

# Policies and practice in Three Gorges resettlement: a field account

by Shawn Steil and Duan Yuefang

*The Three Gorges Project on China's Yangtze River is the largest and perhaps most controversial development-induced displacement project in the world. Official estimates place the resettlement population at over 1.2 million by 2009.<sup>1</sup>*

**T**he displacement process is guided by China's 'developmental resettlement' policy that aims to maintain or enhance the living standards of resettlers. Implementing this policy on such a massive scale is an increasingly difficult challenge for the Chinese government.

Given the international controversy surrounding the project, conducting research and exploring cooperative means of promoting resettlers' livelihoods is a challenge of its own. The authors undertook fieldwork in a variety of resettlement areas and interviewed national, regional and village offices and urban and rural resettlers. This article presents a preliminary overview of the implementation of resettlement policies and offers recommendations for improving the work through its final phases.

## The challenge of rural resettlement

According to the Changjiang (Yangtze River) Water Resources Commission, the rural population represents 40% of the total resettlement population but will, it is proposed, receive less than 20% of the resettlement investment. The project has pledged to ensure that the average amount of land per person will be maintained after inundation. With a shortage of arable land, a struggling physical and economic environment and an under-developed infrastructure, the challenge to successfully resettle the displaced is considerable.

In the Three Gorges, as with other poor areas of China, male members of the household often find work out of the village. With farming becoming less popular and profitable for

younger people, the rural population is ageing. Most family representatives participating in interviews were over 50. Each of the participants faced different situations and different challenges, all of them daunting. What stood out most was the stoicism with which they are facing unexpected challenges. They will need more than personal courage, however, if they are really to maintain or improve their standards of living

## New policies, uncertain impacts

From 1992 Premier Li Peng's resettlement policy emphasised simply opening up land and moving the displaced to higher ground within their home counties. At least 60% of rural resettlers were expected to continue in agriculture. The policy was lauded for its social sensitivity as resettlers remaining within their own counties would be protected from the social and economic risks of being moved far from their homes.

It was not until 1998 that the central government began to acknowledge that deforestation in the Yangtze basin was responsible for serious

flooding. It has since begun to accept not only that there is insufficient suitable land in the region to relocate rural resettlers but also that currently cultivated land must be reforested in order to prevent further erosion and flooding. This realisation has led to major policy changes limiting the amount of land available for resettlers and placing greater emphasis on distant resettlement.

### Reforestation of cultivated land

Three Gorges Resettlement regulations have been amended to prohibit the opening of new land for resettlers on slopes greater than 25° (those particularly vulnerable to soil erosion). The *tui geng huan lin* or Reforestation of Cultivated Land policy stipulates that **existing** cultivated land at this incline must be returned to forest. Government officials and academics involved with the resettlement defend the earlier resettlement policies and argue that the change in approach is a natural occurrence. In the West, they point out, increasing awareness of environmental issues has similarly precipitated policy shifts. While these policy changes are needed to ensure the long-term sustainability of the Three Gorges, they bring new and unanticipated challenges to resettlement work.

In the early 1990s, one community invested a significant portion of resettlement funds in opening new slope land for resettlers. The land, however, has proved unproductive and too difficult to farm and has been rejected by resettlers. Now, with its slope of well over 25°, it must be returned to forest or orchard use, and the resettlement funds put into the land cannot be recovered. The resettlers waiting for compensation land now must prepare to farm only that land remaining above the inun-

dation line. In some townships in the Three Gorges, large proportions of the currently cultivated land are steeper than 25°. Though farmers support the policy to reforest the land, having seen in some cases the depth of the soil in their fields drain away from 100cm to 20cm, they are concerned about how they will support themselves after inundation without enough land to earn a living.

The reforestation policy allows for flexibility in meeting the targets and offers economic incentives. Farmers interviewed in one resettlement area reported that they would receive a small cash subsidy and eight years of rice subsidy if they returned the land to natural forest, and five years of rice subsidy if they returned the land to fruit orchards. Overall, of the fields that are above 25° in slope, 80% must be returned to natural forest but 20% may be converted to fruit orchards to allow farmers to make some income while partially protecting the soil. In reality, however, our investigations revealed no farmer willing to convert their land to natural forest. Even those who were willing to convert some of their land to orchards were concerned about how they would get by with the reduction in income and food supply, especially after inundation claimed their best land and their subsidy ran out.

The response to increasing production and income insecurity for rural resettlers varies in different areas. In some areas, farmers moonlight as migrant labourers. In other areas, especially those with older populations where migrant labour is not common, local leaders are under pressure to provide alternative sources of income for the displaced. In Zigui, one resettlement village has resorted to buying out a

bankrupt brick factory from the township government. But enterprises in the Three Gorges are not usually successful and it is uncertain whether the village will succeed where the township has failed. Another nearby village already suffers from massive debt due to failed commercial and development enterprises. The many officials and academics interviewed are generally sceptical about the prospects for developing new rural employment enterprises.

### Waiqian yimin – distant resettlement

In the midst of this new awareness of the environmental and economic limits of the Three Gorges, the government has increased compensation and other incentives for displaced people to move out of their home communities. Officially, there are plans for 125,000 resettlers – about 10% of the total – to be moved out of the Three Gorges reservoir area. According to most academics and some senior officials interviewed, even this number is far too low.

The quota for the number of people who must be displaced outside of the county has been determined in order to guarantee that the amount of arable land per person remains the same after inundation. It falls upon the township-level Resettlement Bureau officials to decide who must move away and, ultimately, to persuade them to actually leave. The pressure upon these officials is enormous and under this system it is impossible to address individual circumstances.

In one case, a family was being encouraged to move out of the county to the village in which the husband had employment. The family was reluctant to leave their home village with an elderly family member and would have readily given up their

*Distant resettlement: resettlers wait by the riverside for boats to carry them and their possessions away from their ancestral villages to towns and cities in more prosperous areas of China.*



entitlement to new land in return for being allowed to merely rebuild their home nearby. However, the rules of resettlement requiring displaced people to be given land and obliging the resettlement official to meet his quota resulted in a stressful impasse.

Resettlers are being moved *en masse* to locations in Shanghai, Guangdong and all over China. A combination of the increased compensation and a realisation of the difficulty of remaining in the Three Gorges are persuading some resettlers that distant resettlement is their best option. These added incentives and the other additional expenses of distant resettlement will undoubtedly raise resettlement costs. The resettlement budget finalised in 1993 is intended to be a fixed amount and there is some disagreement among senior officials on whether or not the budget will have to be increased.

### ***Dui kou zhi yuan* – partnership support**

With rising costs and a shortage of local resources, the Partnership Support policy encourages development support links between Three Gorges and other regional governments. The 19 counties to be affected by the Three Gorges inundation are partnered with a province or municipality outside the affected area. Enterprises in partner administrative units are being offered financial incentives to open branch operations in the resettlement communities. While the intent of the Partnership Support policy is to boost economic development in the resettlement areas and create jobs for resettlers, there are no firm requirements to hire resettlers. Our interviews with managers of Jiangsu province factories in Zigui County revealed that the primary reason to establish a partnership enterprise was to answer the central government's call to assist in the resettlement. Interviews with county government officials suggest that favourable tax policies and the expectation of other financial and service incentives play a significant role in the decision to establish enterprises in the Three Gorges.

Though measuring success in maintaining or enhancing the living standards of resettlers requires further research, it is already clear

that the results are uneven. Thus Zigui County enjoys a number of newly established enterprises providing apparently viable employment to resettlers. Its fortunate location close to the Three Gorges Project construction site and relatively developed infrastructure and transportation links enable Zigui to persuade firms from the rich eastern province of Jiangsu to invest. By contrast, in Kaixian, a poor and isolated county in the reservoir area in Chongqing municipality, the results of the Partnership Support policy have not been so promising. Officials from Kaixian County lamented that their official partner was in western Sichuan and that they could not attract more economically viable enterprises from the east. As China shifts towards a 'socialist market economy', the success of even the state-mandated Partnership Support programme will rely on market forces and profit margins.

### **Prospects for international support**

With such a staggering number of people to be displaced and resettled, high goals set by the Chinese government for the reconstruction of their lives and limited resources with which to achieve these goals, it might be assumed that international assistance in the resettlement would be welcome. The Chinese government, however, is determined to go it alone. Senior officials at the State Resettlement Bureau have only agreed to support technical research. The Chongqing municipal government recently posted regulations prohibiting any 'individual' research or consulting in the Three Gorges area. Further work is thus required to create an enabling environment in which investment, either private or public, can assist resettlers.

Despite restrictions, there is an eagerness at the local level to engage in international cooperation. In Kaixian County, a relatively flat area along a northern tributary to the Yangtze River, government officials are keen to work with foreign researchers to address environmental problems. With a yearly fluctuation in water level of up to 35 metres and the prospect of a developing swamp increasing the incidence of water-borne disease for the 600,000 people who are due to reside there, Kaixian

officials are working hard to find suitable solutions. They hope to involve foreign resources in their environmental protection plans.

The Chinese government recently announced a large-scale survey to examine the protection of resettlers' rights in the Three Gorges.<sup>2</sup> While this is certainly a welcome development, an opening to independent research would increase international confidence in the resettlement work and perhaps attract international resources – something that will increase in importance with China's economic reforms and recent entry into the WTO.

### **Policy recommendations**

The Partnership Support policy may serve as a model for other resettlement projects. The policy establishes working relationships that provide local governments and economies with specialised support. Initial indications are that large-scale investment schemes would be favoured over grassroots ventures. After further study, it may be conceivable to expand the programme internationally. Countries such as Canada, which is involved with the Three Gorges Dam project, might provide consulting and additional financial incentives for Canadian firms who guarantee to provide training and employment for the displaced.

Almost all of the farmers interviewed agreed that the subsidies for the Reforestation of Cultivated Land policy were too low. They additionally feel that it is important to address the low productivity of the existing land above the final inundation line and to provide irrigation to help them withstand drought. Despite plans for a massive reservoir below them, the farmers fear having insufficient water.

Foreign or domestic finance could increase subsidies or provide saplings for planting. The World Commission on Dams has suggested that resettlers should share in the benefits of development projects, including irrigation water and electricity. Pumping water up slopes for irrigation is expensive and requires external resources. International partners might consider providing investment and expertise to develop irrigation systems in exchange for subsidised electricity

from the Three Gorges Project to run pumping stations.

New pressures caused by the shift in policy towards distant resettlement have been exacerbated by the *hukou* (household registration) system. Local officials have not met their quota until the resettlers' *hukou* has been transferred to another county. In some areas, migrant labour exists but because social services and other rights are linked to the *hukou* system, natural out-migration is not a feasible solution for the resettlement. *Hukou* system reforms are underway in China but need to be speeded up, especially in the Three Gorges, in order to provide resettlers with more freedom of mobility to control their own supported distant resettlement.

Distant resettlement is likely to continue to increase, along with pressure and tension between officials and resettlers. While many resettlers expressed some willingness to resettle outside the area, others resent the higher compensation for distant resettlers. There are higher costs, both economic and social, entailed in distant resettlement, and the risks include growing discontent and dissent.

## Conclusion

The uprooting of the lives of resettlers is a reflection of the rapid change taking place all over China. As economic

reform speeds ahead of political reform, centralised decision making cannot always keep up with changes in local realities. While great efforts are being made in the massive undertaking of Three Gorges resettlement, there is enormous pressure on the government apparatus at various levels to achieve the still ambiguous 'developmental resettlement'. Increased transparency plus participation of the displaced in the decision-making process might diminish much of this pressure.

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The authors wish to thank the Three Gorges University, Yichang, the University of Calgary, Canada, and the Canadian International Development Agency for its support of the research, and express their gratitude to the many academics, government officials and resettlers who so generously participated in the research.

1. This includes population growth during the expected 17 years of project construction.
2. Three Gorges Probe, September 20, 2001, [www.probeinternational.org/pi/3g](http://www.probeinternational.org/pi/3g)

## Dams in China

The official Three Gorges website is at: [www.ctgpc.com/html/information/english/eng01.htm](http://www.ctgpc.com/html/information/english/eng01.htm).

See also the National Research Centre for Resettlement (NRCR) at Hohai University, Nanjing: [www.chinaresettlement.com/index.htm](http://www.chinaresettlement.com/index.htm).

The World Commission on Dams Report on China is at [www.dams.org/studies/cn](http://www.dams.org/studies/cn).

Critiques of the Three Gorges and other Chinese resettlement programmes are presented by:

Probe International at [www.probeinternational.org/pi/3g/index.cfm](http://www.probeinternational.org/pi/3g/index.cfm);

the International River Network at [www.irn.org/programs/threeg](http://www.irn.org/programs/threeg);

Human Rights China at [www.hrichina.org/reports/3gorges.html](http://www.hrichina.org/reports/3gorges.html);

Flood Wall St at [www.floodwall-street.org](http://www.floodwall-street.org); and

Human Rights Watch at [www.hrw.org/press/2001/04/threegorges0420.htm](http://www.hrw.org/press/2001/04/threegorges0420.htm).