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INTRODUCTION

China’s drive toward economic reform and modernization in the past 25 years has created new opportunities for citizen participation. The Chinese people are seeking ways to organize their own institutions to respond to social needs and convey grievances and concerns in a way which influences the policy-making process. One of the significant developments of Chinese society in the past two decades is the emergence of non-governmental organizations (NGOs). While this kind of quiet “revolution” has been going on in China, little of it has been reported to the outside world. Social scientists believe that a country’s progression toward a more open, pluralistic and competitive political system is dependent on whether the country allows a civil society to emerge. While the concept of civil society is an abstract notion covering a wide variety of social dynamics, the crucial measure of its presence in any nation is the ability of NGOs to progress and develop. At this point, China is experiencing these sorts of dynamic social changes, indicating that civil society is indeed emerging.

This essay updates my earlier writings by incorporating information and materials that have become recently available in China and abroad. The contents however, are based largely on my own personal working experiences. The essay examines the historical evolution of NGOs and proliferation of NGOs in today’s China. It analyzes the complexity of the NGO-government relationship, and tentatively predicts the direction of Chinese civil society’s future development.

DEFINING CHINESE NGOS

While China has joined the global “associational revolution,” it is difficult to compare Chinese non-governmental organizations with those of other countries. From 1948-78, when China functioned under a planned economy system, social welfare was the responsibility of the government, leaving no role for NGOs. Some foreign donors and scholars judge whether an organization is a ‘pure’ NGO by looking at the organization’s relationship with the government. Outside observers believe the closer the organization is to the government, the less likely it is to be a real NGO. They tend to divide Chinese NGOs into GONGOs (government organized NGOs) and grassroots NGOs. Some also
judge by looking at whether the organization takes a bottom-up or a top-down approach in their internal decision making. Those taking bottom-up approaches are considered NGOs; the others are not. Another method of categorizing an organization is to look at its legal status, i.e. if the organization is registered with the Department of Civil Affairs as a social organization, it is considered an NGO. If the organization is registered with the Bureau of Industry and Commerce, it is considered a commercial entity. Technically, those not registered at all are considered illegal.

Donors engaged in development tend to look at an NGO’s independence, representation, and participation in policy-making as qualifications to be a partner in development endeavors. While these concerns are pertinent given China’s present situation, and relevant in analyzing Chinese NGOs, no one single mode of analysis is sufficient for understanding the current state of Chinese NGOs.

When we talk about NGOs, we have in mind non-governmental, not-for-profit organizations such as associations, societies, foundations, professional organizations, chambers of commerce, homes for the elderly, schools, and hospitals. We are talking about a broad range of social institutions that operate outside the state and market. This range of social institutions is variously known elsewhere as the “voluntary sector,” “civil society,” or the “independent sector.”

Professor Lester Salamon of Johns Hopkins University and his colleagues have made important contributions to the study of NGOs. Their comparative nonprofit sector project, begun in the early 1990s, has covered over 40 countries. From their survey data Professor Salamon and his colleagues have identified the following common characteristics of NGOs: they are (1) organized- they have an institutional presence and structure; (2) private- they are institutionally separate from the state; (3) not profit distributing- they do not return profits to their managers or “owners”; (4) self-governing- they are fundamentally in control of their own affairs; and (5) voluntary- membership in them is not legally required and they attract voluntary contributions of time or money.\(^1\) While these features do not all apply to Chinese NGOs, or to all NGOs elsewhere, they provide useful standards against which to measure Chinese NGOs in the future. As China

\(^1\) “Civil Society” in *Comparative Perspective* by Lester M. Salamon, Helmut K. Anheier, and Associates.
becomes a member of the international community, China’s NGOs will meet these standards to a greater degree.

In China, NGOs have a shorter history than in the rest of the world; at the moment, there is no independent sector. The names for NGOs are inconsistent in Chinese writings. They are referred to as “social organizations,” “non-profit organizations,” “non-governmental organizations,” or “mass organizations.” To understand Chinese NGOs, we may want to put them into a broad socio-economic development perspective and view them in the context of the social and political transition in which NGOs’ development, like that of other sectors, reflects China’s political pluralism and social dynamics. This perspective is equally if not more important than whether NGOs in China are independent, democratic and participatory.

THE HISTORY OF NGOS IN CHINA

Some believe that the slow development of NGOs in China in the reform era is due to the absence of a civil society tradition in China. This may be true compared with countries in which society has long been entrusted by the state to carry out social welfare and services programs. However, recent academic studies reveal that China did have NGOs, or to use the Chinese term “social organizations” as early as the Sui, Tang, and Song Dynasties. Guilds, clan societies, and cultural salons have existed throughout Chinese history. While the types of NGOs evolved over time, they included the following:

- Professional associations. These included guilds, societies and chambers of commerce that were composed of craftsmen and industrialists who organized NGOs to protect their collective interests. These organizations were strong social forces for China’s industry and commerce.

- Charitable organizations. These included mutual help societies, cooperatives, associations and orphanages. In rural China, charitable lands and temples played a major role in charitable assistance at the grassroots level.

- Private schools. These included colleges and different types of schools that were run by famous national figures who usually owned factories or banks and who were dedicated to education.

- Churches. Churches or church-related organizations in Chinese history played some role of charity. They also provided education and social services.
• Academic organizations. These included research associations, academic societies and reading salons. The May 4th movement in 1919, with its anti-imperialism and anti-feudalism sentiment, led many intellectuals to form social organizations in the search for ideas for national salvation.

• Arts and literature groups. These were founded by famous artists and writers to provide members with an opportunity to conduct activities like performing arts, painting, chess playing and opera.

• Secret or underground triads and gangs. These included sworn brotherhood societies like Hong Bang and Qing Bang. While these organizations have been typically described as the dark side of society, they were primarily voluntary religious associations. Their activities in many instances were intertwined with China’s revolutionary movements in the 1920s and 30s.

• Foreign missionary-funded organizations. Historically, foreign missionaries played a significant role in humanitarian assistance, education, poverty alleviation and medical care. In 1921, the American Rockefeller Foundation bought the property and buildings of the Peking Union Medical College in a joint venture with six missionary societies. The Rockefeller Foundation supported the expansion and the strengthening of Peking Union Medical College, importing all full-time faculty members and doctors from the US. Between 1913 and 1933, the Rockefeller Foundation invested a total of US $37 million in China. The United Board of Christian Higher Education and the Lingnan Foundation also set up schools or supported education in China during those same decades. The missionary-supported China International Famine Relief Commission constructed roads and dug wells and canals in many provinces in China in the 1930s.

One interesting phenomenon in Chinese history is the development of NGOs in the revolutionary base areas. During the anti-Japanese war and China’s civil war in the 1930s and 1940s, the Chinese Communist Party (CCP) actually encouraged the organization and development of NGOs. During that time, Mao Zedong determined that the CCP should form a united front with other organizations against the Japanese

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2 Because of the deteriorating relationship with the US in the pre-1949 period, the contribution of American missionaries and foundations was not described positively. Only recently have scholars begun to write the work of missionaries and foundations in the 1920s and 30s.


4 Rockefeller Foundation’s “Report of the Committee on Appraisal and Plan” Raymond B. Fosdick, Chairman, December 11, 1934

invaders and Kuomintang. Mao wrote: “The task of the Communist Party as well as people of the whole country is to unite with all progressive anti-Japanese forces, and to oppose retrogressive and surrendering forces…For the objective of fighting the Japanese invaders, it is necessary to have the unity and progress of everybody in the country.”

From 1941 to 1943, the CCP was subjected to cruel Japanese pressure and Kuomintang blockade, and the regions under communist control shrank. But during the last years of the war, the CCP regained what it had lost and added to its strength, thanks to Mao’s united front policy. In the revolutionary base areas, a variety of mass organizations ensured the participation of nearly everyone - local militia, security and intelligence, public health and education, women’s organizations. Large numbers of non-party people, including some members of the gentry, were brought into the political structure.

In 1942, when the Communist Party moved to Yan’an and created Shenganning Red Base, it promulgated the Organic Outline for the Registration of Mass Organizations. The Outline stipulated the principles of volunteering, self-sustaining, charitable and legal registration, which helped strengthen the activities of many mass organizations in the base areas. The Yan’an days are remembered as the height of mass organizations.

NGOS IN THE PRC ERA

The People’s Republic of China (PRC) was founded in 1949 on the basis of the absolute rejection of the old Kuomintang system. The CCP made a drastic switch in its policy toward citizens’ organizations. Mao, in On People’s Democratic Dictatorship, published after the PRC was established, emphasized proletarian “dictatorship” and “totalitarianism.” He wrote: “Who are the people? They are the worker class, peasant class and urban petty bourgeoisies and national bourgeoisies…. To those running dogs of the imperialists, the landlord class and bureaucratic capitalists and those who represent Kuomintang counter-revolutionaries and their followers, we shall exercise dictatorship

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6 “On Unite with All the Anti-Japanese Forces, Oppose Counter Communist Hardliners”, Selected Works of Mao Zedong, Vol. 2
8 ibid
and totalitarianism and exploitation. They shall be obedient and shall not make any trouble. If they do, they shall be promptly stopped and punished.”

Under Mao’s directives, the Interim Provision on the Registration of Social Organizations was adopted on October 19, 1950. The Interim Provision emphasized citizens’ rights as well as punishment of counterrevolutionaries. For example, the fifth article stated that “The People’s Republic of China must suppress all counterrevolutionary activities. All reactionaries, feudal landlords, and bureaucratic capitalists, after being disarmed and deprived of former privileges, should be deprived of their political rights when necessary. If they continue counterrevolutionary activities, they must be severely punished.” Under this principle, the Interim Provision stated clearly in its fourth article that “all counterrevolutionary organizations that threaten the state security and the interests of the people should not be allowed to incorporate. Those already incorporated and found engaged in counterrevolutionary activities should be stopped and dissolved”. NGOs that were labeled “feudalistic” or “reactionary” were banned altogether.

Some NGOs with a pro-communist political orientation such as the China Democratic Alliance and the 9.3 Institute, which provided assistance to the Communist Party during the anti-Japanese war and Civil War, were transformed into “democratic parties” and absorbed into the Political Consultative Conference, and lost their independent political identity as a result. Trade unions were amalgamated into a governmental organization that received funds from the state and helped the government take care of the workers’ social welfare. Like the Trade Union, the Women’s Federation became “the transmission belt” between the Party and women. The Youth League not only became an “assistant of the Party,” it also became the “reserve of the Party,” training successors for Communist Party officials. The Peasants’ Union became even less useful after the land reform initiated in the early 1950s. It simply stopped functioning after the People’s Commune System was formed in 1958. These so-called mass

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9“On People’s Democratic Dictatorship,” *Selected Works of Mao Zedong, Vol. 1*

10The Youth League was given the task to carrying out the Party’s line among Youth League members.
organizations were all absorbed into the mainstream political structure of the Communist Party.

In order to bring all the mass organizations under the rubric of the Party, the Ministry of Internal Affairs was made responsible for the registration and management of NGOs. According to the Interim Provision on the Registration of Social Organizations passed in 1950, registered social organizations were divided into the following categories:

1. Mass organizations engaged in social activities, including the Trade Union, the Peasants’ Union, the Federation of Industry and Commerce, the Women’s Federation, and the Youth League;

2. Organizations for public services, such as the China Welfare Association and the Red Cross;

3. Art and literature groups, such as the Art and Literature Association and the Theater and Drama Association;

4. Academic research organizations, including such professional organizations as the Medicine Association and the Social Sciences Workers’ Association;

5. Religious organizations, such as Christian and Buddhist groups; and

6. All other social organizations recognized by law.

The Interim Provision on the Registration of Social Organizations enacted in 1950 emphasized Party leadership and government control and had far-reaching effects. The new administration was concerned about activities outside the main political system as a potential threat to the Communist government. As a result, Chinese NGOs lost their independent nature and became vehicles for the Party to implement its control over the general public. During the 1950s and 1960s, there were effectively no real NGOs.

To guarantee CCP oversight, the groups that were not directly associated with the Party and government were brought under the authority of the United Front Department, a branch of the CCP, which was given the task of “continuing to play its part in mobilizing and rallying the whole people in common struggle”\(^{11}\) after 1949. All organizations registered by the Ministry of Internal Affairs became parts of the United Front Department.

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\(^{11}\) Preamble to the Chinese Constitution, 1954
Front Department, but when the CCP shifted its focus from the “mass line” to “class struggle,” the real united front disappeared. While the United Front Department still existed, its duties of uniting with all forces for the “common struggle” shifted mainly to serving the Party’s leadership and “consolidating the proletarian dictatorship.”

The Cultural Revolution in the 1960s and 1970s led to enormous chaos in China. No new NGOs were established during these years, and most of the existing ones were closed down, due to accusations of counterrevolutionary behavior. From the mid-1960s to the early 1980s there was a long gap in NGO development. However, to serve the government’s foreign policy, some associations such as the Chinese Medical Association and the China People’s Association for Friendship with Foreign Countries still kept their names. (The China People’s Association for Friendship with Foreign Countries served as a bridge and facilitated “Ping Pong Diplomacy” with the United States in the early 1970s.)

**A CHANGING SOCIETY**

Since the Party and government introduced the reform and opening policy in the late 1970s, China has progressed rapidly down the road of economic reform. The introduction of non-state owned economy has gradually replaced the original *danwei* (working unit) system. Decentralization and market competition have reduced the role of the state and opened up a whole variety of opportunities for the entire society. These changes make Chinese society more complex and dynamic and have altered the ways in which society is organized and interacts with the state apparatus.

China is also moving toward establishing a system based on the rule of law. In order to manage new challenges that have arisen during rapid social and economic transition, rule of law has increasingly replaced rule by men. Hundreds of new laws have been passed in the past 25 years. Judicial officials and lawyers are playing increasingly important and independent roles. A legal aid system has been built up to provide *pro bono* legal services to disadvantaged people. For the first time in China’s history, citizens can sue government officials.
As society becomes more open, a middle class with more education and stronger economic base is emerging, claiming citizens’ rights and trying to assert itself in the policy-making process.

Politically, democratic institutions are emerging. Since the 1980s, village-level elections have become increasingly prevalent. Elections of National People’s Congress deputies and township governors take place in various provinces.

Globalization, which China’s accession to WTO will facilitate, will accelerate the pluralization of Chinese society, help reshape “governance,” and broaden the role of foreign institutions in China.

Thus, Chinese society is no longer monopolized by the Party-state. Power is shared among various political, social, and economic actors. As the society opens, individuals and new citizen groups will become more active in creating new ideas and approaches to tackle social issues and problems faster and more efficiently than the government.

At the same time, economic liberalization has created serious social problems such as urban unemployment, rural migration and a growing disparity both between rich and poor and among regions. China faces serious environmental degradation and the rapid spread of AIDS and HIV in its population as well as serious corruption among officials and big corporations. That these problems exist and are growing suggests that the government alone can not deal with them all. New social institutions are necessary in the short term and will be instrumental in preserving stability and advancing society.

ROUGH ROAD FOR NGOS IN THE REFORM ERA

China’s economic reforms created an opening in the society. In the mid-1980s, cultural salons, a progressive press, and alumni associations appeared which began to appeal for progressive democratic movements in China. Before the 1989 Tiananmen incident, the “Democracy Wall” was a hot spot in Beijing after 1979. New institutions in the mid-1980s were much livelier than those of the 1950s and 1960s.

However, China’s laws governing NGOs have never been eased to facilitate their development. At the end of the 1980s, the Chinese government promulgated three administrative regulations to govern the operation and activities of NGOs. These were the
Regulations on the Registration and Management of Social Organizations, the Regulations on the Registration and Management of Foundations, and the Interim Provisions for the Administration of Foreign Chambers of Commerce in China. The latter two were published after the Tiananmen incident of June 4, 1989, and were drafted in response to the “social turmoil” of the era. The general tone of the regulations emphasized government control.

First, the regulations demand a two-tiered management system. Before being legally registered at the Ministry of Civil Affairs or its provincial or municipal affiliates, NGOs are required to have a government line agency as their sponsoring agency. Only after NGOs receive the permission of a line agency are they able to register with the Ministry of Civil Affairs.

Secondly, the sponsoring agency is responsible for supervising the NGO’s day-to-day activities and for annually reviewing the work of its affiliated NGOs. This requirement encouraged the registration of NGOs to be closely linked with the government. In this way, the Tiananmen incident of 1989 was a setback to NGO development. Furthermore, the cultural salons, press and journals that advocated democracy and political reform were banned by the government.

During the 1990s, China launched various economic reforms, which again have resulted in unprecedented growth as well as some social stresses. Laws and regulations also progressed in the social and political fields. Three new sets of laws and regulations were enacted by the National People’s Congress and the State Council in the late 1990s to govern donations as well as NGOs’ operations: the Public Welfare Donations Law, adopted in 1999, the Regulations for Registration and Management of Social Organizations, revised and promulgated in 1998, and the Provisional Regulations for Registration and Management of Non-commercial Institutions, enacted in 1998.

The Public Welfare Donations Law introduced “tax exemption for donations from corporations, enterprises and natural persons and private commercial and industrial households.” Enforcement of this law has been difficult, due to its vague nature. Also, because of inconsistencies with other laws, this legislation has had little impact in NGO development. The two sets of new regulations are similar to those enacted in 1989. However, they further elaborate the specific procedures for two-tiered registration and
management, and tighten rules for NGO operations. In the late 1990s, concerned about NGOs like Falungong, the Chinese government launched a campaign to “rectify” and “regularize” existing NGOs by requiring all NGOs to re-register at the Ministry or Department of Civil Affairs. As a result, some NGOs were closed down. The total number of NGOs registered above the county level shrank from 180,000 in 1995 to 160,000 in 2000. Unfortunately, NGO development remains circumscribed by the political climate of the moment.

NGOS REGAINING MOMENTUM

Chinese NGOs regained momentum in some respects during the 1990s despite the government restrictions, suggesting that China has begun an irreversible trend of reform and opening. The Party simply cannot govern the country the same way as before. The underdeveloped legal system allows individuals to do what may not be directly prohibited or sanctioned by the existing laws and regulations. Some NGOs have bypassed the line agencies and Ministry of Civil Affairs by registering with the Bureau of Industry and Commerce as enterprises. Others claim to be an offshoot of a government agency or commercial enterprise that therefore does not require a separate organization. Chinese businesses and enterprises have started to get involved in charitable practices as well. The Shanghai-based Jianguo Foundation was founded and supported by Jianguo Company, a private business that enjoyed success in China’s stock market in early 90s.

In the early 1990s, the typical NGOs were the traditional mass organizations, such as the All-China Women’s Federation and the Youth Federation, that had close relationships with the government. The large national charitable organizations such as the China Charity Federation, the Youth Development Foundation, the China Poverty Reduction Foundation, and the Song Qingling Foundation were also connected with the government in one way or another. But in the past 10 years or so, these so-called GONGOs have become more independent in program management and fund-raising. Other NGOs with fewer government connections have also grown in number and become much more active. Today, NGOs are active in fields such as environmental protection, poverty alleviation, women and children’s well-being, and academic pursuits. The following chart illustrates the scope of NGOs in Beijing alone.
**Distribution of NGOs’ Activities in Beijing**

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
<th>Percentage of total NGOs(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Culture and Art</td>
<td>9</td>
<td>8.65</td>
</tr>
<tr>
<td>Sports, Exercises, Entertainment</td>
<td>12</td>
<td>11.54</td>
</tr>
<tr>
<td>Club</td>
<td>1</td>
<td>0.96</td>
</tr>
<tr>
<td>Private University</td>
<td>1</td>
<td>0.96</td>
</tr>
<tr>
<td>Vocational and Adult Education</td>
<td>14</td>
<td>13.46</td>
</tr>
<tr>
<td>Survey and Research</td>
<td>34</td>
<td>32.69</td>
</tr>
<tr>
<td>Hospital and Rehabilitation Center</td>
<td>2</td>
<td>1.92</td>
</tr>
<tr>
<td>Old People’s Home</td>
<td>6</td>
<td>5.77</td>
</tr>
<tr>
<td>Psychological Counseling</td>
<td>4</td>
<td>3.85</td>
</tr>
<tr>
<td>Social Service</td>
<td>23</td>
<td>22.12</td>
</tr>
<tr>
<td>Disaster Prevention and Relief</td>
<td>5</td>
<td>4.81</td>
</tr>
<tr>
<td>Poverty Alleviation</td>
<td>14</td>
<td>13.46</td>
</tr>
<tr>
<td>Environment Protection</td>
<td>16</td>
<td>15.38</td>
</tr>
<tr>
<td>Wild Life Protection</td>
<td>1</td>
<td>0.96</td>
</tr>
<tr>
<td>Community Development</td>
<td>10</td>
<td>9.62</td>
</tr>
<tr>
<td>Service for Employment and Reemployment</td>
<td>4</td>
<td>3.85</td>
</tr>
<tr>
<td>Policy Consultation</td>
<td>21</td>
<td>20.19</td>
</tr>
<tr>
<td>Legal Consultation and Service</td>
<td>12</td>
<td>11.54</td>
</tr>
<tr>
<td>Foundation</td>
<td>10</td>
<td>9.62</td>
</tr>
<tr>
<td>Volunteer Association</td>
<td>9</td>
<td>8.65</td>
</tr>
<tr>
<td>International Exchange</td>
<td>23</td>
<td>22.12</td>
</tr>
<tr>
<td>International Aid</td>
<td>5</td>
<td>4.81</td>
</tr>
<tr>
<td>Religion Organization</td>
<td>1</td>
<td>0.96</td>
</tr>
<tr>
<td>Profession Association, Trade Union, Scholar Association, Alumni Association</td>
<td>52</td>
<td>50.00</td>
</tr>
<tr>
<td>Others</td>
<td>10</td>
<td>9.62</td>
</tr>
</tbody>
</table>

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12 Survey report of NGO Center of Tsinghua University, 2000
As alluded to above, NGOs registered with the Bureau of Industry and Commerce as enterprises are also playing increasingly important role.

- China NPO Network, for example, acts as a clearing house or umbrella organization for all NGOs. It has conducted a monthly NGO forum, where, depending on the topic, it has brought officials, business people and NGO leaders together to discuss new legislation or collaborations among all sectors. It has translated foreign language books and materials on NGOs and civil society into Chinese and organized training workshops and conferences. More recently, the NPO Network has worked with other NGOs on developing standards for NGO self-regulation. Though still at an early stage, the NPO Network has also worked to raise awareness of NGO accountability.

- Global Village in Beijing is also registered with the Bureau of Industry and Commerce as an enterprise. Over the years, Global Village has worked hard to raise public awareness on environmental protection issues. It has produced a series of environmental education TV programs, and has published environmental manuals for children. It has worked with communities to implement garbage separation and recycling. Global Village also has reached out to college students to organize volunteers for environmental protection projects.

- Rural Women Knowing All (RWKA) is a second-level organization affiliated with the Women of China Newspaper. While the magazine is registered as a for-profit entity, its Rural Women Training School is registered as an educational institution. The 1995 World Women’s Conference provided a big boost to the women’s movement in China. Xie Lihua, a female activist, saw the need to publish a magazine for Chinese rural women. RWKA is the only magazine which targets this audience, disseminating knowledge about women’s rights, agricultural technology and market information. RWKA has also developed various projects in the countryside, such as a micro-credit program and encouraging political participation among women. In Beijing, it established a club as a home for migrant women workers and a school that provides training for thousands of rural women.

NGOS Advocating on Behalf of Specific Interests:

In addition these NGOs, a special type of NGO has emerged to represent special interest groups.

- In Beijing and Shanghai as well as other large cities, Homeowners Committees represent the growing number of middle class citizens who own homes. In dozens of cases, Homeowners Committees have sued developers or local governments for violating contracts or infringing upon homeowners’ rights.
• In Dalian, Liaoning Province, the Community Public Service Co-ops have as their members thousands of unemployed people who receive the government’s minimum living allowances. The co-ops were first organized by the lowest level of government to help with the distribution of relief funds. As these organizations have become more involved in community services and social activities, they increasingly represent the members’ own rights and interests. Through them, member complaints and grievances are increasingly addressed by various authorities.

• In Guangdong Province, a network of organizations has been formed to promote the rights and interests of migrant women workers. The network provides legal aid and counseling, and training, education, and health services for these workers. In response to publicity these organizations generated about cases of delayed payment to migrant workers, the Politburo of the Central Committee of CCP had to issue a document to correct the mishandling of labor issues.

Faith-Based NGOs:

Faith-based organizations have also re-emerged in China:

• The YMCA in China, headquartered in Shanghai with branches in ten cities, is an NGO with a long pre-1949 history. During the reform era, Shanghai YMCA and YWCA have been active in providing social services. Their community service center in Luoshan, Pudong District of Shanghai has become a model for community services.

• Since the 1980s, the Amity Foundation in Nanjing has been a channel for funding and services from foreign Protestant religious organizations. Initially focused on English teaching in eastern China, Amity now has departments for rural development, social welfare, medical and health work with a focus on southwest China. Amity is well known and well regarded by NGOs and even government agencies for its work at the grassroots level.

• The official Catholic church in China also operates social organizations. For example, in Shijiazhuang, Hobei Province, the Catholic Church organized community-based social service organization to help women who face with domestic violence.

International NGOs:

International NGOs (INGOs) have made great contributions to China’s economic and social development. Their interactions with China and particularly with Chinese NGOs are helping to develop civil society in China. As of 2000, there were at least 70 grant-making foundations, 70 advocacy groups, 200 humanitarian organizations, and 150 faith-based charitable groups working in China.  

After China opened its door to the outside world in late 1970s and early 1980s, American NGOs such as the Committee on Scholarly Communication with China, the National Committee on US-China Relations and the US-China Business Council played key roles in US-China relations with activities in cultural, education, media, policy research, trade relations and other fields.

The open door policy introduced in 1979 also brought back American philanthropic organizations that had historical relations with China. The Rockefeller Foundation, the China Medical Board, and the Lingnan Foundation have returned and support institutions in China, and provide funds for training and exchanges. In 1979, the Rockefeller Foundation, pursuing its population interests, undertook support of a new Institute of Developmental Biology in Beijing and has followed with a series of research grants in China and research fellowships in the United States. The Luce Foundation, which also had a long historical relationship with China, has been instrumental in supporting American institutions’ research on and exchange with China.

The Ford Foundation began working unofficially in China as early as 1979 and officially opened its China office in Beijing in 1988. It focuses on broad areas such as economics, poverty reduction, governance, international relations, reproductive health, and culture and education. The Asia Foundation has been active in recent years, especially in the areas of village election, legal aid, administrative law, and WTO and China’s legal compliance. It also works in areas concerning the rights and health of migrant women workers, international affairs and NGO development in China.

Other foundations focussed on energy and other conservation issues, such as Energy Foundation and the World Wildlife Federation, have opened offices in Beijing.

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15 ibid.
Other international NGOs, such as Save the Children, have either set up offices in Beijing or in Yunnan.

**Faith-Based INGOs:**

Faith-based international organizations have been embraced by China’s emerging civil society as well. The United Board of Christian Higher Education in Asia, for example, has focused on enhancing education for women and ethnic minorities in more isolated tertiary institutions. Most church-based or denominational organizations, including the China service organizations of the Mennonites and the Maryknoll Brothers, work in partnership with official faith-based counterparts. Most “parachurch” and many missionary agencies find partners in their special functional sector or “niche”. Thousands of teachers of English or professional skills have been sent by organizations working jointly with the Foreign Experts Bureau and state educational organs. 16 The faith-based Maclellan Foundation of Chattanooga, Tennessee has recently begun to work with China NPO Network on NGO accountability issues.

The above-mentioned foundations have all provided China with charitable funding. The China Development Brief contends that China receives well over $100 million each year in project funding directly from or channeled through over 500 INGOs and foundations. If gifts in kind, such as the hundreds of thousands of volumes of books donated to China, are taken into account, the total amount of funding would be substantially higher. The Ford Foundation’s China Office operates at the level of $9 to10 million annually, representing the biggest foreign private donor in China. NGO development has been the Ford Foundation’s priority for years. The Asia Foundation, Luce Foundation and Rockefeller Foundation have also supported China’s NGO development.

**Multinational Corporations:**

Over the years, multinational corporations have made major investments in China. Feeling some social responsibility for the country where their products are made and

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16 ibid
marketed, companies such as Microsoft, Ford Motor, Boeing, Levi-Strauss, Reebok, Nike, Gap, Adidas and Sears have become involved in charitable programs. Despite the downturn of the world economy, these corporations have become more involved in charity over the past two or three years, supporting a range of activities from health and education to poverty and policy research. Those with factories in Guangdong have been involved in legal services and education for workers.

**Overseas Chinese Communities:**

Over the years, organizations in Taiwan and Mainland China have collaborated in many activities. With similar cultures and experiences of rule by a single party state in the past, Mainland China and Taiwan have shared concerns and issues.

The Himalaya Foundation in Taiwan, active in promoting exchanges in Asia and the Asia Pacific Region, has supported Mainland NGO research institutions, including the Tsinghua University NGO Center and Fudan University’s Sociology Department. It has also supported a major research project on China’s economic development, including China’s financial system, state-owned enterprise reform, taxation system, agricultural development, and economic disparities between coastal and inland regions.

The Taiwan Tzu Chi Fund, a Buddhist charitable organization, has donated funds and materials for disaster relief, poor children’s education and other social welfare activities on the Mainland since 1991. The Asia Foundation in Taiwan has funded and led delegations of academics, NGO leaders and legislative officials to Mainland China to discuss issues facing both sides of the Taiwan Strait, including NGO legislation, internal governance and fund-raising strategies.

Hong Kong business people have been active in supporting Chinese education. Individuals such as Li Ka Shing and Run Run Shaw have funded the construction of classroom buildings at Peking University, Tsinghua University and many other universities. They have also provided scholarships for university students.

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17 See Tzu Chi’s website (http://taipei.tzuchi.org.tw/)
In recent years, these universities in turn have established research centers to study laws and the roles of NGOs in the society. Tsinghua, Beida and Fudan all have research and teaching programs on NGOs.

CONCLUSION AND DEVELOPMENT FORECAST

The past two decades have witnessed a rapid development in China’s NGO sector, driven by the opening of China’s market and its integration with the international community. NGOs have been delivering services and conducting advocacy in a way that is more independent of the state. Chinese laws and regulations have not fully endorsed NGOs or all activities conducted by NGOs, yet Chinese NGOs manage to bypass the government’s restrictions in one way or another. Over the years, NGOs in China have been able to attract funding from various sources and build their own capacities, enabling them to conduct programs and work in a more independent manner. There is clearly a trend of an emerging civil society in China.

In the years ahead, the push and pull between the state and society will continue. Governmental officials have stated in recent NGO conferences that the state shall encourage the development of some types of NGOs that can enhance China’s market economy. Officials have also pointed out the need for “research” and “pilots” for the creation of NGOs that contribute to rural development and can help bring the farmers into a market economy. The tone of these comments demonstrates that economic development and social stability are the government’s priorities.

At the same time, Jiang Zemin stated in the 16th Party Congress that “the Party’s leadership in social organizations as well as in the intermediary organizations shall be strengthened.” The government is concerned about the growth of NGOs; if they develop too fast and become too numerous, they may pose a threat to the Party- State. During the years ahead, the government will remain ambivalent toward NGOs, no doubt hindering their development.

China will revise and modify its laws and regulations, circumscribed by the domestic political climate of the moment and the top leadership’s policy choices as well as its obligations as a WTO member. Currently, different ministries and the State Council are working on a new regulation governing foundations that will grant foundations legal
status and regulate their operational endowment, among other things. While it is still difficult to predict the final text of this legislation, the prolonged process of drafting it reflects the diversified opinions and concerns of organizations involved. At the same time, this lack of consensus may suggest an opportunity for more democratic participation.

As China becomes more diversified and pluralized, the government alone cannot deal with all of the issues and concerns facing society. New institutions such as NGOs can mobilize large amounts of social capital that are instrumental to China’s social and economic development. To facilitate NGO development in China, the government needs to put in place a more constructive legal framework in which NGOs can function in partnership with the government. The rigid legal structure that recognizes and endorses only a few NGOs and leaves the rest either illegal or semi-legal is detrimental to NGO development. This gray area in China’s legal framework is not healthy for its social development. Instead of allowing NGOs to push the envelope and forcing the government to react, the government should provide clear and constructive legal guidelines.

In order to have a healthy NGO sector, accountability is critical. Scandals in the NGO community have damaged NGOs’ credibility and hurt the confidence of donors as well as that of the general public. NGOs’ poor self-policing will be detrimental to their image in society. The China Development Brief’s survey found out that a large percentage of urban citizens would want to donate funds to address various kinds of societal needs, but their major concern is the lack of proper channels and the absence of accountability of those who handle the donations.

NGOs’ development will also rely on development of a philanthropic culture. China’s economy has been growing rapidly at a rate of 8% for the last decade or so. Of the top 100 richest people in the world listed by Forbes in the past 7-8 years, an increasing number are Chinese, born and raised in China. China’s richest individual’s net worth is estimated at over $1 billion\(^{18}\). This provides a base for charitable practice within China. Chinese society has yet to develop such a culture of giving to new institutions that can deliver social services and welfare to the needy people on behalf of the society.

\(^{18}\) Forbes website
Chinese NGO development requires interaction and collaboration with the outside world. As China continues to participate in the globalization process, Chinese NGOs need to learn from NGOs in other parts of the world. While financial support to Chinese NGOs is essential to NGOs’ survival and development, exchanges, trainings, and networking will help Chinese NGOs become more standardized and professional.

Thus far, a large number of institutions have developed outside the state and market. The GONGOs, grassroots NGOs, INGOs, and corporations, have together created an emerging civil society in China. While this progress is encouraging, China has a long way to go before a civil society, represented by carefully nurtured institutions which allow the involvement of the greatest number of people in public life, can be established.

Civil society denotes the arena of interaction among three vital sectors of society: the government, the non-governmental and non-profit sector and the commercial sector. As Dr. Barnett Baron, the Vice President of the Asia Foundation points out, “the institutional core of civil society consists of a combination of political and socio-economic arrangements, including a government which is limited and accountable, and operates under the rule of law; a market economy; an array of free, voluntary associations; and a sphere of free public debate. Civil society is characterized by pluralism, tolerance of different views and opinions, and established arrangements for the settlement of different views and opinions - the procedural settlement of disputes without use of force. Civil society is comprised of a wide variety of organizations and associations which serve as intermediaries between the citizen, the state and the commercial sector.”

Overall, civil society is an autonomous area of association and action independent of the state and the market in which citizens can organize to pursue social values and public purposes which are important to them, both individually and collectively. The idea of civil society is to allow groups with different voices to articulate grievances and take collective action through institutional channels. The development of a civil society can only promote accountability between the state and society and permit NGOs to act as mediators for resolving conflicts instead of catalysts for confrontation. A win-win
situation can be achieved if the state and society seek to build a synergetic approach in
dealing with one another. China, with its tradition and culture, perhaps can develop a new
model of civil society in which the state, the non-governmental sector and the
commercial sector can collaborate and supplement each other’s role.

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