

## **China Philanthropy News**

December 20, 2007

Issue 010

*China Philanthropy News* is produced by Grantmakers Without Borders (Gw/oB) for grantmaking organizations, donors and individuals interested in philanthropic engagement with China. It provides current news on giving, useful resources, people and books to provide a better understanding of the landscape of philanthropy in the country. For more information about Grantmakers Without Borders, visit [www.gwob.net](http://www.gwob.net).

## **CONTENTS**

### **Current NEWS**

- 1) China's rich give back as philanthropy surges
- 2) Rural development should be part of corporate social responsibility, expert says
- 3) Why China shut down *China Development Brief*
- 4) China cracks down on NGOs
- 5) China says west should deal with warming
- 6) Choking on Growth: China's environmental crisis
- 7) China's coming environmental renaissance
- 8) Drug use no longer the main cause of HIV in China
- 9) China faces challenge in supporting HIV-affected children
- 10) AIDS cover-up as Chinese PM visits village
- 11) China says estimated HIV/AIDS cases rise to 700,000
- 12) One-child policy cited as China's youth crime soars
- 13) China claims progress fighting human trafficking
- 14) China in Africa: Friend or foe?

### **Useful RESOURCES**

- 15) Paper: "The causes of chronic and transient poverty and their implications for poverty reduction policy in China"
- 16) Report: "Educational Resources and Impediments in Rural Gansu, China"
- 17) Study: "Health and Health Care of the Older Population in Urban and Rural China: 2000"
- 18) Paper: "Corruption threatens China's future"

### **Upcoming EVENTS**

- 19) Asia Society "18<sup>th</sup> Asian Corporate Conference", May 28-30, 2008

### **Latest BOOKS**

- 20) *China in Africa: Partner, Competitor, or Hegemon?*, Chris Alden, Zed Books, November 2007

## □ Current NEWS –

### 1) China's rich give back as philanthropy surges

With the boom in economic growth among some sectors of the population, philanthropy in China has been on the rise in recent years. Donations from the top 50 publicly disclosed philanthropists in China have risen eightfold in the past three years, totaling \$10.9 billion to date this year. Causes receiving the most support have been education, followed by social welfare, healthcare and poverty alleviation. Donations in China are restricted to fewer than 20 charities approved by the government. Incentives for giving are limited: Individuals can offset just 2 percent of their salaries against taxes for charitable and philanthropic donations, although the government is planning to increase that to 12 percent. Many wealthy Chinese have gone to neighboring Hong Kong to establish foundations due to poor tax incentives and difficulty with charities in China proper. As reported by MSNBC at <http://www.msnbc.msn.com/id/22217462/>.

### 2) Rural development should be part of corporate social responsibility, expert says

At the Seventh China Corporate Social Responsibility Forum held on December 13, Ms. Yang Tuan, Deputy Director of Social Policy Studies at the Chinese Academy of Social Sciences, said that Chinese companies need to be more aware of their social responsibility and should provide more care and support to farmers, who comprise the basic working group of the supply chain. According to Ms. Tuan, the main problems facing rural areas can easily be addressed by enterprises, and she encouraged businesses to unite small and independent farmers to improve the environment of all local communities. She also urged the government to provide better policies and regulations for enterprises that make contributions towards rural development. As reported by china.org at <http://www.china.org.cn/english/business/235743.htm>.

### 3) Why China shut down *China Development Brief*

Earlier this year, the nonprofit newsletter *China Development Brief*, started and operated by Nick Young, a British journalist, was shut down. The newsletter had been operating for years in China, providing insightful coverage on issues related to sustainable development and civil society; in 2002, it added a Chinese language edition, which had a readership of over 5,000 NGOs. According to Mr. Young, the Chinese government offered him a stark choice: "You can be the government of China's friend or our enemy; there is no other way." This message was delivered to Mr. Young by an apparently high-ranking Chinese security official. Mr. Young believes the threat implied that he could either become a propagandist for China or leave the country, where he had lived continuously for 12 years. As reported by Christian Science Monitor at <http://www.csmonitor.com/2007/1204/p09s01-coop.html>.

#### 4) China cracks down on NGOs

This article looks at the recent crackdown on NGOs in China. There are over 350,000 NGOs registered in the country, though many believe that the majority of these are GONGOs, or quasi-non-governmental organizations set up by the government. The government has promoted the development of NGOs in China, though with significant oversight and restrictions. With the Beijing Olympics putting China's growing pains in the spotlight, civil society groups formed by activists in fields such as the environment, social welfare, health, and education "have really suffered setbacks and tougher controls since earlier this year," adds Wen Bo, China program director for Gw/oB member Pacific Environment. As reported by Christian Science Monitor at

<http://www.csmonitor.com/2007/1206/p01s06-woap.html>.

#### 5) China says west should deal with warming

At the recent UN Conference on Climate Change, China insisted that other wealthy nations should bear the brunt of curbing global warming and that it was unfair to ask developing nations to accept binding emissions cuts and other restrictions. Although China has been consistently criticized by environmentalists for evading the need to address global warming, it has drawn praise for its new attitude at the conference. Although China is still home to 20 of the 30 most polluted cities, the environmental watchdog Germanwatch said Friday that China moved up four spots, to No. 40, on the group's annual ranking of the climate performance of 56 industrialized and emerging countries. As reported by Associated Press at

[http://news.yahoo.com/s/ap/20071207/ap\\_on\\_re\\_as/bali\\_climate\\_conference](http://news.yahoo.com/s/ap/20071207/ap_on_re_as/bali_climate_conference).

#### 6) Choking on Growth: China's environmental crisis

China is choking on its own growth, according to a multi-part series in the *New York Times* on environmental issues affecting China. Topics covered in the series water, activism, the Three Gorges Dam, energy, wildlife, and pollution. At [http://www.nytimes.com/interactive/2007/08/26/world/asia/choking\\_on\\_growth.html](http://www.nytimes.com/interactive/2007/08/26/world/asia/choking_on_growth.html).

#### 7) China's coming environmental renaissance

In this article, Worldwatch China's program manager responds to a recent essay published in *Foreign Affairs*, "The Great Leap Forward," which discusses the ecological challenges China is facing. In this review, the author addresses some of the criticisms facing China and points out positive developments in the environmental movement. The author also notes the global role China is playing in many environmental practices, drawing attention to the demands of manufactured products from laptops to industrial chemicals. Since the start of the millennium, the government has stepped up its efforts and commitment to the environment and resource conservation. According to this review, although China has failed to meet some of the targets set for itself at the beginning of the

millennium, it has made other significant achievements on cracking down on large industrial polluters. As reported by Worldwatch Institute at <http://www.worldwatch.org/node/5510>.

8) Drug use no longer the main cause of HIV in China

In a recent report released by UNAIDS and a committee of the State Council, sex has overtaken drug use as the leading route of transmission for HIV infections in the country. There were an estimated 50,000 new cases in China last year. While the total number of infections accounts for just 1 percent of the total population, approximately 50 million people are believed at risk for HIV infection. For years, the government has downplayed the number of infections and the severity of the epidemic. According to the report, in recent years there has been more of a concerted effort to address HIV/AIDS directly, and some have welcomed civil society groups and mass organizations in their efforts to combat the epidemic. As reported by the Associated Press at <http://news.nationalgeographic.com/news/2007/11/071130-AP-china-aids.html>.

9) China faces challenge in supporting HIV-affected children

China still faces challenges in promoting HIV/AIDS awareness among youth. While achievements have been made overall against the epidemic, especially in prevention and treatment, continued efforts to teach youth how to protect themselves and how to care for people infected by HIV are still urgently needed. As reported by Xinhua news at [http://news.xinhuanet.com/english/2007-12/01/content\\_7179229.htm](http://news.xinhuanet.com/english/2007-12/01/content_7179229.htm).

10) AIDS cover-up as Chinese PM visits village

People with HIV/AIDS in Henan Province were put under house arrest in what they say was an attempt to prevent them from telling the truth about the epidemic to the Chinese premier, Wen Jiabao. The premier made a visit to the province to raise awareness about the virus in one of the worst affected areas in the country. Those put under house arrest claimed local government officials had been siphoning off funds meant for HIV patients. AIDS activists denounced the premier's visit as meaningless, as he was prevented from seeing the real situation beyond the show planned for him. As reported by The Guardian at <http://www.guardian.co.uk/china/story/0,,2220113,00.html>.

11) China says estimated HIV/AIDS cases rise to 700,000

New statistics from China claim 50,000 new cases of HIV in the past year, with the number of new cases of HIV/AIDS now up to 700,000. This was based on work carried out by the Chinese government, the UN and the World Health Organization. Some AIDS activists claim the number to be much higher than these government statistics. Heterosexual contact topped the list as the leading cause for 2007, claiming 44.7% of the cases, followed by intravenous drug use, sex between men, and mother to child transmission. As reported by Agence France Presse at

[http://health.groups.yahoo.com/group/China\\_AIDS\\_Survey/message/2235](http://health.groups.yahoo.com/group/China_AIDS_Survey/message/2235).

12) One-child policy cited as China's youth crime soars

The number of juvenile criminals has increased from 33,000 in 1998 to 80,000 this year, while two-thirds of the 4 million criminal cases handled annually by Chinese courts involved minors. Many blame the one child policy and increasing internet access for the rise in crime. Criminals are getting younger and more innovative. The average age of offenders is younger, and they are committing new types of crimes and forming larger gangs. At

[http://news.yahoo.com/s/nm/20071205/wl\\_nm/china\\_crime\\_dc](http://news.yahoo.com/s/nm/20071205/wl_nm/china_crime_dc).

13) China claims progress fighting human trafficking

Cross-border human trafficking for forced labor and prostitution is a growing problem along China's southern border, officials said. China uncovered 2,500 cases of human trafficking last year, and most involved criminal gangs. The government estimates the number of cross-border cases is still small, at 100, but that further cooperation among various countries is needed to fight the problem. As reported by USA Today at

[http://www.usatoday.com/news/world/2007-12-14-china-human-trafficking\\_N.htm?csp=34](http://www.usatoday.com/news/world/2007-12-14-china-human-trafficking_N.htm?csp=34).

14) China in Africa: Friend or foe?

China's increasing role in Africa, from providing "no-strings" attached aid to lucrative trade agreements and contracts, is being viewed by many as a mixed bag of benefits and challenges. Undoubtedly, the many rich resources of Africa are beneficial to China, as its fuel-driven economy continues to grow. Yet many have criticized China's links with Sudan, the number one recipient of China's aid. While China insists that it does not intend to dominate Africa and is promoting a harmonious cooperation, others say that China foresees a long and prominent future in Africa. Already, powerful symbols embodied in skyscrapers, conference centers and infrastructure, and the ever-present "made in China" labels, are now prevalent in many places. As reported by BBC at

<http://news.bbc.co.uk/2/hi/africa/7086777.stm>.

#### □ Useful RESOURCES □

15) Paper: "The causes of chronic and transient poverty and their implications for poverty reduction policy in China"

Is the Chinese government's approach to alleviating poverty through raising general income levels appropriate for rural China? To address the question, this paper focuses on two components of poverty, chronic and transient, and assesses their relative importance in total observed poverty. It also examines the determinants of each component. Some of the key findings include transient poverty as a large portion of total poverty; the importance of household demographic characteristics to their poverty status, in particular chronic poverty;

the importance of attributes of the community where households reside. The authors conclude that poverty programs in rural China do not have a significant impact on poverty reduction at the household level, since their implementation design fails to target the poor. At <http://ideas.repec.org/p/lvl/pmmacr/2007-12.html>.

16) Report: “Educational Resources and Impediments in Rural Gansu, China”  
This report analyzes a survey of rural children and their families, schools, and teachers in the Gansu province of China. It seeks to provide a portrait of schools serving rural communities in northwest China and to shed light on factors that encourage and discourage school persistence among children in this region. It is argued that at the time of these surveys, the most pressing problem in rural education continued to be that of finance. The government’s capacity to reduce or eliminate costs as a barrier to educational access for the poorest families is crucial for the basic goal of extending an equal opportunity for education to children in these groups. At [http://www-wds.worldbank.org/external/default/WDSPContentServer/WDSP/IB/2007/07/09/000020953\\_20070709115919/Rendered/PDF/402510CHA0P0981Rural0Gansu01PUBLIC1.pdf](http://www-wds.worldbank.org/external/default/WDSPContentServer/WDSP/IB/2007/07/09/000020953_20070709115919/Rendered/PDF/402510CHA0P0981Rural0Gansu01PUBLIC1.pdf).

17) Study: “Health and Health Care of the Older Population in Urban and Rural China: 2000”  
Along with socio-economic transformation and lifestyle changes, China has begun the epidemiological transition from acute infectious and deficiency diseases to a predominance of non-communicable diseases and chronic conditions commonly associated with an older population. Consequently, one of the biggest challenges facing the Chinese government is the expansion and retooling of its health care system to address the needs of its large ageing population. This report presents a descriptive analysis of the health status and health care of China’s older population in 2000. It examines older people’s activity limitations, self-assessed health, chronic disease status, lifestyle behaviors, and their utilization of health care services. At <http://www.census.gov/prod/2007pubs/p95-07-2.pdf>.

18) Paper: “Corruption threatens China’s future”  
The failure to contain endemic corruption among Chinese officials poses one of the most serious threats to the nation’s future economic and political stability, says a new report from the Carnegie Endowment. Minxin Pei, an expert on economic reform and governance in China, argues that corruption not only fuels social unrest and contributes to the rise in socioeconomic inequality, but holds major implications beyond its borders for foreign investment, international law, and environmental protection. Pei paints a sobering picture of corruption in China, where roughly 10 percent of government spending, contracts, and transactions is estimated to be used as kickbacks and bribes, or simply stolen. He examines the root causes for China’s rampant corruption—partial economic reforms, lax enforcement efforts, and reluctance by the Communist Party to adopt political

reforms—and the ensuing economic losses and jeopardized financial stability. At <http://www.carnegieendowment.org/publications/index.cfm?fa=view&id=19628&prog=zch>.

#### □ Upcoming EVENTS –

19) Asia Society “18<sup>th</sup> Asian Corporate Conference”, May 28-30, 2008  
Asia Society's 18th Asian Corporate Conference will bring together top business figures and government leaders from around the world to explore Asia's future in the context of China's growing economic stature. Next year's conference seeks to better understand the opportunities and challenges in the country's economic development and to examine strategic models of sustainable development. What are the trends for China's stock market? How are Chinese companies innovating to compete internationally? How can Asia collaborate to combat heightening environmental concerns? The 2008 conference will be held in Tianjin, China's next emerging hub and focus of the Central Government's new wave of economic development. For more information, visit <http://www.asiasociety.org/conference08/>.

#### □ Latest BOOKS □

20) *China in Africa: Partner, Competitor or Hegemon?* Chris Alden, Zed Books, November 2007

(This review was taken from The Economist in the November 22, 2007 print edition)

Since the late 1990s China has been hoovering up the world's oil and mineral deposits to sustain its rise to the top table of world manufacturing. The resource-hungry Asian country gets its raw materials from wherever it can, and asks few questions along the way. Nowhere has this been more true than in Africa; many noted the moment in 2006 when Angola surpassed Saudi Arabia as China's largest supplier of oil.

In this short and readable book, Chris Alden, a British academic who specialises in Asian-African relations, provides a clear overview of China's involvement with Africa, a relationship that is having a huge impact both on the country and the continent.

Some themes, such as China's acceptance of human-rights abuses by several African regimes that it supports, have been aired before. But Mr Alden has been lucky with his timing here; he has been able to record the beginnings of what could be a significant shift on this, and other issues, by China, particularly in regard to Sudan.

China has prided itself on a policy of non-interference in the countries that it does business with (unlike those nasty old Western imperialists). But in the last year it is clear that it has been forced to review this attitude; China has joined the Western chorus in pushing Sudan into accepting a big UN force in Darfur, whereas before it spent years shielding the government in Khartoum from Western pressure, especially at the Security Council.

As Mr Alden relates, by and large China has got used to an enthusiastic welcome from African countries that like its no-strings-attached investments. But it has been taken aback by the reaction against it in Zambia and South Africa, where local jobs have been devastated by an influx of Chinese imports. In Zambia there have also been protests about how China runs its mines.

All of this begs one of the great questions in international relations: how far will Chinese policy evolve as it gets further entwined in Africa? Will it participate more in UN peacekeeping operations? Will it give direct aid rather than soft loans? Will it start to take sides in African politics, as has happened in Zambia? Africa could be the anvil on which a new Chinese foreign policy begins to be forged.

Mr Alden is also good on some of the more obscure aspects of China's engagement with Africa. It is, for instance, not just big state-owned companies that are piling into Africa: small and medium-sized ones are there too. Much of the investment and trade is directed from the government in Beijing, as one would expect. But individual Chinese provinces have also been forging their own ties and doing their own deals with African countries or regions. Fujian and Zhejiang have been encouraging emigration to Africa as a source of remittances and of new jobs. Plainly, Chinese policy is in flux as it grapples with the political, social, religious and ethnic complexities of getting its raw materials out of Africa. It is a fascinating story, which will become more interesting and more important in the years to come.

---

## **ABOUT GRANTMAKERS WITHOUT BORDERS**

Grantmakers Without Borders, a philanthropic network, is dedicated to increasing funding for international social justice and environmental sustainability and to improving the practice of international grantmaking. Our membership, currently numbering some 325 individuals from roughly 150 grantmaking entities, includes private foundations, grantmaking public charities, individual donors with a significant commitment to philanthropy, and philanthropic support organizations. Availing of this wealth of experience and expertise, Grantmakers Without Borders provides capacity-building support to international grantmakers both novice and experienced. We offer a space for education, community and collaboration among international social change grantmakers. We advocate before

policymakers on behalf of social change grantmakers, and we work to leverage the philanthropic sector to increase funding to the global South. In all our efforts, Grantmakers Without Borders is committed to the ideals of justice, equity, peace, democracy, and respect for the environment. We value and respect the wisdom and experience of local communities in all their diversity, and we are dedicated to amplifying the voice of the global South in international philanthropy. Founded in 2000, Grantmakers Without Borders is a project of the Tides Center.

[www.gwob.net](http://www.gwob.net)

Grantmakers Without Borders- Headquarters  
PO Box 181282  
Boston, MA 02118  
P: (617) 794-2253

Grantmakers Without Borders- West Coast Office  
P: (415) 264-4370

Grantmakers Without Borders- Washington, DC Office  
P: (240) 988-2683

Grantmakers Without Borders- Midwest Office  
P: (937) 599-4277