

Event Report

Assessing Economic Development in Tibet

EIAS Briefing Seminar

4 December 2015

The Tibet Autonomous Region (TAR) in China is known for its beautiful rustic mountainous landscapes and stretched out lands. In recent years, as one of the target areas of the central government policy of opening and developing China's Western regions, TAR has witnessed impressive economic growth. From a fiscal point of view one can see that TAR however heavily relies on state led investments and state subsidies to maintain its growth levels. Although these subsidies to some extent lead to the alleviation of poverty and the improvement of living standards, some argue that they create inherent inefficiencies and a disproportionate reliance on external support.

The European Institute for Asian Studies was honoured to welcome Mr. Pema Trinley, Vice Chairman of the Ethnic Affairs Committee of the National People's Congress, to discuss the current state of affairs in the Tibet Autonomous Region, its economic development and the implications of China's 13th five year plan for the region. Mr. Trinley's speech was followed by an open and lively Q&A-session. The event was chaired by Mr. David Fouquet, Senior Associate at EIAS.

Introduction by the chair

Tibet is a much-discussed region. It came up during the recent EU-China Human Rights Dialogue and probably even during the COP21 climate change negotiations, as the TAR is also known as the rooftop of the world, hosting many major Asian rivers. From Europe, we only get a limited picture of what is going on in Tibet, which is even the case after a few days of travelling and conversations on the spot. Therefore, the European Institute for Asian Studies is always glad to have visitors from official and other sources, including civil society and policy makers, who come here to exchange their views and expertise, and to engage in an open and constructive debate.

Speech by Mr. Pema Trinley

Over the past year, the TAR government firstly carried out earthquake relief efforts, since the earthquake that hit Nepal also negatively impacted 18 counties in Tibet, affecting 300.000 people. The assessment of earthquake-related losses and consultations with affected communities have been finished, and reconstruction works will begin next year, financially supported by the central government in Beijing.

A second major point of attention was the 6th symposium of work in Tibet, which laid out the blueprint for development in the TAR in the next years, including areas such as the improvement of people's living standards, environmental protection and public health. Moreover, the infrastructure investments and transfers for Tibet will be doubled under the 13th Five-Year Plan, compared to the already RMB 100 million in transfers that were yearly provided to Tibet during the 12th Five-Year Plan. The 13th Five Year plan has been submitted to more than 34,000 people for review and suggestions. Also remarks from representatives in the Tibetan People's Political Consultative Conference are welcomed. The main priorities for the next years will include infrastructure works, increasing social security and intensifying efforts in environmental protection.

Third, an array of ceremonies was held in the past year to celebrate the 50th anniversary of the establishment of the Tibet Autonomous Region. According to Mr. Trinley, the Tibetan people have become their own masters since the TAR's establishment. Mr. Trinley is the 6th chairman of the Tibetan People's Congress, and also all his predecessors were ethnic Tibetans. 72 per cent of all the officials in the TAR are ethnic Tibetans. Among the 445 deputies to the Tibetan People's Congress, 89 per cent are ethnic Tibetans, which is 90 per cent for representatives on the village and city level.

The TAR's fiscal revenues amount to ten billion RMB a year, but expenditures reach a 120 billion, which implies that most investments do come from the central government. This is however necessary, considering the aim of developing a prosperous society by 2020 with support of the central government. In the total Tibetan population, 92 per cent are ethnic Tibetans. Of these Tibetans, 80 per cent are farmers, and their development is crucial. (It remains however unclear whether the TAR's plans will also include the development of a stronger local productive economy, increasing its economic self-sufficiency.)

Q&A-session

The TAR has an area of 1.2 million square kilometres and a population of 3.1 million people. Its specific geographic conditions with farmlands, mountains and forests result in a situation where its inhabitants are scattered around different locations, with a variety of different lifestyles. Although changes have taken place over the past fifty years, 690,000 people still live in poverty. The TAR authorities want to improve their living conditions, although it should be under the precondition of respect for these people's way of life. The aim and priority is to remove poverty by 2020. On that notice, The TAR also implemented health reforms providing all Tibetans free medical care, including a medical insurance, health insurance and an insurance against labour injuries. The death rates of newborns have dropped, although they are still among the highest in China. There are hospitals from village to county and city level, with connections to hospitals in first tier cities such as Beijing or Shanghai for serious injuries.

On education, a policy established during the 12th Five-Year Plan says that all children of Tibetan farmers can enjoy free schooling from three years old until high school, which does not count for children of Han-people and officials. These days, the degree of enrolment is higher than 99 per cent, as it has become compulsory to do so. Most courses are taught in Tibetan, although pupils also learn Chinese and English. Furthermore, there are some specific Han classes for children of Han ethnicity. The TAR authorities want to cultivate the next generation in order to guarantee Tibet's development potential. About 10,000 graduates from Tibet are enrolled in universities throughout China each year, and most of these students go back to Tibet for employment.

Tourism has become the pillar industry of Tibet. During the 1980s, almost all visitors came from mainland China, but after twenty years of hard work the TAR nowadays welcomes more international travellers. Last year, Tibet received fifteen million tourists, with revenues accounting for 22 per cent of its GNP. The 13th Five-Year Plan aims to develop Tibet's tourism sector into a high-end industry, with an investment of five billion RMB. Besides, Tibet successfully held the second tourism expo this year, with more than 50 worldwide tourism agencies attending. The TAR attaches great importance to protecting its traditional culture, and according to our speakers major investments have been made in this respect. Its culture is after all the main motive for travellers to visit the region. There are several regulations and laws on cultural protection, including a regulation on the teaching and use of Tibetan language and a regulation on the protection of Potala Palace in Lhasa.

The TAR has rich water resources and a huge potential for hydropower facilities, being its largest natural resource next to solar and wind energy. Under the 12th Five-Year Plan, the region has built a hydropower station and there are more stations planned as part of the 13th Five-Year Plan, in cooperation with Yunnan and Sichuan. The electricity demand in eastern Tibet can currently be satisfied, but there are still households without electricity as it takes time to build the grid. There is however one important precondition, namely the continuous protection of the environment, which is after all Tibet's lifeline. This is the responsibility of the government as well as its citizens. It is equally crucial to include local people's opinions when carrying out a project, thereby keeping their social and religious considerations into account.