

# A Comparative Study of Poverty Alleviation in China and Thailand

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## Abstract

This paper compares the poverty alleviation experiences of China and Thailand, and draws lessons learnt from these experiences in three parts: 1) apparent situations of poverty; 2) measurement of poverty; and 3) actions of poverty alleviation. The major observations include: 1) Both Thailand and China experienced a success period of poverty alleviation on the backgrounds of economic growth and government led programs. Dependence on export, tourism and foreign investment makes Thai economy more vulnerable in the time of COVID-19 pandemic, while the success in China to contain the pandemic and its economic resilience ensured the country to achieve its goal of poverty alleviation in 2020. 2) The national poverty line of Thailand is about 75% higher than that of China, which partially explains the difference in poverty ratio between the countries. It might be the right time for China to learn from the experience of Thailand to adopt a national poverty line close to the international poverty line of Upper Middle Income Countries. 3) In the actions against poverty, there should be a multi party mobilisation of financial & human resources, an approach of precision in target, project, fund, measures, responsible teams, and dynamic control of performance. Innovations in digital and green economy also create new opportunities for poverty alleviation.

**Keywords:** Poverty Alleviation, Poverty Line, Poverty Measurement, Thailand, China

## Introduction

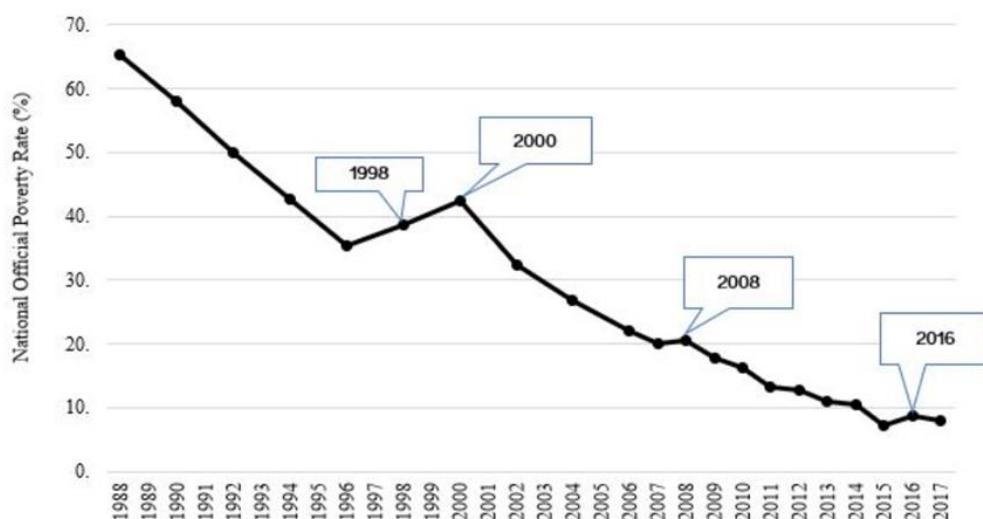
“At a grand gathering held on February 25, 2021, to mark China’s achievements in poverty alleviation, General Secretary Xi solemnly declared: Victory in the battle against poverty is complete, and China completed the arduous task of eliminating extreme poverty” (State Council Information Office of PRC, 2021). What is the meaning of this “victory in the battle against poverty”? How do we assess the “China Model” and its contribution? This paper compares the poverty alleviation experiences of China and Thailand, and draws lessons learnt from these experiences in three parts: 1) apparent situations of poverty; 2) measurement of poverty; and 3) actions of poverty alleviation.

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## Apparent Situations of Poverty

### 1. Situations in Thailand

The Office of the National Economic and Social Development Council (NESDC) began to publish national poverty rates (proportion of people living below the national poverty line), since the late 1980s (Yang, 2019). The national official poverty rate decreased from 65.2% in 1988 to 7.9% in 2017 (Figure 1). The poverty rate increased to 9.9% in 2018, before falling again in 2019 to 6.2% (ADB, 2020a). In 2019, 4.3 million people or 1.3 million households living below the poverty line. (NESDC, 2020). However, COVID-19 pandemic in 2020 is expected to drag more than 6.7 million people in Thailand below the national poverty line (Bangkok Post, 2020). World Bank expected the poverty rate to be 8.8% in 2020, before reducing to 8.4% in 2021 (Bangkok Post, 2021a).

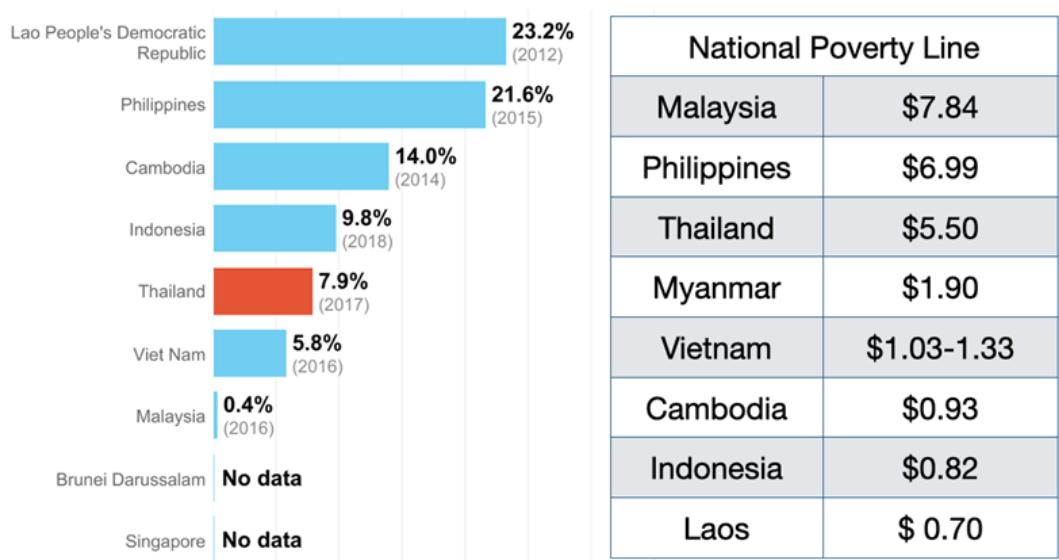


**Figure 1** National Poverty Rate of Thailand 1988-2017

Source: NESDC figures quoted in Yang (2019)

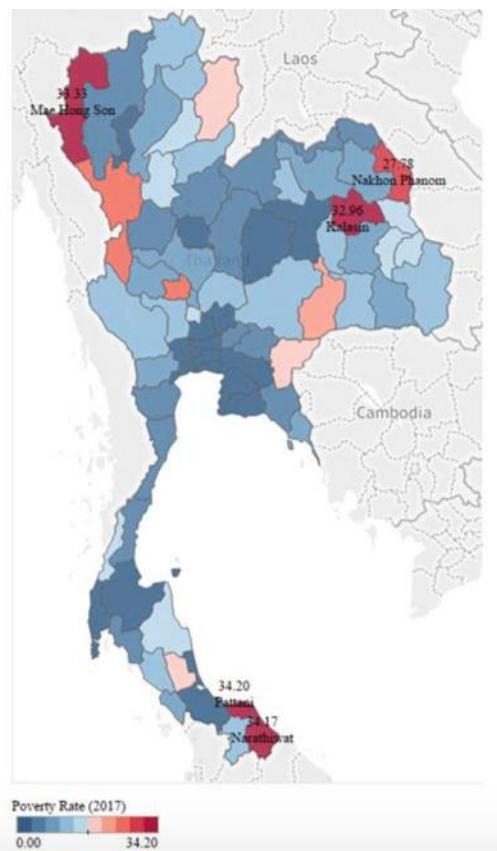
Among ASEAN neighbors, Thailand is one of the success stories in poverty alleviation, ranked number 3 in terms of poverty rates among 8 ASEAN countries (Figure 2).

Regional disparity, however, still remains a significant issue. Rural areas face a higher poverty rate of 10.8%, compared to 0.3% in Bangkok and 5.3% in urban areas outside Bangkok (Bangkok Post, 2020a). The poverty rate may be more than 30% in the poor provinces in the South, North East and North regions (Figure 3).



**Figure 2** Poverty Rates in ASEAN Countries

Source: ADB Basic Statistics 2018-2020



**Figure 3** Regional Disparity of Poverty Rate in Thailand

Source: NESDC figures quoted in Yang (2019)

## 2. Situations in China

### 2.1 Rural Poverty vs. Urban Poverty

A caveat is necessary in the case of China: the statistics on “victory in the battle against poverty” in Chinese official documents and news report on campaign of poverty alleviation actually refers to the “rural poverty” (State Council Information Office of PRC, 2021). There is no national poverty line for urban population or national campaign to address the urban poverty so far. The major official information on urban poverty is the number of people receiving “低保 dibao” (subsistence allowance) (MCA, 2019; Feng, 2019). The monthly income per person for receiving the subsistence allowance, perhaps a suitable candidate for the urban poverty line, however, varies largely among the provincial units, reflecting different living standards in these units. For example, in Q4 2020, it ranges from the highest ¥1240 per month for Shanghai to the lowest ¥ 514 for Xinjiang (MCA, 2020).

As the share of urban population increased from 17.9% in 1978 to 60.6% in 2019 (National Bureau of Statistics of China, 2020), the issue of urban poverty should not be ignored. The focus on rural poverty in the national campaign of poverty alleviation by Chinese government may be justified by the severity of rural poverty vis-a-vis urban poverty in the country. Table 1 illustrates the Relative Poverty Ratio in China from 2002 to 2019 under different assumptions. When people in relative poverty is defined as those with income of 40% of median income of the country, the rural poverty rate is 18.4% in 2002 and 25.8% in 2019, compared with the urban poverty rate 0% in 2002 and 0.3% in 2019 (Development Research Centre of the State Council, 2021).

**Table 1** Relative Poverty Rate in Rural & Urban Areas in China 2002-2019

Year	Below 40% of the Median		Below 50% of the Median		Below 60% of the Median	
	Rural	Urban	Rural	Urban	Rural	Urban
2002	18.4	0.0	27.0	0.1	37.0	0.7
2003	20.1	0.0	28.5	0.2	38.6	0.9
2004	18.4	0.0	26.6	0.2	36.5	1.2
2005	19.7	0.0	27.4	0.4	37.2	1.5
2006	20.7	0.0	29.0	0.3	39.1	1.5
2007	21.8	0.0	29.7	0.3	40.0	1.3
2008	22.5	0.0	30.2	0.4	40.4	1.7
2009	22.7	0.0	32.3	0.5	42.8	1.8
2010	22.8	0.0	32.5	0.5	43.0	2.0
2011	23.8	0.1	33.1	0.7	43.5	2.4
2012	25.1	0.0	35.0	0.5	45.2	1.9
2013	22.9	0.1	31.0	0.7	41.8	2.4
2014	23.8	0.1	32.7	0.7	43.7	2.5
2015	23.9	0.1	33.0	0.7	44.5	2.6
2016	24.1	0.1	32.8	0.9	44.5	2.9
2017	24.8	0.1	33.6	1.1	45.0	3.5
2018	27.5	0.3	37.8	1.7	48.0	4.7
2019	25.8	0.3	35.9	1.9	47.0	5.2

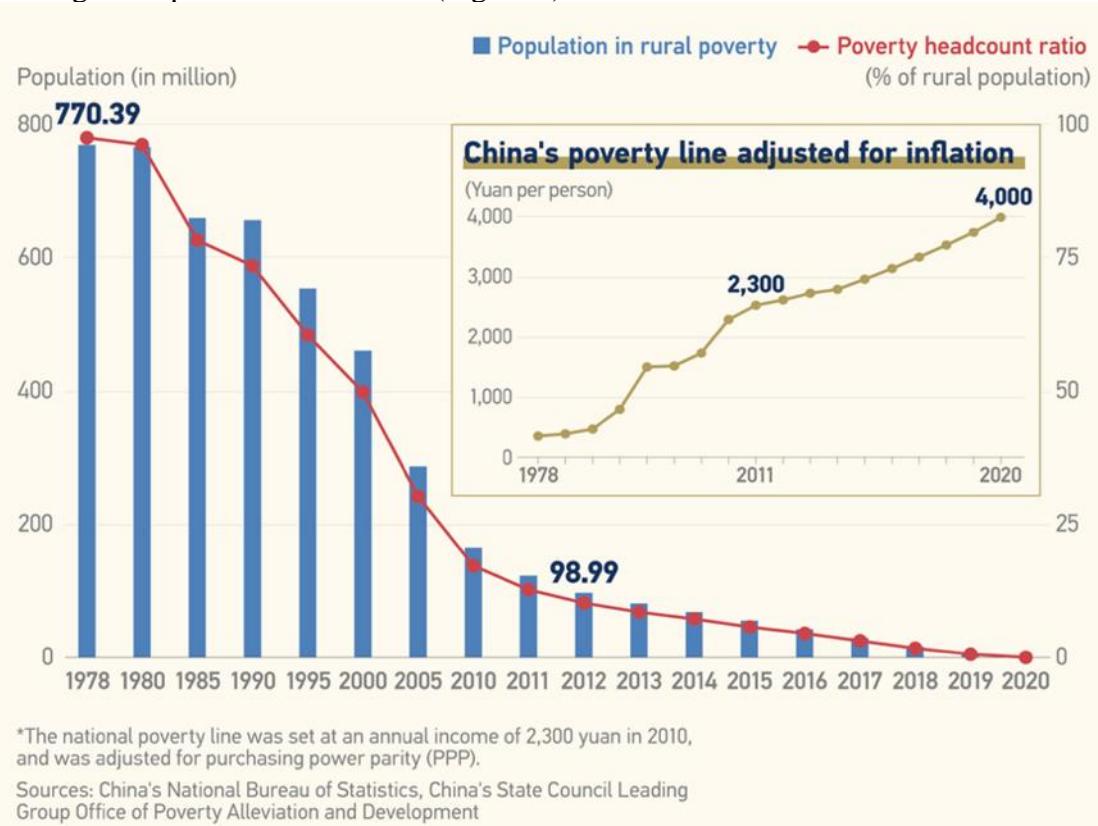
**Source:** Development Research Centre of the State Council (2021)

### 2.2 The Battle Against Rural Poverty

China indeed won a laudable victory in its battle against rural poverty to certain extents. According to the official statistics, when the country embarked on the journey for market oriented economic reform in 1978, 770 million rural people (or 97.5% of rural

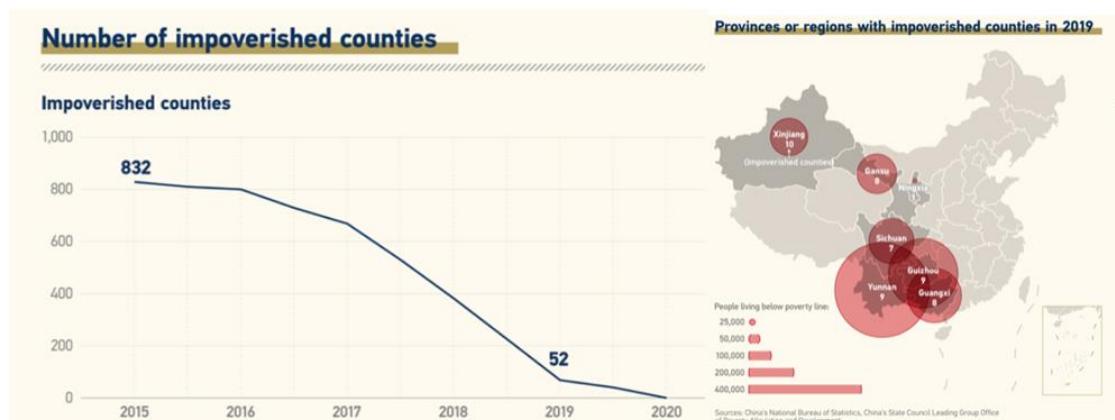
population) had income below the national poverty line. In 2012 when Xi Jinping became the general secretary of CPC (Communist Party of China), the number is 99 million of rural people (or 10.2% of rural population). By the end of 2020, China achieved its goal of poverty alleviation by lifting income all rural people above the national poverty line (Figure 4).

In terms of regional disparity, 832 counties were identified as Impoverished Counties in 2015. The number decreased to 52 in 2019. These 52 Impoverished Counties were distributed in the western provincial units of Yunnan, Guizhou, Guangxi, Sichuan, Xinjiang, Gansu, and Ningxia. By the end of 2020, China also achieved its goal of poverty alleviation by eliminating all impoverished counties (Figure 5).



**Figure 4** Rural Population with Annual Income Below National Poverty Line in China 1978-2020

Source: CGTN (2021a)



**Figure 5** Impoverished Counties in China 2015-2020

Source: CGTN (2021a)

### 3. Observations in Comparison

Four observations are made by comparing the apparent situations of poverty in Thailand and China:

1) Both Thailand and China experienced a success period of poverty alleviation on the backgrounds of economic growth and government led programs. In the case of Thailand, poverty rate decreased from 65.2% in 1988 to 6.2% in 2019. In the case of China, all rural population were lifted above the national poverty line by the end of 2020.

2) Both countries have the issue of regional disparity: Bangkok vs. rural areas in the case of Thailand, and “Impoverished Counties” in the case of China.

3) Dependence on export, tourism, and foreign investment makes Thai economy more vulnerable in the time of COVID-19 pandemic, which explains the expected increase in people below poverty line in 2020, while the success in China to contain the pandemic and its economic resilience ensured the country to achieve its goal of poverty alleviation in 2020.

4) While the experience of Thailand covers both rural and urban poverty, the victory of China in the battle against poverty in the past years focused on rural poverty. China may learn from Thailand to have a comprehensive program to address both rural and urban poverty.

The comparison of the performance of poverty alleviation between Thailand and China also depends very much on how poverty is measured, which is discussed in the next section.

## Measurement of Poverty

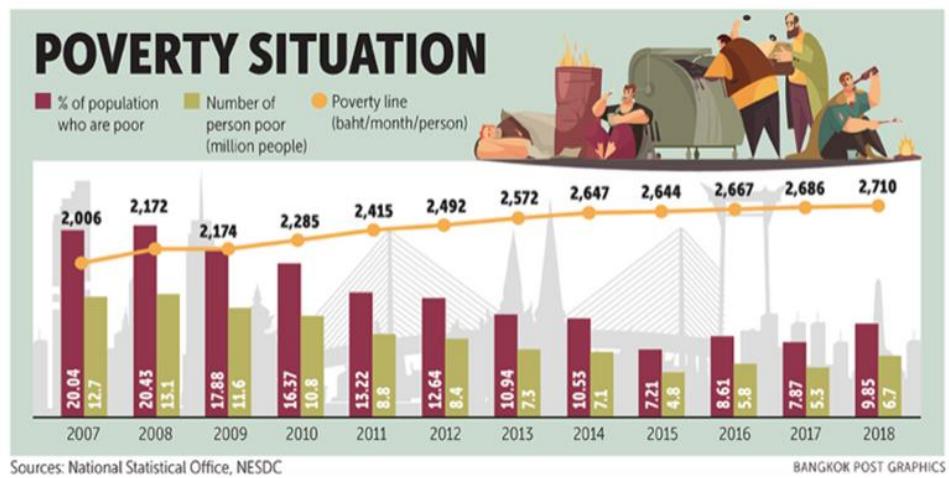
### 1. Measurement in Thailand

Thailand has its own national poverty line which is adjusted every year and announced by NESDC (Table 2). As illustrated in Figure 6, it increased from ₩ 2,006 per month per person in 2007 to ₩ 2,710 in 2018. According this poverty line, there are 6.7 million poor people and the poverty rate is 9.9% in 2018.

**Table 2** National Poverty Line Compared with International Poverty Lines in Thailand

Thailand	Standard	2018 mil	2018 Ratio
National Poverty Line	฿2710/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

Source: World Bank (2020a)



**Figure 6** National Poverty Line in Thailand 2007-2018

Source: Bangkok Post (2020)

Data are also available in Thailand for poverty rate according to the three international poverty lines based on daily income (Table 2): International Absolute Poverty Line (\$1.90/day/person); Poverty Line for Lower Middle Income Countries (\$3.20/day/person) and Poverty Line for Upper Middle Income Countries (\$5.50/day/person). The US dollar value is set according to the price of 2011 and converted to local currency using current year PPP (Purchasing Power Parity, an exchange rate reflecting the purchasing power of the two currencies).

Measured by the three international poverty lines, the poverty rates in Thailand in 2018 is almost zero in terms of Absolute Poverty Line, 0.5% in terms of Poverty Line for Lower Middle Income Countries, and 8.6% in terms of Poverty Line for Upper Middle Income Countries (Table 2). In fact, the results of population below the poverty line and poverty rate measured by the national poverty line of Thailand (6.7 million and 9.9%) are quite close to those measured by the International Poverty Line for Upper Middle Income Countries (5.99 million and 8.6%).

## 2. Measurement in China

The national poverty line for rural areas was ¥ 100 in 1978. Besides adjustment for inflation every year, there were two major upward revisions in 2008 and 2010 (Sun, et al., 2019).

The current poverty line is ¥ 2,300 in 2010 price or ¥ 4,000 in 2020 price (Table 3 and Figure 4). Based on this poverty line, there were 5.51 million poor people in rural area were in 2019, and the poverty rate was 0.6%. The number of poor people and the poverty rate was reduced to zero in 2020.

Compared with national poverty line in Thailand and the international poverty line, the Chinese poverty line is equivalent to about \$1,533/month/person or \$2.59 (2020 PPP)/day/person (Table 3). In other word, the current national poverty line of Thailand is about 75% higher than the national poverty line of China. The latter is slightly higher than the International Absolute Poverty Line (\$1.90/day/person), but lower than Poverty Line for Lower Middle Income Countries (\$3.20/day/person).

The definition of “Impoverished Villages/Counties” is a village (or county) with poor people more than 2%. The proportion is raised to 3% for the Western regions of China where the level of economic development is lower than the other parts of the country (Table 3).

It is worth noting that beside the level of income, the identification of poor people in the poverty registration also includes other four indicators for quality of life: Adequate Food & Clothing; Basic Medical Care (access to village clinic, basic medical insurance, critical

illness insurance, and medical support); Compulsory 9 year Education; and Safe Housing/Drinking Water (Table 3). It is a practical way to apply a multidimensional measurement of poverty (UNDP, 2020). However, the fulfillment level of some indicators may be subject to the judgement of the local officials, villages leader or peers in the assessment process.

**Table 3** National Poverty Line and Standard for Impoverished Village/County in China

China	Standard (rural)	2019 mil	2019 Ratio	Impoverished Village
National Poverty Line	<p>¥4000/year/person (2020)            ¥2300 2010 price            B1533/month/person*            US\$ 2.59 (2020 PPP)/day/person**            Adequate Food &amp; Clothing            Basic Medical Care            Compulsory 9yr Education            Safe Housing/Drinking Water</p>	5.51 (rural)	0.6% (rural)	Proportion of Poor People Normally 2% Western region 3%
				Impoverished County
				Proportion of Poor People Normally 2% Western region 3%

\*¥1=B4.6, \*\*2020 PPP:\$1=¥4.24

Source: XINHUANET (2021b) and author's calculation

### 3. Observations in Comparison

Four observations are made by comparing the measurement of poverty in Thailand and China:

1) The national poverty line in Thailand is B 2,710/month/person (2018), while that of China is ¥ 4,000/year/person (2020) which is equivalent to B 1,533/month/person. Therefore the national poverty line of Thailand is about 75% higher than that of China, which partially explains why poverty ratio in Thailand (9.9% 2018) is much higher than that of China (0.6% 2019).

2) Beside data of national poverty line, there are also updated data in terms of international poverty line in Thailand. In fact, since both Thailand and China are upper middle income countries (with GNI pc between US\$ 4,046 and US\$ 12,535), it might be the right time for China to learn from the experience of Thailand to adopt a national poverty line close to the poverty line of Upper Middle Income Countries: US\$ 5.50 (2011 PPP)/day/person, or around ¥ 8,500/year/person, in its next step of poverty alleviation.

3) It is worth noting that the national poverty registration in China also has the requirement of Adequate Food & Clothing, Basic Medical Care, Compulsory Education and Safe Housing/ Drinking Water, which is a practical way to apply a multidimensional measurement of poverty.

4) Thailand may also learn from the China's experience to eliminate "Impoverished Counties" as a way to address severe regional inequality.

### Actions of Poverty Alleviation

#### 1. Actions in Thailand

##### 1.1 Historical Perspective

The first anti-poverty scheme of Thai government was "ngeun bhan" (diversion fund) in 1975 (Kamnuansilpa, 2021). It aimed to alleviate rural poverty by providing temporary employment to the rural poor with government projects such as building canals and reservoirs.

The “One Million Baht Village Fund” of the Thai Rak Thai government was designed to endow the poor with capital to start a business by offering a revolving loan. “The State Welfare Cards” of the incumbent government of Prayut Chan-o-cha extended the bounties of government subsidy to the low income group with annual income less than ₩ 100,000, instead of people who live below the national poverty line<sup>2</sup> (See timeline in Table 4).

**Table 4** Actions of Poverty Alleviation: Timeline of Thailand

Year	Major Events	Highlights
1932	Siamese revolution: from absolute monarchy to constitutional monarchy	No formal government policy on poverty alleviation until 1975
1975	First popularly elected civilian government with Kukrit Pramoj as Prime Minister	First anti-poverty scheme: ngeun bhan (diversion fund). Employ rural residents on a temporary basis to do public service (e.g. canals or reservoirs). Policy continued to 2000
2001	Thai Rak Thai government with Thaksin Shinawatra as Prime Minister	“One Million Baht Village Fund”, a revolving loan fund for business start-up of the villagers
2008	Global financial crisis Democratic government with Abhisit Vejjajiva as Prime Minister	“Thai Kern Kang” (Strong Thai Scheme) to absorb the impacts of crisis Provision for temporary employment with government projects
2014	Prayut Chan-o-cha came to power	Poverty reduction scheme through State Welfare Cards For people with an annual income of not more than 100,000 baht and with financial assets of not more than 100,000 baht per person.

**Source:** Author’s compilation based on the information in Kamnuansilpa (2021)

## 1.2 Structure & Mechanism

Over the four decades of endeavors since 1970’s, a trinity structure of poverty alleviation emerged with multiparty involvement and complementary roles of the Royal Family, government, business & society (Table 5). The major mechanisms under this trinity structure include:

- 1) Programs under royal patronage, such as land and water development and social welfare foundations.
- 2) Programs and regulations under various ministries of the government such as: National Village and Urban Community Fund by Office of the Prime Minister; land reform and OTOP by Ministry of Interior, state welfare card by Ministry of Finance, universal health care by Ministry of Health, nine year compulsory education by Ministry of Education, minimum wage and social security by Ministry of Labor, social insurance and NHA housing by Ministry of Social Development & Human Security etc.
- 3) SDG (Sustainable Development Goal) programs of business communities such as PTT and CP group, especially those about SDG 1 (no poverty), SDG 2 (zero hunger), SDG 3 (good health and well-being), SDG 4 (quality education), SDG 6 (clean water and sanitation), SDG 7 (affordable & clean energy), SDG 8 (decent work), and SDG 10 (reducing inequality) etc. (CP Group 2019).

<sup>2</sup> There are 13.7 million state welfare cardholders who are entitled to 200-300 baht a month to buy items at Thong Fah shops, among other features (Bangkok Post, 2021b).

**Table 5** Actions of Poverty Alleviation: Structure & Mechanism in Thailand

Trinity Structure		Multiparty Involvement & Complementary Roles of Royal Family, Government, Business & Society		
Royal Program	Ministry	Key Program		Business
Land development	Office of PM	National Village and Urban Community Fund		
	Interior	Land reform, OTOP, Social assistance		
	Finance	State Welfare Card		
	Public Health	Universal health care scheme (gold-card)		
	Education	Compulsory education (grade 9) & Scholarship		
	Public Health	Universal health care scheme (gold-card)		
	Labour	Minimum wage, Social Security		
	Commerce	Rice price guarantee		
	Agriculture & Cooperatives	Community cooperative		
	Social Dev & Human Security	National Housing Authority, Social insurance		
		Poverty Alleviation following 17 SDG :		
		Food Agriculture	CPF, Mitr Phol Thai Union	
		Energy	Bangchak, PTT Thai Oil, IRPC	
		Retail	CP All	
		Telecom	TRUE	

**Source:** Author's compilation

## 2. Actions in China

### 2.1 Historical Perspective

Poverty alleviation in China can be traced back to the pre-reform era since the founding of the People's Republic in 1949. From 1949 to 1978, campaigns of land reform, infrastructure construction e.g. irrigation system, and provision of basic needs e.g. education and medicine reduced income inequality and improved the livelihood of the rural poor. The first national policy document for poverty alleviation was issued in 1984, and the State Council Leading Group of Poverty Alleviation & Development (CPAD) was set up in 1986 to coordinate programs of various ministries. While the "Eight Seven Poverty Alleviation Plan" in 1994 aimed to solve the food and clothing problems for 80 million people in 7 years, "Outline of Rural Poverty Alleviation & Development 2001-2010" in 2000 and "Outline of Rural Poverty Alleviation & Development 2011-2020" in 2010 focused more on poverty alleviation through economic development. The current "China Model" was gradually shaped after Xi Jinping became the General Secretary of CPC in 2012, highlighted by a national poverty registration system, and the mechanism of "Six Precision" (六个精准) and "Five Measures" (五个一批). Rural revitalization is the next step after the goal of poverty alleviation was achieved in 2020 (See timeline in Table 6).

**Table 6** Actions of Poverty Alleviation: Timeline of China

Year	Major Events	Highlights
1949	Founding of PRC	Land reform, Infrastructure construction, Basic need, Reduction of inequality
1984	《关于尽快改变贫困地区面貌的通知》 Note on Change the Situation of Impoverished Regions	First national policy document for poverty alleviation Office of CPAD of State Council set up in 1986
1994	《八七扶贫攻坚计划》 Eight Seven Poverty Alleviation Plan	Solve the food and clothing problems for 80 million people in 7 years
2000	《中国农村扶贫开发纲要（2001—2010 年）》 Outline of Rural Poverty Alleviation & Development 2001-2010	Poverty alleviation through development
2010	《中国农村扶贫开发纲要（2011—2020 年）》 Outline of Rural Poverty Alleviation & Development 2011-2020	Target of poverty alleviation of 2020: Food & clothing, medicine, education & housing, Complementary roles of government, business & society
2012	18th National Congress of the Communist Party of China	Xi Jinping became General Secretary of CPC
2014	《扶贫开发建档立卡工作方案》 Archival Work Program for Poverty Alleviation & Development	A national poverty registration system
2015	《关于打赢脱贫攻坚战的决定》 Decision on Winning for Tough Battle of Poverty Eradication	Target of poverty alleviation of 2020: 0 impoverished rural population with "Six Precision" (六个精准) & "Five Measures" (五个一批)
2021	National Convention to Mark China's Achievements in Poverty Alleviation	Xi Jinping announced the victory in the battle against poverty as the target of poverty alleviation of 2020 was achieved
2021	《关于实施乡村振兴战略的意见》 Notice on Implementing the Strategy of Rural Revitalization	The National Administration for Rural Revitalization replaced office of CPAD Poverty alleviation shifted towards rural revitalization

**Source:** Author's compilation based on the official documents cited in the table

## 2.2 Structure & Mechanism

The structure and mechanism of poverty alleviation in China may be presented in 5 key issues (Table 7) as explained in State Council Information Office of PRC (2021):

1) Targeting (to help whom): The poverty registration completed in 2014 identified 128,000 impoverished villages and 89.62 million poor people in 29.48 million households<sup>3</sup>. The "Poverty Alleviation Handbook" created for each impoverished family records information with six items: a) family backgrounds; b) cause of poverty; c) responsible persons for poverty alleviation; d) plan for poverty alleviation; e) measures for poverty alleviation; and f) outcome of poverty alleviation.

2) Organizing (who to help): The organization structure consists of related ministries coordinated by CPAD of the state council, local responsible units from provinces to counties, and around 1 million first party secretaries and members of working teams stationed in villages every year<sup>4</sup>; It also contains central government units, SOEs, and the military<sup>5</sup>, provincial units and counties in the eastern developed region pairing with those in the less developed regions<sup>6</sup>; as well as private firms participating in the program of "10000 firms Assisting 10,000 villages" and volunteers<sup>7</sup>.

3) Operating (how to help): With the poverty registration system mentioned above, it is possible to apply the approach of "6 Precision", meaning: a) on a precise target of household; b) with precise projects related to their need; supported by c) precise measures;

<sup>3</sup> Because of the quality of life requirement e.g. adequate food & clothing, the number of poor people identified in the poverty registration was larger than the number of poor people measured by income level only in the national statistics. The number of poor people in poverty registration was adjusted to 88.4 million in a second round check-up in 2015.

<sup>4</sup> Accumulated 3 million from 2013 to 2020. (State Council Information Office of PRC, 2021)

<sup>5</sup> There are 307 central government units targeting 592 impoverished counties with input of RMB 42.76 billion. The military assisted 4,100 impoverished villages, lifted 0.92 million people out of poverty. (State Council Information Office of PRC, 2021)

<sup>6</sup> There are 14 pairs at provincial level, 343 counties in the eastern region paired with 573 impoverished counties in the central & west. 9 eastern provinces contributed RMB 100.5 billion, and 220,000 firms from the eastern region invested RMB 1100 billion. (CGTN, 2021b).

<sup>7</sup> By the end of 2020, 127,000 firms and 139,110 villages participated in the program, benefiting 18 million poor people. The firms contributed in terms of investment, public service, employment and training (XINHUANET, 2021).

d) precise fund; and e) precise responsible officials; and with f) precise performance target and record. The precise measures are grouped into 5 clusters, namely a) business development; b) relocation; c) ecology restoration; d) education; and f) social security (see details and outcome from 2013 to 2020 in Table 8). National Census on Poverty Alleviation (National Bureau of Statistics of China, 2021), records the number of households or people in the impoverished counties who benefited from these measures from 2013 to 2020.

4) Graduating (Poverty De-registration): strict process including third party evaluation and census for households and people to see if they have been lifted out of poverty.

5) Follow up (Monitoring for people de-registered from poverty): families with per capita income lower than 1.5 times of the national poverty line, or those with substantial difficulty to make the ends meet due to severe sickness or disaster, in a scope about 5% to 10% of the people used to be in the poverty registration (CPDA, 2020).

**Table 7** Actions of Poverty Alleviation: Structure & Mechanism in China

Trinity Structure		Multiparty Involvement & Complementary Roles of Government, Business and Society		
Targeting 扶持谁	Screening & Poverty Registration	6 Precision 六个精准	5 Measures 五个一批	
Organizing 谁来扶	State Council CPAD Related Ministries, Provinces & Counties Village-Stationed Officials, Central units, SOE, Military, Private Firms & Volunteers	Target	Business Development	
Operating 怎么扶	6 Precision with 5 Measures	Project	Relocation	
Graduating 如何退	Strict Evaluation Process & Criteria for Poverty De-registration	Fund	Ecology Restoration	
Follow up 如何稳	Follow-up Monitoring & Support for Households with Poverty De-registration	Measure	Education	
		Officials	Social Security	
		Performance		

**Source:** Author's compilation based on State Council Information Office (2021)

**Table 8** Actions of Poverty Alleviation: Five Measures in China

5 Measures	Actions	Outcome
Business Development	Production base Leading firms for poverty alleviation workshop e-commerce Dedicated procurement from impoverished region Science & Technology projects with ST agents Start up platform	Business development covered 98.9% households <sup>^</sup> Production bases 300,000 <sup>^</sup> 14,400 leading firms, 719,000 cooperatives, involving 72.6% households <sup>^</sup> e-commerce: 98% village broad band coverage <sup>#</sup> e-commerce demonstration input ¥24.9 bil, seller 3.1 mil <sup>^</sup> ST projects 37,600 with 289,800 ST agents <sup>^</sup> 1,290 start-up platforms <sup>^</sup>
Relocation	Relocated to new community with employment Support migration workers from poor areas	9.6 million people to 35,000 settlement estates employment for 94.1% relocated families <sup>^</sup> 32.43 million migration workers from poor region in 2020
Ecology Restoration	Income from solar energy Participation in ecology restoration Eco industry e.g. forestry and flower Eco-tourism & forest health	Poverty alleviation through ecology restoration benefited 20 mil people <sup>*</sup> Solar cell power station 0.1 mil villages, 19 mil KW average annual income from solar power 0.2 mil per village <sup>^</sup> 1.6 million participation in ecology restoration projects <sup>*</sup>
Education	Drop out students back to school Support for vocational & higher education	All 200,000 drop-out students in compulsory education back to school <sup>^</sup> Support 8 million for vocational and 5 million for higher education <sup>^</sup>
Social Security	Subsistence allowance Relief for extremely poor people	Subsistence allowance: 18.52 million people <sup>^</sup> Relief for extremely poor people: 1.52 million people <sup>^</sup>

<sup>^</sup>State Council Information Office of PRC (2021), <sup>\*</sup>China News Network (2021), <sup>\*\*</sup>China Economic Network (2020), <sup>#</sup>CGTN (2021b)

**Source:** Author's compilation based on the official documents cited in the table

### 3. Observations in Comparison

Four observations are made by comparing the actions of poverty alleviation in Thailand and China:

1) The actions on poverty alleviation of Thailand and China show the importance of the consistent leadership of government (and the royal family in the case of Thailand) in long term. There should be a multiparty involvement, with mobilisation and coordination of financial & human resources.

2) Detailed information from poverty registration and an approach of precision in target, project, fund, measures, responsible teams, and dynamic control of performance proves to be effective in the Chinese experiences. At present, Thai government also takes a similar approach according to the poverty alleviation guidelines by the Ministry of Interiors (Jinanggoon, 2020) and government plan to prescribe a different set of policies to provinces in four different categories (Bangkok Post, 2020b).

3) Innovations in digital and green economy create new opportunities for poverty alleviation such as e-commerce, ecology restoration, and income from solar energy. They should be supported by the infrastructure of broad width internet, logistics and platforms.

4) There should be a balance between the market oriented approach focusing on business development and employment, and the government led programs of social security and provision of basic needs such as health and education.

## Conclusion & Suggestions

1. Both Thailand and China experienced a success period of poverty alleviation on the backgrounds of economic growth and government led programs. In the case of Thailand, poverty rate decreased from 65.2% in 1988 to 6.2% in 2019. In the case of China, all rural population were lifted above the national poverty line by the end of 2020. Dependence on export, tourism and foreign investment makes Thai economy more vulnerable in the time of Covid 19 pandemic, which explains the expected increase in people below poverty line in 2020, while the success in China to contain the pandemic and its economic resilience ensured the country to achieve its goal of poverty alleviation in 2020. While the experience of Thailand covers both rural and urban poverty, the victory of China in the battle against poverty in the past years focused on rural poverty. China may learn from Thailand to have a comprehensive program to address both rural and urban poverty.

2. The national poverty line of Thailand is about 75% higher than that of China, which partially explains why poverty ratio in Thailand is much higher than that of China. Beside data of national poverty line, there are also updated data in terms of international poverty line in Thailand. In fact, since both Thailand and China are upper middle income countries, it might be the right time for China to learn from the experience of Thailand to adopt a national poverty line close to the poverty line of Upper Middle Income Countries: US\$5.50, in its next step of poverty alleviation. It is worth noting that the national poverty registration in China also has the requirement of Adequate Food & Clothing, Basic Medical Care, Compulsory Education, and Safe Housing/Drinking Water, which is a practical way to apply a multidimensional measurement of poverty. Thailand may also learn from the China's experience to eliminate "Impoverished Counties" as a way to address severe regional inequality.

3. The actions on poverty alleviation of Thailand and China show the importance of the consistent leadership of government (and the royal family in the case of Thailand) in long term. There should be a multiparty involvement, with mobilization and coordination of financial & human resources. Detailed information from poverty registration and an approach of precision in target, project, fund, measures, responsible teams, and dynamic control of performance proves to be effective in the Chinese experiences. Both countries saw a transition from relief-based to development-oriented and then to precision focused poverty alleviation. Innovations in digital and green economy create new opportunities for poverty alleviation.

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**Abbreviation**

ADB	Asian Development Bank
CGTN	China Global Television Network
CPAD	China State Council Leading Group of Poverty Alleviation & Development
MCA	Ministry of Civil Affairs, China
MOFA	Ministry of Foreign Affairs, China
NESDC	National Economic and Social Development Council, Thailand
UNDP	United Nations Development Programme