

Four Stories in One: Environmental Protection and Rural Reconstruction in China

Wen Tiejun

With China's economy growing at an average rate of over 10 percent in the last ten years, and with China becoming the third largest economy in the world in 2007, international society has marveled at the "Chinese experience," which is presumed different from Western paradigms; it is thought that the Chinese have changed the irreversible law postulated by the Washington Consensus, that only 20 percent of the world's population would succeed in modernization.

Within China, the question of experiences and lessons of the three decades of China's reform since 1978 is a hot topic among intellectuals; there are also discussions among economists about economic laws. The embarrassment in academia is conspicuous, because the most influential economists in China have pragmatically pointed out that "there is no economics in China!" The economic theories in today's China are almost all imports

from abroad. These theories from outside cannot adequately explain China's economic development. Still, the very fact that the economists in China have presented such a view is itself a sign of progress.¹

If, indeed, China's economists feel that China has not yet produced theories grounded on China's experience in development, then, for a person like me long engaged in grassroots research work, there is no need to refer to too many theories, and I will hence confine myself to telling four cautionary stories, in order to expound on the question of the institutional cost induced by the "rural-urban dichotomy," the fundamental systemic contradiction in China, as well as to discuss the rural reconstruction efforts that we have embarked on to resolve such systemic contradictions.²

Four Cautionary Stories

Story 1: The Story of the Zapatistas, the Masked Army

This came from a study we conducted in 2003 in Mexico.³

In August 2003, I was on academic exchange in Mexico and happened to run into an event. Mainstream global society now seems generally agreed on the question of combating terrorism, and the image terrorists evoke is a masked face with only the eyes revealed. When I was in Mexico, it so happened that the Zapatista National Liberation Army (EZLN), a group with precisely such an image, was holding a public event to proclaim local good governance of the indigenous people. So, I took a trip to the hills that were under EZLN control. However, when I came to a face-to-face encounter with thousands of Zapatista militants in black ski masks revealing only their eyes, and tens of thousands of indigenous Indian people with their faces covered by colorful scarves, I did not feel scared. Not only myself, but also hundreds of foreigners present were also without any sense of fear.⁴

Later, I was taken by a local indigenous guide to the Lacandon Jungle near the border between Mexico and Guatemala. Staggering on muddy trails, we went into Zapatista-controlled remote areas inhabited by the indigenous Indians. Along the way, I saw slash-and-burn farming, which, from the mainstream concept of the society where I am from, I would have unthinkingly regarded as seriously detrimental to the environment.

Yet, when I was indeed among them, sleeping in the same type of shed and unable to get a wink of sleep due to mosquito and flea bites, I was obliged to think: Why would they want to ruin their environment? Why have the indigenous Indians changed their ancient tradition of thousands of years, though they have always been considered the humans who had lived most harmoniously with nature, not killing more animals than they need to, taking from nature only what is minimal for their most basic needs? They did not destroy the environment and, before the Westerners came with their savage colonialism, they had kept using stone tools from the New Stone Age.

To be in harmony with nature had been a tradition of the Indians for thousands of years. Then why is it that they are now cutting trees on steep mountain slopes? All this is quite incomprehensible for me as a so-called economist. Why? I think this involves a major systemic problem of “Latin-Americanization” in the period of postcolonialism. I have undertaken quite a few trips to Latin America, including four times to Mexico, in order to figure out the question of so-called Latin-Americanization. I have insisted on the mode of research I use in China, which is, I would go to rural areas and interview people in their rural homes. Only when one has been with the local folks and the farmers can one claim to have done research.

One anecdote from my visit to Mexico could be of interest. I met a tall and sturdy farm owner, and I asked, “Which state is your farm in?” He replied, “You have asked the wrong question. You should have asked me which states are in my farm!” He told me with pride that his farm crossed state borders and was simply huge. So, with farms of such scales, what could be the problems?

According to general economics, it is believed that land privatization could resolve the question of marketization and industrialization of agriculture. It follows that farm owners must enlarge the scale of their farms in order to cope with the ever-increasing costs for capital-intensive technological input. This is what happens in the developing countries in Latin America where the state cannot afford huge subsidies. In Europe, the United States, and Japan, the state increases subsidies when the farm owners cannot afford such costs. Anyway, in competitive agriculture on a global scale, the necessary logic is to go after scale expansion in order to stay competitive. Under

privatized land ownership, larger farms inevitably destroy small farmers in the pursuit of expansion.

What deserves our in-depth analysis is: almost all big-farm agriculture of scale in the world is in former colonizer countries, fed by plunder in the early period of colonization. Up to now, there has rarely been any experience of big farms depending entirely on privatization or marketization to achieve their scale, which could be used to prove this so-called general law of agricultural development.

In Mexico, who are the big farmers? They are the European appropriators during the colonial period and their descendents. And who are the small farmers? They are the indigenous Indians who had lived in harmony with nature for thousands of years. Thus, this is still a question of Latin Americanization in the postcolonial period. In a “normal” operation of the law of the market under globalization and dependent on scale for competition, small peasant economies would, as a “norm,” fall victim to big farms. They are then left with no other means of livelihood but to cut trees and slash and farm in the remote jungles. While they are forced to resort to a primitive mode of life resembling their ancestors, they also need cash to meet medical, educational, and other expenses indispensable in a modern society. This necessarily leads to damage of the ecological system and of the natural environment.

But can you allow them to not survive? According to Latin American researchers, during the three hundred years of colonization, about 100 million native Indians in Latin America were wiped out. The situation was even worse in North America. In 1992, the United States declared that Native Americans had ceased to exist as a race, because there were only 420,000 left of them. In Mexico, however, especially in states like Chiapas where the Zapatista insurgency has taken place, indigenous Indians still account for an overwhelming majority of the population.

This story I personally witnessed tells us that if one hopes to protect the ecology and the environment, one should, at the very least, guard against the “negative externality” induced by the privatization of agricultural land. In recent years, mainstream economists within and outside China have been advising the leadership in China that only through land privatization can China’s agriculture participate in international competition. Yet, as I see it,

even if the agricultural land in China were privatized ten thousand times, we still would not be a player in international competition.

When China's officials and researchers go to the United States to look at the farms, they usually visit big modern farms, and admire their GPS (Global Positioning System) technology and large-scale mechanized operations. Nobody seriously looks into the reasons for bankruptcy of medium and small farms. Why? One reason is that the farmers receive only 5 percent of the dollars that the consumers pay for food; the income at the very end of the chain of industrialized agriculture is very low; hence, large numbers of farmers who cannot afford to go on scale are forced into bankruptcy. Only farms with an average 300 hectares can generate a steady income. In China, the average farmland of a rural household is only 0.5 hectares, so when will we ever reach the scale attained by U.S. farms for breaking even?

It is now apparently absolutely "politically correct" in contemporary China to be unthinkingly identified with globalization and, without discrimination, turn market economy into an ideology, then approach the superstructure of market economy in a fundamentalist manner. To facilitate a discussion without heated sentiments, I would phrase the question of the Chinese blindly copying from the scale agricultural system of the United States to China, without attending to the differences, as "an error in translation" — they have erroneously translated the term *farmers* used in the United States for *peasants* in China. The difference that we need to grasp, to state the case in explicit opposition, for the sake of argument, is this: there is no farm in China, there is no peasant in the United States. But since the translation of the subject itself is erroneous, there is no more need for further debate. What I would like to emphasize is this: it is only a daydream if one just brags about environmental protection or about sustainability of resources and does not go to the grassroots or go among the masses.

Story 2: The Story of the "Straw-Hat Plot of Land"

This happened in the mountain areas in Guizhou Province, in southwest China.

The mountain regions of Guizhou Province are carst regions plagued with severe soil erosion problems. The importance of the sustainability of

resources and of the environment has been emphasized for two decades. In recent years, the erosion problem has been aggravated. What has happened in the last thirty years is that the peasants in the mountain regions, due to lack of other means of livelihood, have been forced by a growing population to go up the steep slopes for farming and have eventually used up whatever little topsoil there was left on the slopes. International groups, including many NGOs (nongovernmental organizations), have been deeply concerned about poverty alleviation in Guizhou. When they are there, they are perplexed: why do the poor peasants have to farm on the steep slopes, which are so steep that they are inaccessible even by the oxen and only human beings can climb up to plant some corn in the crevices of the rocks.

Guizhou people would, in self-ridicule, tell you a story about a “straw-hat plot of land.” A peasant household was given twenty-eight plots of land through the household responsibility contract scheme. The peasant climbed up the slopes to till the land and finished the work with twenty-seven plots. One was missing; he looked here and there, but in vain. When he picked up his straw hat, ah-ha, there it was, covered up entirely underneath! This epitomizes the fragmentation of plots of farmland, due to soil erosion and environmental destruction. Later, I was told that twenty-eight plots of land would not count as fragmented, because some people had fifty-six plots of land!

Before the year 2000, when the government started implementing the policy of offering grain and cash subsidies to peasants who converted cropland into forest and grassland, however much the government discouraged farming on steep slopes, peasants had no other choice but to farm them.⁵ Is it because they preferred such arduous labor? No! Guizhou was the first province to implement the policy of offering a thirty-year term for land contracts. Farmland resources in Guizhou had always been scarce—in 1978, when land in Guizhou was contracted to households, cultivated land averaged only 0.78 *mu* per capita, lower than the 0.8 *mu* laid down by the United Nations as the minimum subsistence level. Twenty years being one generation, those born in 1978 now have children. With an additional one-and-a-half generations in thirty years, what are these people supposed to eat? Across the country, it was not until the end of the 1990s that the thirty-year policy was emphasized. Amid public opinion overwhelmingly in favor of

this policy, voluminous research findings came out, and in 2003 the policy was enacted into law. However, has anyone done any research and analysis on the conditions and the lessons of Guizhou, which was the first to implement the policy of the thirty-year contract term?

Relating the second story to my first story about the indigenous people of Mexico, one may come to a conclusion of the question of “negative externality.” But if one further ponders these two stories from Mexico and China, one may find out what the underlying institutional factors are. This is because, when it is generally hoped that an accelerated urbanization can help increase peasant income and resolve China’s Three Rurals,⁶ one should look globally and see that Mexico is about 70 percent urbanized, whereas China is only about 40 percent urbanized; Mexico’s per capita income once reached US\$4,000, whereas that is a target for the Chinese for some time after 2020. Mexico is still troubled with the problem of bankruptcy of large numbers of poor farmers, and the Mexican government reported that about 30 percent of its population is below the poverty line (which is ten times China’s 2.7 percent poverty rate), with some scholars estimating that the actual poor population is over 50 percent. There are still peasant uprisings in Mexico, there is still farming on steep slopes, and the indigenous Indians have been compelled to give up their thousands of years of traditional civilization of harmony with nature.

Is this an evil of the system? More urgent is the question: how can China avoid such an evil of the system?

Here we need to relate this story to the story of the Guizhou mountain areas: Why are there straw-hat plots of land? Why do peasants have to farm on steep slopes? What this illustrates is that some of our current piecemeal policies are detrimental to an overall strategy that would take care of the nation’s environmental protection and create sustainable development.

Story 3: The Story of “Enclosures”

This happens right here in Beijing, but is seldom noticed.

People complain about the grave traffic jams in Beijing and the aggravating everyday air pollution. Some personnel posted to Beijing by Western developed countries even receive a pollution stipend. Some people say the

problem is due to car emissions; some say it is due to substandard domestically produced cars; some say it is due to inadequate roads and highways, or lack of public transport. I had lived in Manhattan for about six months and I did some driving there. At that time, I wondered why there was only one highway ring around Manhattan. Could it be that there are more cars in Beijing than in Manhattan? Yet in Beijing, we already have as many as six rings, but the traffic jams and the pollution continue.

Why? If the problem is still attributed to the system, then what sort of problem of the system is this?

It is widely known that one of the problems of the system is the monopoly of the requisition of peasants' land by specific government departments. But has anyone probed into the question of the effect on the structure of urban construction as a consequence of such an institutional departmental monopoly of capital? Precisely because of such a monopoly over the requisition of land, capital dependent on departmental authority can for long years resort to their power to access opportunities of "land allocation" at very low prices. Hence there is the system of "land enclosures" and its dependent path. In Beijing, we have "local enclosures" resembling those under a feudal system in the hands of almost all departments of authority, big or small. Hence, estate developers also adhere to the custom of "local landlords" to make enclosures, and thousands of buildings are clustered into all sorts of enclosures. Almost all departments and units make the piece of land in front of the buildings into their own parking lot and manage to realize the idiom: "the wind can come in, the rain can come in, but the emperor cannot step in!" In a word, this is only bringing conventional landlord practice into the cities and is in no way urbanization in the modern sense. One of the systemic costs from this is pollution. Since cars cannot drive through, they are all forced onto a limited number of roads, and when they are all crammed on the roads and highways, there cannot be radical treatment of the aggravating air pollution. This is one of the adverse effects of enclosures. Peking University once declared that it would open up its campus and allow cars to go through, but before it really opened up, the gates were closed. Maybe this is what we see often in systems, that the good is normally displaced by the bad.

In Manhattan, there is no low-cost land requisition by departmental

monopoly capital protected by government authority, so you do not see such government enclosures, and cars can go through Central Park. And because land in the cosmopolitan city is scarce, no estate developer can get a lion's share of the land. There, cars go by roads interspersed among clusters of buildings.

Story 4: The Story of Disease from Food

This has to do with the family life of every urban resident, rich or poor.

A man working on agricultural research went to the vegetable market to buy food for the new year. He saw alluring, lush green vegetables, but he dared not buy for his family, because as an insider, he knew the vegetables carried much nitrous acid, a carcinogen. So he bought only root plants such as turnip, onion, potato. This was the winter food for the new year for ordinary families thirty years ago; was he intentionally reverting to a living standard of thirty years ago for his own family?

It is not a bad idea for urban people, especially the burgeoning middle class, to be daily talking about ecology. Yet, do people know how much harmful food they and their families are taking in everyday? Many parents are worried about the future of their children, but do they know how many handicapped babies are born everyday in the children's hospitals? Why is it that China's handicapped population has reached more than 60 million? The damage to the resource environment is one reason. Why is it that the pharmaceutical industries are prospering so much? Because we fall ill too often! Why is it that the pollution index every year is on the rise? Why is it that, despite all the emphasis on tracking the origin of production, the problem of food safety is getting more serious? One important reason is the excessive use of pesticides, chemical fertilizers, and herbicides in agriculture, and the excessive use of steroids, heavy metals, and antibiotics in animal husbandry. How many of us are taking in all these agricultural products with high residues?

The question is: do the peasants not know that this is harmful?

The root of the question is that the system is more and more endangering both the city and the countryside, but this has not come into people's awareness!

Urban residents should not think that, because they have long enjoyed the advantages of the urban-rural dualism, they will be exempt from being affected by the cost of the system. Do not think that since systemic costs have always been borne by the peasants, it makes no difference to you what type of life the peasants are leading. We all know that if peasants use excessive pesticides, chemical fertilizers, and heavy metal, life for urban residents will not be good. We have not had time to reflect on the question: why is it that for six thousand years in China, agriculture has nurtured the population, but in the last three decades, peasants seem to have become selfish and vicious? When the urban middle class becomes complacent that they have a huge advantage over peasants who come to work in the cities for extremely low pay and remuneration, they have at the same time sown the seed of their own victimization.

Thus, urban folk should be more concerned about the 900 million peasants, in order to ensure a better and faster sustainable development. The peasants of most developing countries are the most vulnerable sector, and if the peasants are driven to a desperate dead end, the urban folk also will bear the consequences. The big upsurges and disasters will definitely take place in the cities.

Furthermore, more and more migrant workers coming from the countryside to the cities have learned to use their urban income as a reference point for their income from arduous labor input on the farmland. The contrast, of course, reveals a huge disadvantage for the peasants. Under the law of “rise of opportunity cost of input of agricultural labor,” peasants would drastically reduce their labor input in agriculture and seek more use of chemical fertilizers, pesticides, and herbicides. Creating a vicious circle, more city folk are victimized.

Rural Reconstruction and Environmental Protection

I have told these four cautionary stories, from which is derived the story of what we have been engaged in.

In the last few years, together with many volunteers, we have been working on rural reconstruction, which is why the title of the essay is “environmental protection and rural reconstruction.” I would like to argue for

the integration of environmental protection and the reconstruction of rural culture.

The mainstream theories, cultures, and public opinion of our society have reiterated to peasants the primacy of getting rich: that those who get rich are heroes, those who do not are failures. But, on our part, we would want peasants to know that the so-called modernization and globalization ideology can offer them only a piece of cake painted on the wall. It is out of reach, and if they try to sink their teeth into it, they will only end up with broken teeth and ridicule from others.

The problem facing us is basically the same as thirty years ago, which is, how we can be pragmatic and truthful.

We have in China 900 million peasants — that is, 230 million small peasant households; the farmland per household is about 0.5 hectares. These are the realities and the laws on which we should base ourselves. When we emphasize environmental protection and building a culture congruent with the environmental resources, we should see what all of this entails for the peasants.

The environmental culture in the global context is itself a nonmainstream culture and is probably incomprehensible to the wealthy whose concern is more for the stock market. I have become involved in this in order to warn our Chinese peasants and Chinese people that Western-style modernization is not for us, that we cannot possibly follow the same path. Our country is a superpopulous country with extremely scarce resources. Hence, the Chinese need to be realistic. Over half of the petrol and the nonferrous metal we use comes from imports. The consequence of following such a trend of Western modernization will be excessive, intensive industrialization along the coastal regions, and, coupled with the industrialization of agriculture, heavy pollution is inevitable. So we have SARS (Severe Acute Respiratory Syndrome) today, avian flu tomorrow, all sorts of inexplicable diseases, and even pathological genetic mutations. Our future generations will be having very hard times.

The problem is that the urban folk have already accepted such a pattern of Western modernization for almost a century, and very rarely do we have people aware of the problems and willing to reflect on them. What I present today will surely be rejected or reprimanded by those not inclined to these

types of reflections. But being a researcher long engaged in rural studies, rather than wait for the urban folk to take time to reflect, I have chosen to take up rural reconstruction in the countryside.

When we are in the countryside, what do we say to the peasants at the grassroots level?

First, Peasants Should Refrain from Inorganic Farming or Accelerated Growth of Pigs

For farming, try to use less pesticide or chemical fertilizer and maximize the use of farm manure. Thirty years ago, when I listened to lectures by peasants of the people's communes, they said that the cabbage in Beijing was delicious because it was grown with farm manure. In those days, people's communes in the suburbs would collect the manure from the cities. Now, the city manure is discharged into the rivers and seas, polluting the environment, and peasants use chemical fertilizer instead. So how can vegetables be any more delicious? Only when peasants can revive their agricultural tradition that is thousands of years old can the agricultural products be edible. Only then can urban folk not become victims. Look! Can you bear seeing all the obese children in Beijing? Can you not see that little girls are growing hair on the face? Is that not a result of taking in all the American junk food? We should be encouraging our peasants to engage in organic agriculture, using natural manure and biological pest control mechanisms; we should be reiterating to our peasants that reviving the traditional patterns of small peasantry in growing grain and raising pigs is organic agriculture, because organic agriculture had long been the tradition of Chinese peasants. Furthermore, growing grain and raising pigs at the same time helps the defense against cyclical price risks. Scholars who attempt to develop Chinese economic theories should theorize the law from the experience of how small peasants offset risks through a balance in farming and husbandry within the household. In fact, in the past, the Asian small peasant economies can be said to be harming the environment only in such acts as burning hay or wood; the peasants never used the high-cost energy of modern cities. Traditional agriculture was not at all wasteful of resources and was a classical agriculture of circularity. From today's point of view, they have created "pos-

itive externality” and ecological social effects. Only this mode corresponds to ecological economy and ecological culture.

At the same time, as much as possible, natural energy conducive to environmental protection should be promoted. For example, use of biogas, hydropower, wind and solar energy — these are all innovations in the field of rural reconstruction; we should help peasants understand the contamination of mineral energy and the damage to the ecology, so that we would not think comprehensive electrification is a perfect thing, so that we would not pursue in blindness the wasteful ways of the West.

Second, Peasants Should Organize Themselves

In the parlance of the World Bank development report, this means transforming human resources into social capital. Since many scholars have courageously acknowledged that there is no economics in China, we should make a special effort to construct an economics of development with Chinese characteristics, which means taking into account China’s dilemma of scarce resources and population explosion in developing a rural economics that corresponds to the special systemic conditions of internal-oriented industrial accumulation. There should also be a study of ecological culture that is congruent with such a system.

We must frankly tell our peasants that, first, China’s resources will always be scarce, and even if our urbanization goes over 55 percent, there will still be 700 million people living in the countryside, and most peasants will not be able to change the constraint of resources on basic livelihood; this will still be a stringent constraint that is fundamental and long-standing. Second, the 500 million people in the agricultural labor force must not be regarded as a burden and driven into the labor market in a race to the bottom. Under conditions of an absolute surplus and an infinite supply of labor force, the laborers will not earn much after a whole year of work. The government and the NGOs should be helping peasants to organize themselves and, through collective effort and cooperative labor, transform human resources into social capital, so that the surplus rural labor can be used for changing the conditions of the rural families and the villages.

At the time of the SARS outbreak, many journalists came to me. I said, do

you know how the problem of schistosomiasis in the 1960s was resolved? If not for the coordinated efforts of 600 million peasants in irrigation infrastructure, digging ditches, filling pits, do you think the problem could have been resolved at that time? Now, relying only on medical workers giving out medicine, can there be any resolution of the problem? Nobody in the whole world can resolve the problem of environmental protection for 900 million peasants by relying on external forces. We need to revive our agricultural civilization, with its legacy of thousands of years, and alleviate the dilemma of the Three Rurals through the regeneration of communal and collective civilization. We have set up rural reconstruction centers in order to organize volunteers and rural people who share such ideas to fill in the gaps in rural organizations and rural institutions and to inform peasants how they could self-organize, self-develop, self-accumulate, and live their lives in a pragmatic manner.

We have joined forces with several NGOs and, in cooperation with local peasants, established the James Yen Rural Reconstruction Institute (YIRR) in a village in Hebei Province, the same village where Dr. James Yen was engaged in rural development in the 1930s. We put together among ourselves RMB 90,000 yuan as a start-up fund and virtually started from scratch; we have counted on self-reliant ways of development through the contribution of volunteers and villagers. The volunteers from outside and the local peasants interact and communicate in the process of laboring together and learn of the strength of collectivity and cooperation. Furthermore, their production and daily life in the institute have been environmentally friendly, ecologically sound, and organically cyclical, in pursuit of sustainability.

Since 2007, China has put its emphasis on ecological civilization. The primary difference between the concept of ecological civilization and the former linear, monolithic way of thinking and acting modeled on the West is that its central substance is diversity and carries a lot of elements of our traditional cultures of Taoism and Confucianism, which have, of course, come from a small-peasant society with thousands of years of history. Hence, what I have been engaged in for the last couple of years is rural reconstruction, and this story, derived from the four cautionary stories I narrated, may be termed “rural reconstruction and environmental protection.”

Thank you.

Translated by Lau Kin Chi

Notes

This essay is based on a speech delivered by the author at the First Green China Forum, on October 25, 2003, in Beijing. Before its translation into English in January 2008, the author made some revisions based on the developments of the last four years.

1. Yan Zhijie of the Department of Economics, Peking University, and Lin Yifu of the China Center for Economic Research, had expressed such views on different occasions. Yen Zhijie, “A Brief Talk on the Building of Economics with Chinese Characteristics,” in *Guangming Newspaper*, October 11, 2005; Lin Yifu, *On Economic Development Strategies* (Beijing: Beijing University Press, 2005).
2. The ruling party in China formally put forward the term “New Countryside Construction” in October 2005 and formulated it as the state’s major strategy.
3. The author wrote an essay titled “Witnessing On-Site the Masked Army,” published in *China Reform*, no. 9 (2003).
4. For more information and analyses on the Zapatistas, see *The Masked Knight: Collection of Writings of Sub Commander Marcos*, ed. Dai Jinhua and Lau Kin-chi (Shanghai: People’s Press, 2006).
5. In 1998, affected by the East Asian financial crisis, China started to implement a “proactive fiscal policy” and sustained a gross domestic product (GDP) growth rate through large-scale state bond investments from the government. The same period saw successive increases in output of grain and, hence, starting from 1999–2000, the policy of conversion of cropland to forest and grassland for steep slopes over 25 degrees was implemented with financial subsidies. So long as the subsidies are there, the effect will be assured.
6. The term *Three Rurals* refers to rural population (the peasants), rural production (agriculture), and rural site (the countryside).

Within China, evaluating the experiences of the reform since 1978 is a hot topic among intellectuals. However, the economic theories in today's China are almost all imported from abroad and cannot adequately explain China's economic development. The author, having been long engaged in grassroots research work, tells four cautionary stories in order to expound on the question of the institutional cost induced by the "rural-urban dichotomy" and the fundamental systemic contradictions in China, as well as to discuss the rural reconstruction efforts that he has embarked on as an endeavor to resolve the systemic contradictions.

Story 1. The Story of the Zapatistas, the Masked Army: how the indigenous Indians have changed their ancient tradition of living in harmony with nature and are now "destroying" nature in order to farm and subsist.

Story 2. The Story of the "Straw-Hat Plot of Land": how the poor peasants in Guizhou Province in southwest China are compelled to farm on steep slopes, showing that China does not have an overall strategy that takes care of the nation's environmental protection and sustainable development.

Story 3. The Story of "Enclosures": how the grave traffic jams and air pollution in Beijing partly stem from a monopoly by the authorities over land and capital.

Story 4. The Story of Disease from Food: how food security is compromised with the excessive use of pesticide, chemical fertilizer, and heavy metal in farming and husbandry.

From the four cautionary stories is derived the Story of Rural Reconstruction, which the author has been engaged in, together with many volunteers, and which works for the integration of environmental protection and the reconstruction of rural culture. As Western-style modernization is not appropriate for China, which is superpopulous with extremely scarce resources, Chinese peasants should revive traditional patterns of small peasantry in growing grain and raising pigs at the same time and use natural energy conducive to environmental protection. Peasants should also organize themselves and, through collective effort and cooperative labor, transform human resources into social capital and use the surplus rural labor for changing the conditions of the villages. The James Yen Rural Reconstruction Institute (YIRR), set up in a village in Hebei Province, of which the author is the director, has been an experiment on self-reliant ways of development through the contribution of volunteers and villagers. Their production and daily life have been environmentally friendly, ecologically sound, and organically cyclical, in pursuit of sustainability.