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The Yak Revolution

Ventures in Development within
the Heart of China

Diane Chang



Big Business Goes Blogging

Wal-Mart Takes Over the Blogosphere

Casey Acierno

Professor Paige West on Your Generation

Raia Small on Columbia's Dirty Laundry

Brendan Pierson on the SGB

The Yak Revolution Is Coming

Ventures in Development within the Heart of China

Diane Chang

At a little knitting café and shop in the East Village, Esther Hsu was describing the social enterprise that has connected her to a people and a species of bovine halfway around the world, when a middle-aged Israeli woman approached us.

"Is this from this store?" She pointed to the bundle of deep lavender yarn sitting on the table between us.

"No, but hopefully it will be soon," Hsu replied.

"Can I touch? Is it cashmere?"

"It's yak," said Hsu.

The woman looks confused for a moment before it registers. "Ah, yak, the animal," she said, "Oh, it's beautiful."

This yak-down yarn is only one part of the social enterprise that Hsu and a team of women have embarked upon to tackle developmental issues in the poverty-stricken areas of western China. Although rapid economic development has spurred tremendous growth in China in the past few decades, wealth is gathered around the coastal cities, leaving the western hinterlands by the wayside. Even the Chinese government's more recent "Go West" campaign benefits only the major cities in the western provinces. The sheer geographical spread of communities poses an immediate barrier to communication and interaction with the larger market. Only in the past few years has the government begun to address the infrastructural challenge by building new highways and railroads that extend into the mountainous west.

Through their non-profit organization, Ventures in Development, Hsu and her teammates aim to improve the living conditions of isolated communities by

creating socially responsible businesses, using abundant local resources. In the Yunnan Province of southwestern China, that would be the communities' 14,000 yaks. ViD currently oversees two businesses: Mei Xiang Cheese Factory, which produces yak's milk cheese, and the Shokay Company, which brings high-quality yak down yarn and throws to the international market.

An Academic Start

The project began when Hsu's teammates, Carol Chyau and Marie So, were studying international development at Harvard's Kennedy School of Government. Raised in two of the wealthiest areas of Asia, Taiwan and Hong Kong, respectively, Chyau and So were deeply interested in developmental issues close to home. "Being in China is almost a natural thing for myself, close to where the heart is," So said. After numerous discussions on possible opportunities, the pair flew to western China during their winter break in 2005 and early 2006 to meet local NGOs and learn about the local people's needs. There, they received their first introduction to the Tibetan yak.

Yaks are massive, resilient animals that weigh 1,200 to 2,200 pounds and graze on plateaus over 12,000 feet above sea level. Tibetan life revolves around these animals for their down, milk, labor, and sometimes meat. When the yaks move, the nomadic people follow to accommodate their grazing patterns. Studies show that yak milk contains more fat and other minerals than cow's milk, and the down that keeps the animals warm in the harsh climate can be made into a

soft, high-quality fabric.

The indigenous people make everyday items out of yak fiber, and various dairy products out of yak milk for subsistence.

The income they generate from selling limited amounts of dried yogurt and butter in the region is barely enough for sustenance. What they lacked was the information and know-how to bring these products to the outside market for profit—that's where Chyau's and So's skills came in.

"When they were milking the yaks, then walking the milk down the mountains in huge jugs on their backs, the women would do it, and the men would walk next to them."

Upon returning to Boston, Chyau asked Hsu, a close friend from their days as undergrads at University of Pennsylvania, to join the team to oversee the business side of things. ViD drew up business plans that they submitted to various entrepreneurship competitions, then subsequently won several of these, as Chyau and So completed their masters' in May 2006. The three set off for China to put their plans into action.

Say Cheese

In Yunnan Province, bordering the Tibet Autonomous Region, ViD reconnected with the China Exploration and Research Society, an NGO contact from their initial trip. CERS introduced ViD to an ethnic Tibetan family from Langdu village that had been running a cottage artisanal cheese business, called the Mei Xiang Cheese Factory, since 2002 with the guidance of CERS and University of Wisconsin dairy research expert Professor Rane May. CERS brought May back to Langdu to teach the ViD team about the cheese-making

process, while ViD worked on marketing the Mei Xiang's product.

The team lived in the remote mountains, with no running water, electricity, or contact with the rest of the world for about two weeks. Living and taking meals with the family allowed Hsu, Chyau, and So to build real relationships with people in the community while learning more about local culture. Hsu noted, "The women are so strong; they're the heads of the households. Decisions would just be made by the women a lot of the time. When they were milking the yaks, then walking the milk down the mountains in huge jugs on their backs, the women

would do it, and the men would walk next to them." Hsu also pointed out that Tibetans are extraordinarily community minded—men from the same village who are not related by blood would still refer to each other as brothers. The elders in the family that runs Mei Xiang were educated, retired government officials who wanted to do more for the community. She said, "They invested a lot of their own family money into a factory and to do all this amazing stuff with the resources that they already had. We came in just to help make it a reality."

The cheese recipe that May developed with the family was a type of halloumi, a

semisoft variety that worked well with yak's milk. The ViD team gives samples of yak cheese and tomato sandwiches to major tourist areas in the main city to test reactions and identify businesses that could be potential buyers. While such a unique, high-quality cheese would undoubtedly attract expatriates and foreign tourists, the challenge in marketing yak cheese to local Chinese or Chinese tourists lies in the fact that cheese is not traditionally in the Chinese diet. Fortunately, Hsu said, "It has a texture kind of like tofu, so you can cook it like tofu, and it doesn't melt."

This inspired them to experiment with Chinese-style tofu recipes, combining the cheese with pork or scallions, with

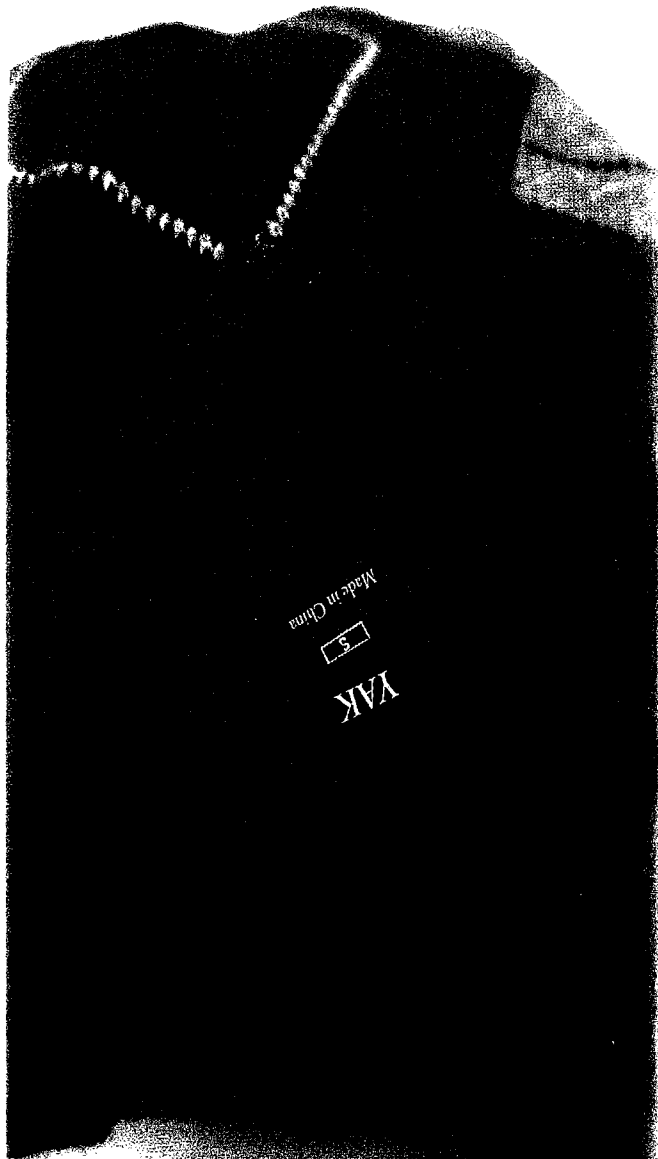
tasty results. This provides the allure to the Chinese market: "It's a Chinese product, but from this very remote and very romantic place in the mountains" that has always held an almost mythical status in the Chinese imagination. In fact, in 2001, the Chinese renamed nearby Zhondian County as Shangri-la, after James Hilton's fictional utopia. The team secured several accounts with restaurants in the area, and as of November, Mei Xiang cheese has also been available in various stores in Beijing.

With the first cell phone towers and electricity installed in Langdu this summer, as well as the opening of a railroad from Beijing to Tibet, doing business will undoubtedly only become easier. At the same time, the introduction of a competing set of images poses a potential threat to the indigenous culture.

"Already, a large part of the population is Han Chinese, especially a lot of the people doing business, so Tibetan culture will definitely be challenged," Hsu said. She adds, "There's the sensitivity of, when you start businesses there, can you protect the culture too? That's important to us. The goal is to give the people the option to keep their culture if they want to, but the benefits of the modern world are also available, because they're interacting with the market." Ultimately, it is up to the family to decide the rate at which they grow this business.

Yashmere

ViD's second endeavor, processing yak down into a textile, required building the business up from scratch. To start, the team toured major cashmere manufacturing plants in Beijing, Shanghai, and Hebei Province to learn more about textiles. Like cashmere goats, yak hair consists of a coarse layer that is combed out for the insulating down that can then be made into high-quality yarn and fabric. As the first samples of yak fiber that the team got ahold of showed promise, they proceeded to learn how they could apply the cashmere process to



PHOTOILLUSTRATION: CHRISTOPHER SHAY

