

2. Consider the following sources:

Source A



Source B

The Average Annual Income of Families in China (2015)

	Average Annual Income (Yuan RMB)
Income of the bottom 20% of families in rural areas	6 518
Income of the top 20% of families in rural areas	142 003
Income of the bottom 20% of families in urban areas	20 360
Income of the top 20% of families in urban areas	235 894

Source C: Adapted from newspaper reports dated 21 October and 16 December 2015

In 2015, the President of the People's Republic of China, Xi Jinping, stated in a poverty reduction and development forum that the target for the next five years is to help the existing approximately 70 million rural poor out of poverty. In most of the poorest regions in China, people still face difficulties in obtaining various basic necessities: including drinking water, electricity, transportation, education and medical services. These poor regions tend to be environmentally fragile areas. The unreasonable development and exploitation of these places can easily lead to a worsening of their environmental conditions.

Many observers have already warned China of the possible environmental impact of the consumption habits and lifestyles of the large middle class. Although economic development in China in the last 30 years has created huge wealth and allowed hundreds of millions of people to escape from poverty, increasing industrial production has led to serious water and land pollution in China. The relatively wealthy population living in the eastern part of China is also facing serious environmental challenges from air, water and land pollution.

A senior government official stated that ten million poor people in China have to be relocated to reduce poverty, involving a capital input of 600 billion yuan RMB over the next five years. This plan is to move poor people living in places which are inaccessible, ecologically fragile, and with a high cost and difficulty of poverty reduction, to places where basic living conditions are provided. 37% of them will be moved to cities and 63% to other villages.

- (a) Using Source B, elaborate on the phenomenon shown in Source A. (4 marks)
- (b) From Source C, explain *one* impact that poverty reduction might have on the environment in China. (4 marks)
- (c) 'Relocating the rural poor can reduce poverty in China significantly.' Suggest and explain *one* argument supporting this claim and *one* argument opposing this claim, using the sources provided. (7 marks)