Learning from Success: Understanding China’s (uneven) progress against poverty. Martin Ravallion and Shaohua Chen. Over the past 25 years, China has made huge strides in its battle against poverty as it has transformed into one of the most dynamic economies in the world. China’s poverty rate today is probably slightly lower than the average for the world as a whole. What might the many developing countries that have been less successful against poverty learn from China’s experience? And what can China learn for its continuing efforts against poverty? Based on survey data spanning 1980–2001, we analyzed China’s record against poverty over the two decades since Chinese leader Deng Xiaoping introduced his pro-market reforms in 1978. China’s success against poverty since the reforms that began in 1978 is undeniable. A closer inspection of the numbers, however, holds some warnings for the future and caveats on the implications for fighting poverty in the rest of the developing world. Huge (but uneven) overall progress. Between 1981 and 2001, the proportion of population living in poverty in China fell from 53 percent to just eight percent. However, this progress was not smooth. Significantly, half the reduction occurred in the first half of the 1980s, and the decline was not continual thereafter, with periods of some setbacks. While the incidence of extreme poverty in China fell dramatically over 1980-2001, progress was uneven over time and across provinces. Rural areas accounted for the bulk of the gains to the poor, though migration to urban areas helped. The pattern of growth mattered. Rural economic growth was far more important to national poverty reduction than urban economic growth. This paper - a product of the Poverty Team, Development Research Group - is part of a larger effort in the group to understand the causes of China’s success in poverty reduction. Keywords: China, poverty, inequality, economic growth, policies. JEL Classification: O15, O53, P36.