia		



13

14

15

16

17

18

19

20

21

泰国政学界人士认为中国脱贫经验值得学习

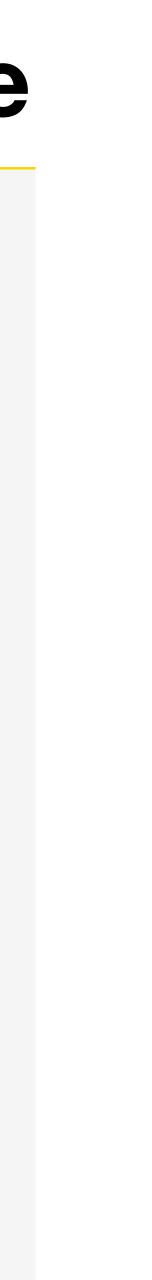


新华社曼谷12月4日电(记者明大军 陈家宝)泰国政学界人士日前接受新华社记者采访时表示,中国创造了人类减贫史上的奇迹,精准扶贫、电商扶贫等中国经验对包括泰国在内的希望消除贫困的国家具有借鉴意义。

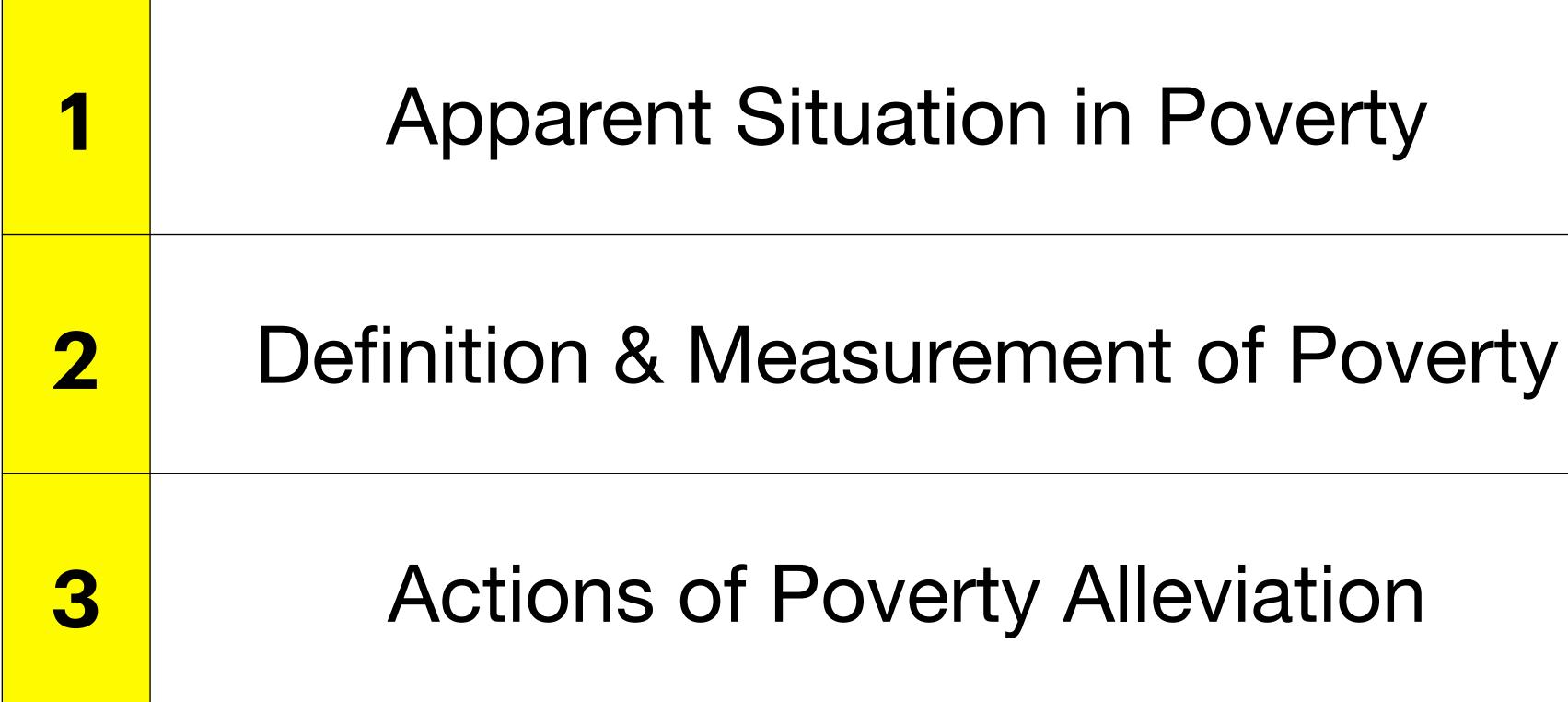
泰国正大管理学院中国-东盟研究中心主任汤之敏对记者说,中 国脱贫成绩令人瞩目,提升了全世界消除贫困的信心。中国832 个贫困县全部脱贫,这一成绩彰显了中国政府以人为本的执政理 念和振兴经济的饱满信心。

他认为,中国脱贫实践中最引人关注的是其精准扶贫的制度和举 措。近年来,泰国经济疲软对脱贫工作带来不利影响。受疫情影 响,今年泰国贫困状况可能进一步恶化。借鉴中国脱贫经验对泰 国有重要意义。

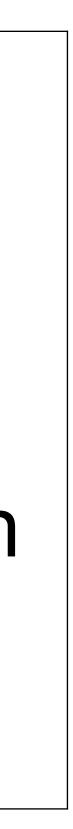
泰国前总理阿南在接受记者采访时说,对任何国家来说,消除贫 困都是一件极具挑战的事。中国脱贫成就举世瞩目,令人钦佩。 中国在消除贫困方面为其他国家树立了很好的榜样,值得其他国 家效仿和学习。(完)



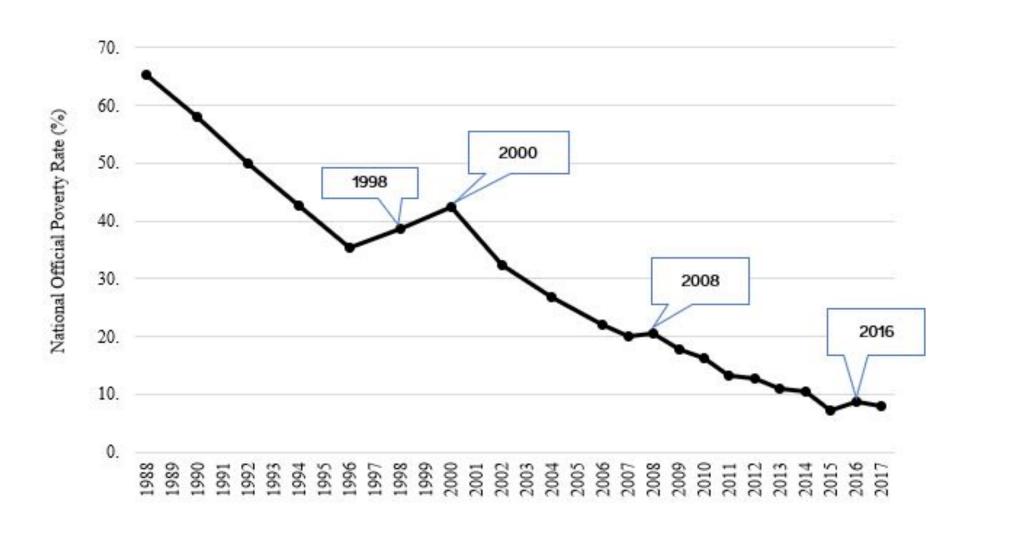
Agenda: A Comparative Study of China and Thailand



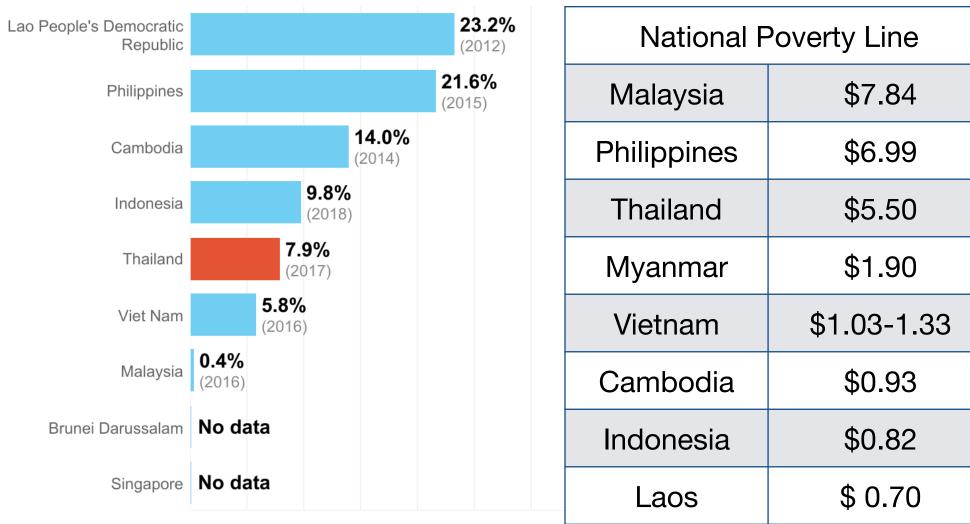
n in Poverty nent of Poverty / Alleviation



1. Apparent Situation: Thailand

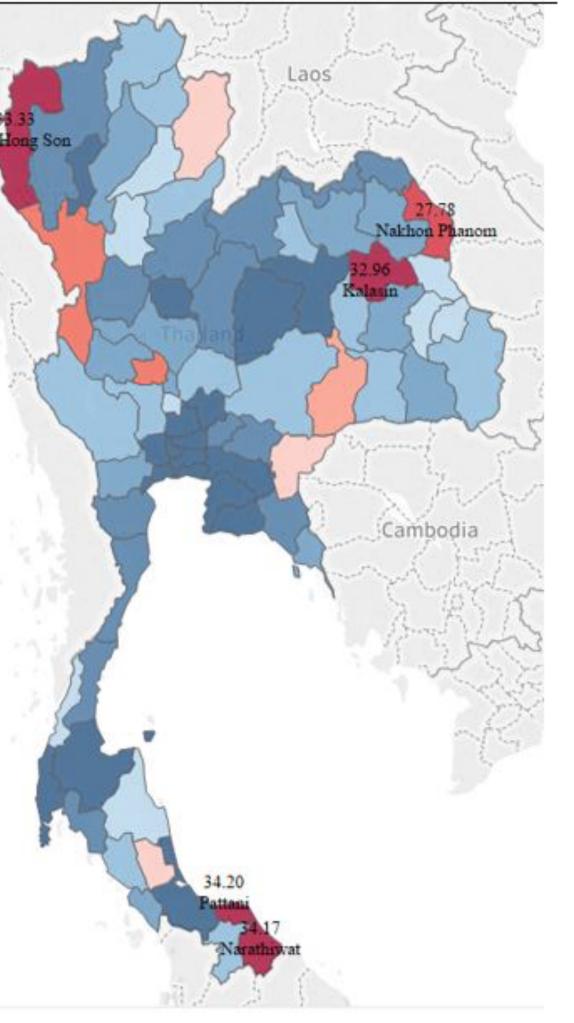


Source: NESDC



Poverty Rate (2017) 0.00

Source: Asian Development Bank. Basic Statistics 2019





Poverty ratio fell from 67% (1988) to 7.2% (2015)

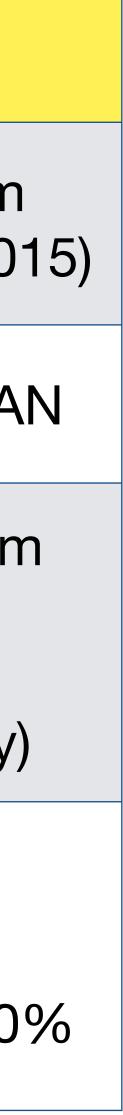
Success story in ASEAN

Poverty ratio rose from 7.2% (2015) to 9.85% (2018) (6.7 million in poverty)

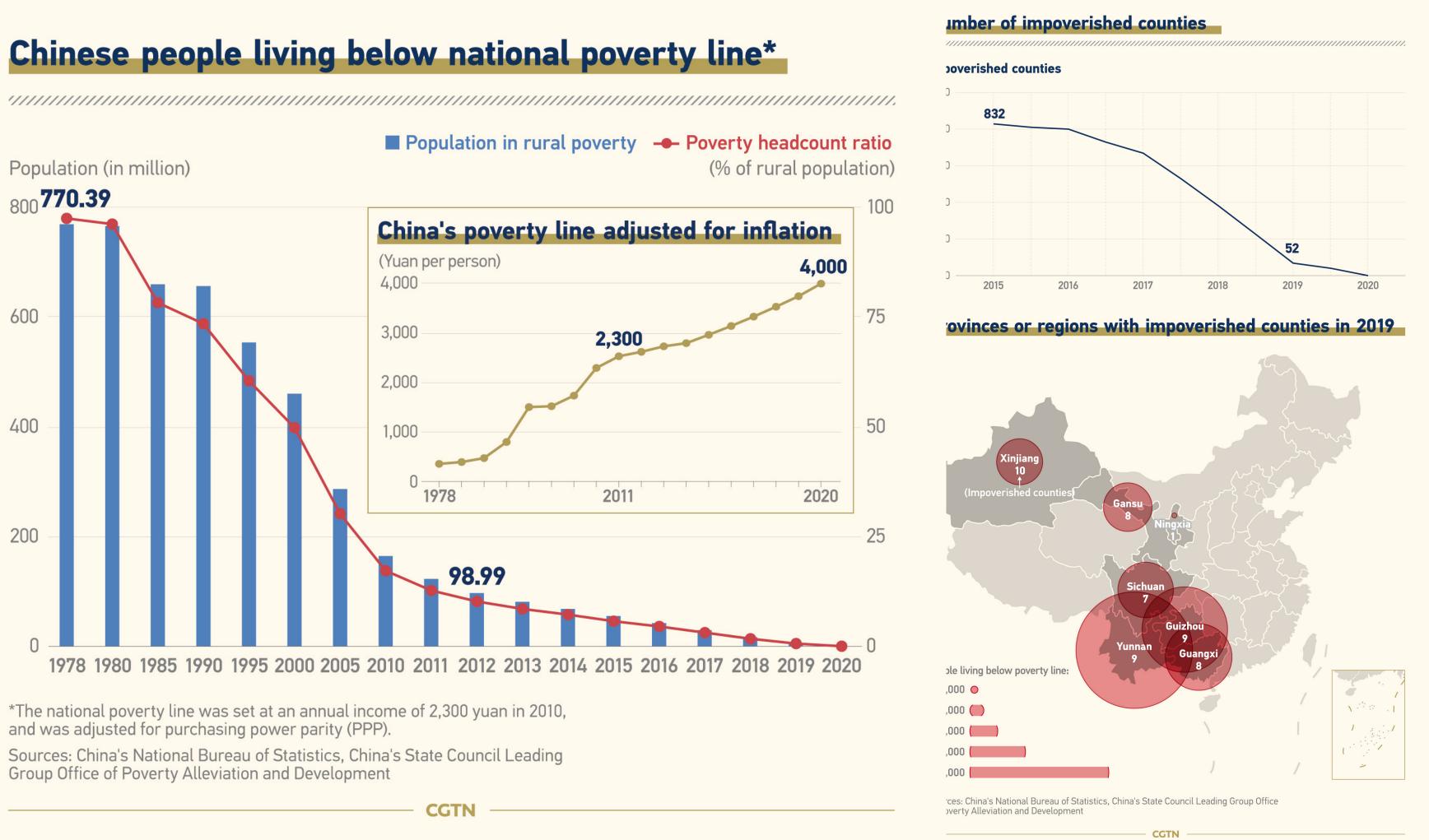
Regional Disparity Bangkok 0.3% Poorest provinces > 30%

Source: NESDC

34.20



1. Apparent Situation: China



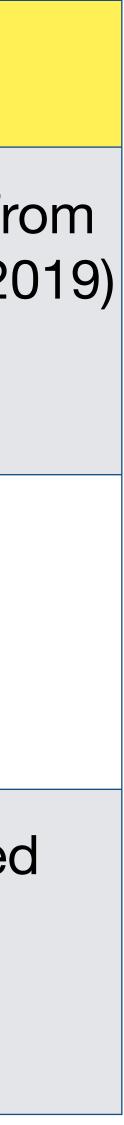
Source: CGTN

Observation

Rural poverty ratio fell from 97.5% (1978) to 0.6% (2019) (770 mil to 5.5 mil) Targeted 0 by 2020

> State Impoverished Counties fell from 832 (2015) to 52 in (2019)

All State Impoverished Counties lifted from poverty by Nov 23, 2020



1. Apparent Situation: Lessons

1	Both Thailand and China experie on the backgrounds of high ecor
2	Both countries have the issue region in Thailand, and "In
3	Dependence on export and fore vulnerable, which may explain the
4	The comparison of poverty allevi to go beyond the apparent situation poverty and mec

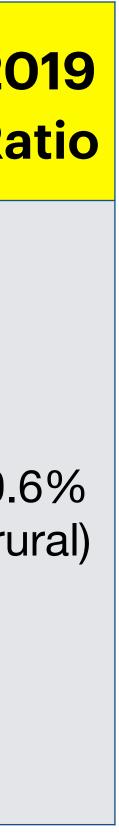
- enced a success period of poverty alleviation nomic growth and government led programs
- onal disparity. Especially Bangkok vs rural areas mpoverished Counties" in China
- reign investment makes Thai economy more error recent increase of poverty ratio in the country
- viation between Thailand and China may need ion reviewed and compare the measurement of chanism of poverty alleviation



2. Definition & Measurement of Poverty

Thailand	Standard	2018 mil	2018 Ratio	China	Standard (rural)	2019 mil	2019 Ratio	
National Poverty Line	B2710/month/person (2018)	6.7	9.9		¥4000/year/person (2020) <i>¥2300 2010 price</i>			
Inter Poverty Line	US\$1.90 (2011 PPP) /day/ person	0.016	0.0	National	B1533/month/person* US\$ 2.59 (2020 PPP)/day/	5.51	0.6%	
Lower Middle Income Poverty Line	US\$3.20 (2011 PPP) /day/ person	0.375	0.5	Line	Poverty Line	Food & Clothing Basic Medical Care Compulsory 9yr Education	(rural)	(rural)
Upper Middle Income Poverty Line	US\$5.50 (2011 PPP) /day/ person	5.99	8.6	*¥1=B4.6,	Safe Housing/Water 34.6, **2020PPP:\$1=¥4.24			
•	per Middle Income country: (020): 'Poverty & Equity Brief'	•			Daily (2019), Press Release on Poverty Redu tional People's Congress, <u>Economic Daily N</u>		ond Session o	

Source: World Bank (2020): 'Poverty & Equity Brief', World Bank, Bangkok

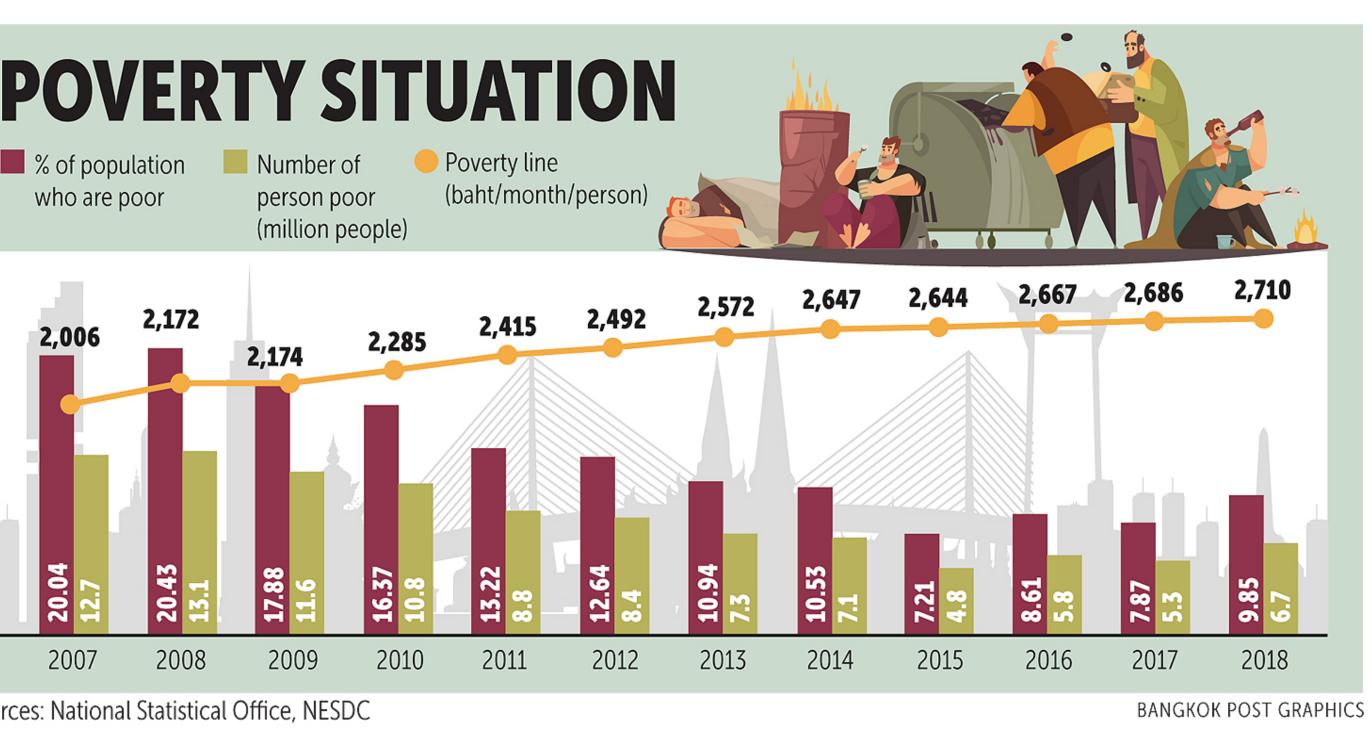


2. Definition & Measurement: Thailand

Thailand	Standard	2018 mil	2018 Ratio	
National Poverty Line	B2710/month/ person (2018)	6.7	9.9	
Inter Poverty Line	US\$1.90 (2011 PPP) /day/ person	0.016	0.0	
Lower Middle Income Poverty Line	US\$3.20 (2011 PPP) /day/ person	0.375	0.5	
Upper Middle Income Poverty Line	US\$5.50 (2011 PPP) /day/ person	5.99	8.6	Sour

World Bank 2020: Upper Middle Income country: GNI pc \$4,046 - \$12,535

Source: World Bank (2020): 'Poverty & Equity Brief', World Bank, Bangkok



2. Definition & Measurement: China

Impoverished Household

¥4000/year/person (2020)

Food & Clothing

Basic Medical Care (village clinic, Basic Medical Insurance, Critical Illness Insurance Medical Support) <u>Compulsory 9yr Education</u> <u>Safe Housing/Water</u>

Economic Daily (2019), Press Release on Poverty Reduction: Second Session of the 13th National People's Congress, <u>Economic Daily</u> Mar 8,2019

CPC Central Committee & State Council (2016), <u>关于建立贫</u> <u>困退出机制的意见</u> (Guidance on Exit Mechanism of Poverty)

Impoverished Village

Impoverished People Normally 2% Western region 3%

Disposable Income p.c. in Impoverished Rural Region 2019

Category

Wage

Net Business I

Net Asset Inc

Net Transfer In

Total

National Bureau of Statistics 2020

Impoverished County

Impoverished People Normally 2% Western region 3%

У	Income ¥	Growth %	Contribution to Growth %
	4,082	12.5	38
Income	4,163	7.1	23
come	159	16.5	1.9
ncome	3,163	16.3	37.1
	11,567	11.5	100





2. Definition & Measurement: Lessons

1	The national poverty line in Thailand is B2710/mc (2020) which is equir Therefore the national poverty line of Thailand is a why poverty ratio in Thailand (9.9% 20
2	Beside data of national poverty line, there is also up line for lower middle income, upper middle income are upper middle income countries (GNI pc \$4,0 Thailand to adopt a national poverty line close to (2011 PPP) /day/ pers
3	It might be the right time for China to do so in the n equivalent to US\$ 2.59 (2020 PPP)/day/person, is US\$3.20 (20
4	It is worth noting that the national poverty line in Medical Care, Compulsory Education and S multidimensional measurement of poverty. Thail "impoverished counties" as a

onth/person (2018), while that of China is ¥4000/year/person ivalent to B1533/month/person. about 75% higher than that of China, which partially explains 018) is much higher than that of China (0.6% 2019)

updated data on international poverty line, international poverty ne countries in Thailand. In fact, since both Thailand and China 046 - \$12,535), it is more appropriate for China to learn from o the poverty line of Upper Middle Income countries: US\$5.50 son, or around ¥8500/year/person

next step of poverty alleviation. Its current national poverty line, is even lower than that of the Lower Middle Income countries 2011 PPP) /day/ person.

n China also has the requirement of Food & Clothing, Basic Safe Housing/Water, which is a practical way to initiate a iland may also learn from the China's campaign to eliminate way to address severe regional inequality



3. Actions of Poverty Alleviation: Mechanism of China

Trinity Structure 三位一体格局

Organization

State Council Leading Group of Poverty Alleviation & Development (CPAD)

Coordinating ministries of Agriculture, Education, Public Health, Transportation, Water Resources Housing and Urban-Rural Development, Energy, Finance & Commerce

Provincial Units Responsible **Counties Implementation** Officials stationed in village

Focus on Pred 六个精准

扶贫对象 Tar

项目安排 Pro

资金使用 Fu

措施到户 Meas Household

因村派人 Offici village

> 脱贫成效 Performance

Multiparty Involvement & Complementary Roles of Government, Business & Society

cision È	Who needs help 扶持谁	Screening villages and households Poverty case registration Follow-up examinations
arget	Who	206,000 CPC village secretaries
oject	implements 谁来扶	700,000 village-stationed officials 1,974,000 town-level officials
und	How to do	<u>Five Measures</u> : Business Development, Relocation
sure for Id	怎么扶	Ecology Restoration, Education, Social Security
cials to	How to graduate	Timetable & grace period, Strict evaluation criteria,
文 文	如何退	Graduate on household basis
nce		

Source: Xi Jin Ping 2019



S	
5	
ר	
۰,	

3. Actions of Poverty Alleviation: Mechanism of China

	Five Measures 五个一批
发展生产 Business Development	Local products with leading Micro finance e-commerce & targeted proc
易地搬迁 Relocation	9.6 million relocated New commuinity & emplo
生态补偿 Ecology Restoration	Solar energy, Employment wit environment protection, Eco
发展教育 Education	Training, Technology trar
社会保障 Social Security	Subsidy for people with incor Minimum Income of Subsi

ng firms,

curement

oyment.

ith jobs for o-tourism

Insfer

me below istence

Key measures for alleviating poverty

Relocation

Nearly 10 million people registered as living in poverty were relocated from inhospitable areas, and more than 90% of relocated households with labor had at least one family member employed.

Promoting employment

More than **90%** of registered poor received support for employment or technical training.

More than **two-thirds** were lifted out of poverty by migrant working and developing industries.

As of September, 29 million poor went out as migrant workers, accounting for 107.52% of the total of last year.

Broaden sales channels through the Internet

22 provinces in central and western China identified 116,000 poverty alleviation products, with sales reaching 171.5 billion yuan.

Healthcare

At least one public hospital in each of the 832 poverty-stricken counties, and each township and village has one health center and clinic equipped with qualified doctors.

More than 19 million poor patients received treatment; nearly 10 million households who were impoverished by illness have been lifted out of poverty.

Social security

Registered poor have been provided with social security.

Monitoring and assistance mechanisms have been



 \otimes

8 8









3. Actions of Poverty Alleviation: Timeline of China

Year	Event
1949- 1978	Founding of PRC to Period before Reform
1984	《关于尽快改变贫困地区面貌的通知》 Note on Change the Situation of Impoverished Regions
1994	《八七扶贫攻坚计划》 Eight Seven Poverty Alleviation Plan
2000	《中国农村扶贫开发纲要(2001—2010 年)》 Outline of Rural Poverty Alleviation & Development 2001-2010
2010	《中国农村扶贫开发纲要(2011—2020 年)》 Outline of Rural Poverty Alleviation & Development 2011-2020
2012	18th National Congress of the Communist Party of China
2014	《扶贫开发建档立卡工作方案》 Archival Work Program for Poverty Alleviation & Development
2018	《关于打赢脱贫攻坚战三年行动的指导意见》 Guideline for 3 Year Tough Battle of Poverty Eradication

Highlight

Land reform, Infrastructure of irrigation, Basic need, Reduction of inequality

First national policy document for poverty alleviation Office of CPAD of State Council set up in 1986

Solve the food and clothing problems for 80 million people in 7 years

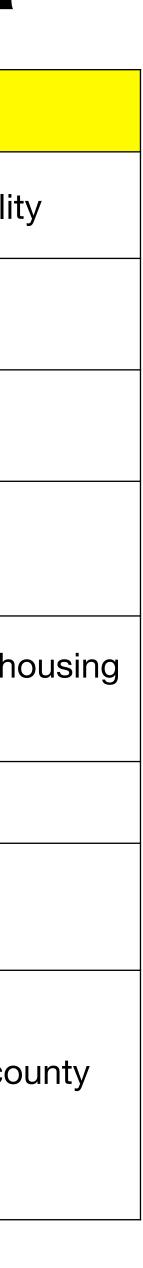
Poverty eradication through development

Target of poverty eradication of 2020: Food & clothing medicinfg education & housing Complementary roles of government, business & society (三位一体)

Xi Jinping became General Secretary of CPC

A national poverty registration system

Target of poverty eradication of 2020: 0 impoverished rural population and county "Six Focus of Precision" (六个精准) & "Five Measures" (五个一批)



3. Actions of Poverty Alleviation: Mechanism of Thailand

Trinity Structure	Multiparty I Royal Fai
	noyarra

Royal Program	Ministry	Key Program	Bu	siness
	Education	Compulsory education (grade 9) One district one Scholarship	Poverty Alleviation following 17 SDG :	
Land development	Public Health	Universal health care scheme gold-card		
Water development	Finance	National Welfare Card	Food	CPF, Mitr Pho
	Labour	Minimum wage, Training, Labor safety	Agriculture	Thai Union
Agriculture	Interior	Land distribution, Community developmen, OTOP, Social assistance	Energy	Bangchak, PT Thai Oil, IRPO
Social Welfare (3 fondations) Public Health	Commerce	Rice price guarantee		
	Agriculture & Cooperatives	Comnunity cooperative	Retail	CP All
	Social Dev & Human Security	Social insurance	Telecom	TRUE

Involvement & Complementary Roles of amily, Government, Business & Society



Supporting United Nations Sustainable **Development Goals**

PEOPLE : PROMOTING PEOPLE'S QUALITY OF LIFE ------



129,829 persons

Farmers in developing countries received support with jobs and improved their quality of life

22,389 persons

Vulnerable group, including disabled persons, the elderly, and disadvantaged children received job and livelihood support.



4,608,990 persons

Children, youth, and adults gaining access to education and necessary capability building

38,135 scholarships

Number of CP. Group's scholarships accumulated for children of employees



525,195 persons



15 countries

Number of developing countries in which the Group supports horticulture and food production All operations meet international standards are of good quality, are safe, and improve Hygiene for consumers



50% : 50%

Proportion of male employees vs female employees

12.06 : 14.91

Average time of training for male employees and female employees



PROSPERITY : FOSTERING GROWTH

8 DECENT WORK AND ECONOMIC GROWTH

11

339,431

C.P. Group's total employees. The Group aims to conduct its human rights due diligence (HRDD) according to UN Guiding Principles on Business and Human Rights



706,100

Number of SMEs receiving support for digitalization and e-commerce business

7.078 million THB

R&D expenditure

7 ATTORDABLE AND GLEAN ENERGY <u>کې</u>

5.27 million GJ

0.17 million GJ

10 REDUCED INEQUALITIES 2,864 $\left(\pm \right)$

_

 $\overline{}$

Number of disabled people employed

29.5 million

Number of customers using the financial services True Money in 6 developing countries in Southeast Asia



SUSTAINABLE CITIES True's telecommunication AND COMMUNITES Exception Internet







82.45%

reusable, recyclable, and degradable

62.32%



813,620 tons of CO,e

Amount of greenhouse gas emissions reduced

198

Number of combined products and services certified for a carbon footprint label

6 CLEAN WATER AND SANITATION ۵

Proportion of reused or recycled water

54.59%

13.07%

Amount of water consumption reduced pe revenue unit compared



14 Number of coastal provinces with marine conservation projects for sustainable development



15,347 Rai Forest areas conserved

11,268 Rai Agricultural areas where

water sources and flora have been developed



1 PEACE, JUSTICE

INSTITUTIONS

D AND STRONG

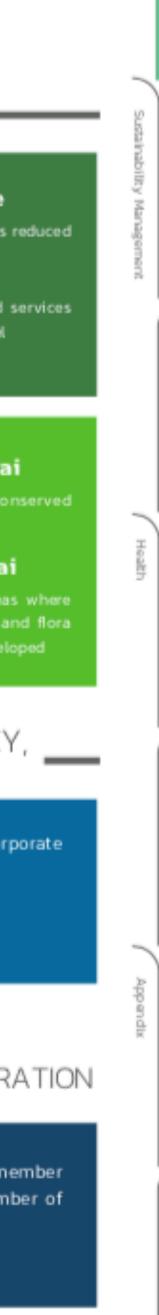
CP. Group's Corporate Governance principle acts as a guiding compass to the Board in corporate. governance, stakeholder engagement, risk management, and organizational culture



PARTNERSHIP : ELEVATING PARTNERSHIPS FOR COLLABORATION

17 PARTNERSHIPS FOR THE GOALS *

Founded Thailand's Global Compact Network Thailand. The Group has also become a LEAD member of United Nations Global Compact; a member of World Economic Forum (WEF); and a member of the World Business Council for Sustainable Development (WBCSD)



3. Actions of Poverty Alleviation: Impact of Covid-19

World

Source: World Bank 2020 Poverty and Shared Prosperity Report 2020							
Thailand		China					
Impact	People in poverty: 6.7 million (2018) 9.7 million Q2 2020, 7.8 million Q3 2020.	Impact	Likely to fulfill its goal of eradication rural people in absolute poverty & impoverished counties based on current national poverty line				
Action	Fiscal package (6% of GDP) For vulnerable households/firms	Action	More migrant worker Community welfare post Resumed projects of leading firms Targeted procurement				

Source: The World Bank in Thailand: Overview, Sep 2020

Global extreme poverty to rise in 2020 for the first time in over 20 year Additional 115 million people in 2020 (poverty ratio 9.2%)



3. Actions of Poverty Alleviation: Lessons

1

2

3

The success of action on poverty of Thailand and China shows the importance of a) consistent leadership of government (and the royal family in the case of Thailand) in long term; b) Multi party involvement, including different levels and departments of government, business sector (e.g. CP in Thailand and Ali in China), and social groups (e.g. volunteers and charities & foundations), c) Pro-poor economic growth supported by social welfare system

The Covid-19 pandemic will increase the number of impoverished people in Thailand as well as the world. The poverty alleviation process seems less affected in China, thanks the early containment of the disease, speedy economic recovery and strong government commitment

The innovation in the approach (focus on precision in target, project, fund, measures and manpower, and dynamic control of performance), and measures (e-commerce & targeted procurement, solar compensation) on the trend of big data, block chain and otherr forms of dogital transformation has already attracted the interest of officials in Thailand



General Conclusion

The New International Order:

Changing Discourse from Ideology to Governance Political commitment Mobilisations & coordination of financial & human resource

Strategy of alleviation & eradication focus on precision With registration system & household specific plan

Role of infrastructure, logistic & technology (e-commerce) Concept of ecology & environment protection

Market oriented approach (new business, employment, compensation) Backed by strong commitment of government & social security safety net

Emphasis on both supply side (leading firm & quality standard) And demand side (targeted procurement)

Issues of Governance

