

Introduction to the Three- County Study

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A number of the articles in this volume are based on case studies in three counties: Donglan in Guangxi province,¹ Shibing in Guizhou province and Xunyi in Shaanxi province. Fieldwork and data analysis were carried out in collaboration with a research institution in each province: Guangxi Health Management College, Guiyang Medical College and Xi'an Medical University. The health bureaux of each province have also participated in the programme.

Routine reports were collected from the county statistical bureaux, and the county governments provided routine financial data. The county health bureaux provided financial and health service utilisation data for county-level health facilities and township health centres. Structured interviews were held with key members of the county governments, and county and township health facilities. Focus group discussions were held with health workers and users of health services.

In 1994, a household survey was conducted in each of the three study counties, covering a sample of 2,722 households. Three townships were selected in each county as being of average economic status within their county, and three villages were randomly sampled from each township. Questionnaires gathered information on household characteristics, illness episodes, (non-) utilisation of health services and medical expenditures in 1993. Two separate questionnaires collected information on a sample of village health stations and village health workers in each county.²

Population and geography

Donglan is in a remote area of northwest Guangxi province. The total land area is 2,465 sq. km., of which 94 per cent is mountainous. Transport and communications are very difficult. Almost half of the county's 148 villages cannot be reached by road. The population of just over 270,000 is composed mostly of non-Han minority nationality groups, the largest of which are Zhuang nationality. 95 per cent of the population live outside the county town, and almost all are engaged in agriculture.

¹ Formally, Guangxi is a Zhuang minority nationality Autonomous Region, with provincial status. Throughout this volume it will be referred to as a province.

² The questionnaires are provided in Gu *et al.* (1996).

Figure 1 Location of the three study provinces in China

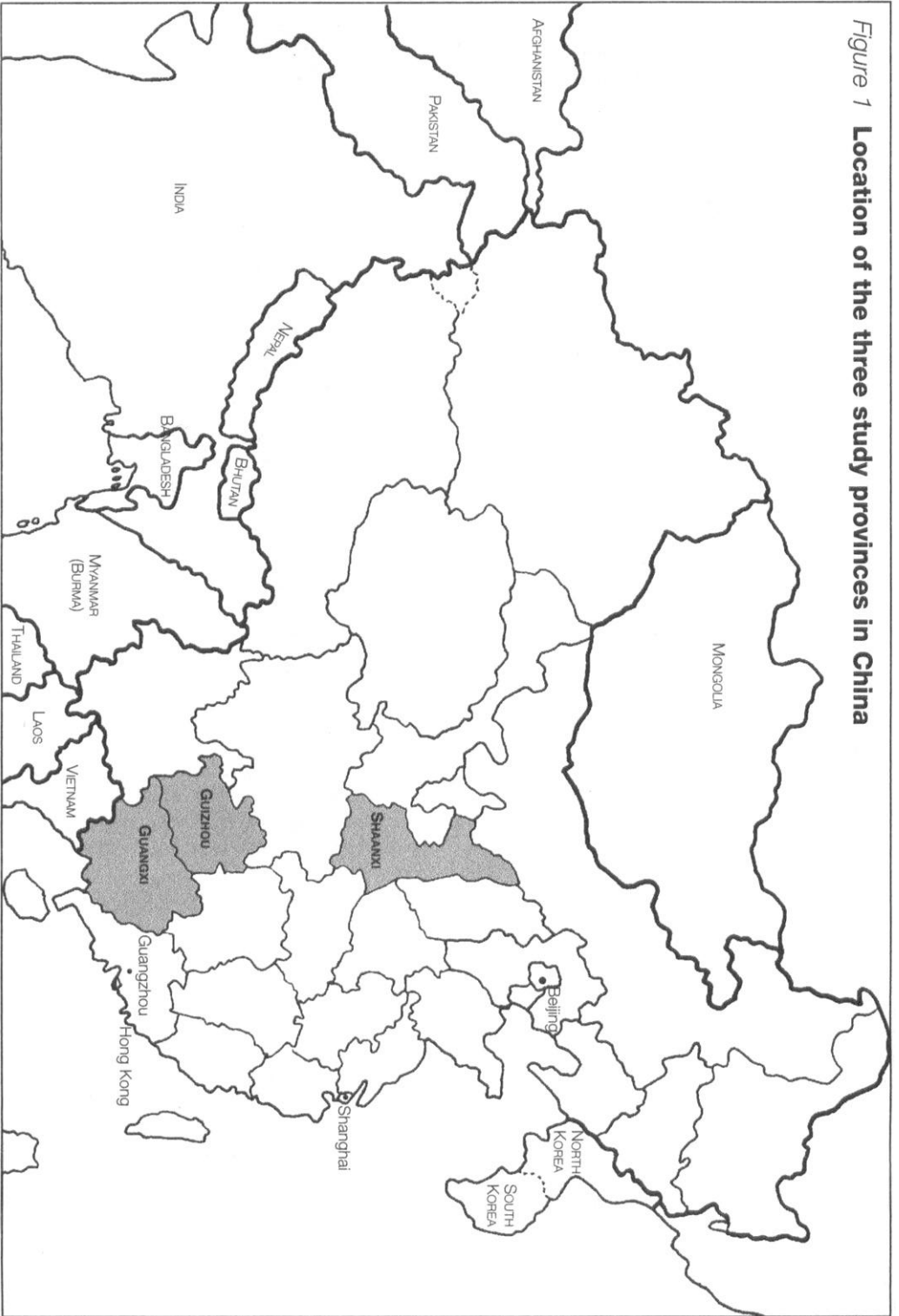


Table 1 Economic indicators for the study counties (1992)

| | Donglan | Shibing | Xunyi |
|---|---------|---------|-------|
| Gross national product per capita (Yuan) ^a | 600 | 753 | 746 |
| of which (%) agriculture: | 51.5 | 66.9 | 55 |

Note: ^a At the official exchange rate, in 1992 ¥5.52 = US\$1, ¥9.74 = UK£1.

Source: County Statistical Bureaux cited in Gu (1995)

Shibing is located in the southeast corner of Guizhou province. Just over half the population of 133,500 are Han and the remainder are minority nationalities, mainly Miao. 94 per cent of the population live in rural areas and are engaged in agriculture, forestry and livestock production. The county also has quarries.

Xunyi lies in the northeast of Shaanxi province in northern China. Most of its 240,000 population are Han. The total land area is 1,811 sq. km., of which 16 per cent is arable. Forests surround the mountainous townships and there are apple orchards on the plateau. There are also coal mines.

Economy

China's rural economy has grown rapidly since the late 1970s. Between 1978 and 1992 the average per capita income of rural households grew by more than seven per cent a year (Islam and Jin 1994). The development of rural enterprises has contributed significantly to this growth, with industry accounting for half of the total product of rural areas in 1992, compared to less than one fifth in 1980. Not all areas have grown at the same rate, and agriculture remains the main source of income and employment in poorer areas. Where rural enterprises have developed they have become an important source of revenue for local governments.

Table 1 presents basic information on the economies of the three study counties. Donglan's economy is relatively less developed. Agriculture accounts for more than half of GNP. State-owned enterprises are not profitable and township and village enterprises (TVEs) do not contribute substantially to local government revenues.

Shibing's economy is dominated by agriculture, which accounts for 67 per cent of output and 90 per cent of total employment. The value of agricultural production has increased considerably in recent years but industry has grown slowly, accounting for around 11 per cent of total output in 1992.

Xunyi's economy grew rapidly between 1981 and 1991, averaging around seven per cent a year. Agriculture is still the principal activity, although considerable diversification has occurred. The number of TVEs has increased, and they employed over 16,000 people in 1992.

These three counties are undeveloped in comparison to other areas of rural China. Industrial growth has been slow and agriculture is the main economic activity. Average per capita incomes are lower than the rural average and significant proportions of the population of all three counties live in poverty.

Poverty

According to government estimates, 80 million people were living in poverty in 1994, almost all in rural areas (CYB 1994/5). The poor are mostly concentrated in remote, mountainous areas where productive resources are less developed and producers are not integrated into well-developed markets.

In 1992, average annual per capita income in Donglan was ¥326. The majority of the population had incomes below the poverty line defined by the central government (¥350). In Shibing, the annual per capita rural income averaged ¥470 in 1991, but this varied between ¥180 in poor townships and ¥700 in rich ones. A 1991 household survey in Xunyi indicated that average per capita income was

¥420 in rural areas. Some poor households in all three counties received assistance from a social relief programme. These programmes do not cover all poor households, and the financial support provided is often insufficient to keep household income above the poverty line (Zuo 1997).

The central government has designated Donglan as a poor county because of its low average per capita

income. Shibing and Xunyi are provincially designated poor counties. The study counties received funds from poverty alleviation programmes. The three counties were also net recipients of fiscal transfers from higher levels of government. These transfers enabled the three counties to maintain similar levels of government expenditure per capita, which ranged from ¥103 in Donglan to ¥132 in Shibing.

References

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