

China Philanthropy News
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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.

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□ Current NEWS –

1) First PhD in philanthropy is awarded

The first doctorate in philanthropy was awarded to a Chinese national from Indiana University's Center on Philanthropy. Her dissertation looked at why donors give, and she plans to return to China to study the psychological underpinnings of philanthropy. Altogether, 31 students were admitted to the program. As reported by the Chronicle of Philanthropy.

<http://philanthropy.com/news/prospecting/index.php?id=4666>

2) Incorporating healthcare into CSR programs

This article looks at the ways in which healthcare companies can engage more with civil society organizations and incorporate public-private partnerships that can make more of an impact in the healthcare sector. Examples are drawn from the Gates Foundation and their partnerships with both the government and civil society organizations, as well as public-private partnerships between UNDP and Chiang Ai Media Project that offer models of participation across sectors. The role of local Chinese companies is also recognized, and the impacts this can have on strengthening overall safety in the field. As reported by China CSR.

<http://www.chinacsr.com/2008/04/22/2280-incorporating-healthcare-into/>

3) NGO accountability in China

In April, there was a conference held in China on NGO accountability, sponsored by the Ford Foundation and organized by Renmin University in partnership with the China Social Enterprise Foundation and Fuping Development Institute. This article looks at some of the larger issues and questions surrounding accountability with NGOs and the legal context in which these are situated. In addition, it looks at what responsibility funders have in strengthening such accountability. As reported by CSR Asia.

http://www.csr-asia.com/weekly_detail.php?id=11376

4) A healthier China?

While China is growing richer, the healthcare sector continues to struggle to meet the needs of a changing society. China has been plagued by challenges of a growing demand for accessible, safe and effective health care, rising medical costs, misallocation of public resources and weak medical insurance.

This article looks at the ways in which public-private partnerships may alleviate some of the strain and explores possibilities for improvements through medical technology, private hospitals and expanded health insurance. All these speak to a reform of the current healthcare system in order to more effectively meet the needs of the country. As reported by the China Business Review.
<http://www.chinabusinessreview.com/public/0805/liu.html>

5) Beijing's green scene

In light of the Olympics, the environmental movement has a renewed vitality from all directions, motivated by students, activists and a grassroots movement, to top-down 'greening' policies at the national level. While some activists question the long-term impacts of such practices, many see this as an opportunity to push the environmental agenda forward. For many, getting it done now in time for the Olympics provides a larger platform to get it done right for the future. As reported by the Seattle Times.

http://blog.seattletimes.nwsourc.com/bloggibeijing/2008/04/beijings_green_scene_1.html

6) Beijing 2008 Q&A with Wu Dengming

Wu Dengming, a longtime environmental activist in China, boasts a long list of credentials to his name. For over 20 years, he has fought hard against polluters in the country, and with the upcoming Olympics, with its focus on the environment, this may be his best opportunity yet. This article talks with the activist, uncovering his views on environmentalism in China and the Olympics. As reported by the Seattle Times.

http://blog.seattletimes.nwsourc.com/bloggibeijing/2008/04/beijing_2008_qa_wu_dengming_1.html

7) China's Environmental NGOs

This article looks at the history and development of environmental NGOs in China and some of the leading founders of the environmental movement. It also explores some of the past and continued challenges that face these NGOs today, such as limited funding and influence, human resources, and how the movement has been influenced by western organizations and ideas. As reported by China online (china.org.cn).

<http://china.org.cn/english/2002/Jul/36833.htm>

8) Green official 'luckiest' in China

Zhang Yongze, the director of the environmental protection bureau in Tibet, talks about the improving environmental conditions that have taken place in the region over the years. A number of conditions, such as increased vegetation, the use of alternative energy sources and abundant nature reserves, have helped Tibet to preserve its ecosystem, one of the best preserved in China. As reported by China Daily.

http://www.chinadaily.com.cn/china/2008-04/25/content_6642512_2.htm

9) A lot to be angry about

Last year, China's third largest freshwater lake was plagued by industrial waste and pollution that left 2 million people without water. Although officials promised to shut down nearby factories, the toxic algae reemerged in the lake. Increasingly, such environmental problems have sparked protests around the country, in Xiamen to protest a chemical plant, and in Shanghai to protest a train line. Many activists, such as Wu Lihong, have been targeted by local authorities, and warned for their outbursts. A complex web of relations between local officials and larger Beijing authorities makes it difficult to deal with such problems. This article looks at the case of Wu Lihong in his efforts to combat pollution. As reported by the Economist.

http://www.economist.com/world/asia/displaystory.cfm?story_id=11293734

10) China's energy security moves it closer to the Middle East

Energy consumption in China is growing rapidly. In the past few years, 40-50 percent of its oil was imported, and 60 percent came from the Middle East. This article looks at if and how China's energy consumption will influence its politics and influence in the region. It also explores some of the implications this has for the country's energy policies, including recommendations such as restructuring a nationally system of energy reserves and conserving more energy. As reported by the Daily Star.

http://www.dailystar.com.lb/article.asp?edition_id=10&categ_id=5&article_id=91915

11) China to tie up with Chicago carbon emissions bourse

China is joining forces with the US Chicago Climate Exchange to establish a carbon emission market in Tianjin. This is part of a government plan to develop the Binhai area in Tianjin. This exchange will trade permits for emissions of greenhouse gases like carbon dioxide and sulfur dioxide. As reported by Agence France Presse.

http://news.yahoo.com/s/afp/20080425/sc_afp/chinausclimatewarming_080425101958

12) In China city, protesters see pollution risk of new plant

Residents in Chengdu took to the streets to protest the building of a multi-billion dollar petrochemical plant in the city. Critics of the plan said that the government had not done proper environmental reviews of the project, which could pollute the air and water and lead to health hazards. This protest, along with a similar protest last year in Xiamen, reflects the growing environmental awareness in the country, particularly among by the urban, middle class. As reported by the New York Times.

http://www.nytimes.com/2008/05/06/world/asia/06china.html?pagewanted=2&_r=2&th&emc=th

13) China warns deadly virus could kill more

A deadly virus that has already killed 20 children in east China, known as Enterovirus 71, remains lethal. The hand-foot-mouth disease caused by the virus has seen outbreaks in Anhui and neighboring Henan provinces, which has reported a higher rate than in previous years. As reported by Agence France Presse.

http://news.yahoo.com/s/afp/20080430/wl_asia_afp/chinahealthenterovirusars_080430154701

14) China's hand-foot-mouth cases reach 12,164 so far in 2008

The number of hand-foot-mouth disease (HFMD) cases reported in China this year rose to 12,164 as of last month, resulting in 26 deaths, according to a Xinhua tally of local official figures. Outbreaks have been reported in many provinces, including Beijing and Chongqing. As reported by Xinhua.

http://news.xinhuanet.com/english/2008-05/06/content_8116646.htm

15) WHO concerned China virus outbreak under-reported

Chinese health officials report almost 5,000 children have been affected by the virus outbreak recently, most concentrated in Anhui province. However, WHO officials fear the number may be even higher, though a cover-up is not suspected. While initial reporting was slow, this may have been because of unfamiliarity with the symptoms. WHO notes that the authorities have been taking the necessary precautions by quarantining suspected cases and increasing surveillance. As reported by Voice of America.

<http://www.voanews.com/english/2008-05-04-voa19.cfm>

16) China tops US for internet population

With 221 million internet users, China has overtaken the US for total internet users and has proclaimed itself the world's largest Internet market. Internet usage grew 53 percent from 2006 to 2007, and 40 percent of new users came from rural areas, although major cities such as Beijing and Shanghai still dominate. A number of Chinese internet brands have grown over the years, some of which have become some of the largest internet companies in Asia. As reported by IDG news service.

http://news.yahoo.com/s/pcworld/20080425/tc_pcworld/145108

17) Quiet sexual revolution forces Beijing to admit dangers of AIDS

Earlier this year, 11 HIV patients and relatives were arrested while trying to see Premier Wen Jiabao during a visit to Hebei province. This incident points to the challenges HIV/AIDS activists in China continue to face. Although the government in recent years has begun to address the issue of AIDS, there are still many groups outside the reach of these programs. Some scholars point to the emerging liberal attitude about sex as a result of opening market reforms, and warn that the continued top down approach makes it difficult to address more contextual and local problems. As reported by the Guardian.

<http://www.guardian.co.uk/world/2008/apr/18/china.aids>

18) Sister Fabian's pro-gay crusade

This article looks at Sister Fabian Han Fengxia and her work supporting HIV/AIDS communities in Liaoning province. While AIDS continues to be a stigma for many people, she and her two assistants run a program that provides emergency support, job training, medical services and general support and care to HIV infected individuals. Many of the new clients are gay men from Shenyang; it is estimated by the government that 2-6 percent of infected people are from the gay male community. As reported by Mother Jones. [HTTP://WWW.MOTHERJONES.COM/NEWS/EXPOSURE/2008/02/SISTER-FABIAN-CRUSADE.HTML](http://www.motherjones.com/news/exposure/2008/02/sister-fabian-crusade.html)

19) China says abusive child labor ring is exposed

A forced child labor ring has been exposed in China, revealing the severe labor abuses that have emerged as a consequence of its growing economy and the pressures of worker shortages, high inflation and increased competition. More than 100 children have been rescued from factories in Guangdong province, and other reports are being investigated. Most of the children are between 13 and 15 years old, from the Liangshan region of Sichuan province. They have been tricked or kidnapped by employment agencies and sent to work in factory towns in Guangdong. As reported by the New York Times.

http://www.nytimes.com/2008/05/01/world/asia/01china.html?_r=2&oref=slogin&oref=slogin

20) Uighurs struggle in a world reshaped by Chinese influx

This article takes a look at some of the influx of changes happening in the Xinjiang region, once dominated by the Uighur ethnic minority and largely Muslim, now saturated by Han Chinese immigrants. Since 1949, the number of Chinese Han people has increased from 6 up to 40 percent in the region. This influx has caused tensions between the groups, including factions that advocate for an independent Islamic state for Uighurs. While economic development has been a priority by the Chinese government, many Uighurs lament the cost to their culture. As reported by the Christian Science Monitor.

<http://www.csmonitor.com/2008/0428/p01s01-woap.html?page=3>

21) Forging microfinance ties in China: Grameen Foundation

The Grameen Foundation has been one of the first US-based microfinance support organizations working in China since 2000. It has since disbursed about \$1 million of on-lending capital to 12 microfinance programs throughout the country. This article talks with the foundation and looks at their programs, successes and challenges in China over the years. As reported by China CSR.

<http://www.chinacsr.com/2007/06/11/1408-forging-microfinance-ties-in-china-grameen-foundations-alex-counts/>

22) China earthquake exposes a widening wealth gap

The recent earthquake in China revealed the stark differences between urban and rural areas that point to a larger issue of the widening gap between rich

and poor in the country. Some experts say that in the smaller cities and towns that have emerged as a result of China's urbanization, buildings have less stringent safety codes than in the larger urban centers. In Chengdu, for example, the provincial capital, many of the newer glitzier buildings were still intact, while in the outlying areas, many schools and buildings were destroyed. As reported by the Wall Street Journal.

<http://online.wsj.com/article/SB121066313905887941.html>

23) Can grieving parents have another child?

This article looks at the recent earthquake in the framework of the one-child policy. Many parents have lost their only child in the tragedy and ask whether they will be allowed to have another child in light of this circumstance.

<http://www.slate.com/id/2191498/>

24) Beyond the "genocide Olympics"

In light of the upcoming Olympics in China, corporate sponsors are starting to feel pressure from groups accusing them of "complicity" in human rights abuses. The Beijing Olympics, which some have branded "genocide Olympics," threaten to dismantle corporate sponsorship by using the occasion to highlight human rights abuses by China in Darfur and Tibet. The article explores potential impacts this could have and suggests that corporations, government and activists have often been in agreement and have been able to find a middle ground from which to cooperate. As reported by the Economist.

http://www.economist.com/business/displaystory.cfm?story_id=11090045

25) The only way to alter China's hand in Darfur

This article calls for a different way of engaging China over their role in Darfur, claiming that China won't be shamed into action. Rather, the rhetoric should shift from one of blame to one that highlights the benefits for China in enforcing the rule of law in the region, recognizing its economic interests and energy needs that informs their policies. As reported by the Christian Science Monitor.

http://news.yahoo.com/s/csm/20080430/cm_csm/ylangex_1

□ Useful RESOURCES –

26) Report: "South Africa and China- the agricultural and fisheries trading relationship"

A feature of world trade over the last ten years has been the dramatic growth of China's trade with the world. This paper examines the agricultural component of Chinese trade with South Africa, which it aims to place in broader perspective of China's global trading relationships. The paper examines Chinese global agricultural imports and then moves sequentially through imports from the following countries and regions: South Africa, New Zealand, Australia, Chile, Argentina, Brazil, India, USA, The EU, and ASEAN. At

<http://sociolingo.wordpress.com/2008/06/05/academic-paper-south-africa-and-china-the-agricultural-and-fisheries-trading-relationship/>.

27) Report: “Report on Industrial Relations and Working Conditions in IMF-related TNCs in China”

Chinese society and economy have undergone rapid change, leaving industry, government and society facing highly complex problems. Besides broad issues to do with poverty, access to social services, and environmental degradation, Chinese workers are affected by poor law enforcement, which means that laws regulating wages, working hours, industrial relations, workplace safety, and social insurance are violated on a massive scale. The Chinese system of industrial relations is not mature enough to protect workers’ rights. The Chinese trade union is notorious for toeing the party line, and advocating “harmonious” relations between labor and capital, rather than advocating on workers’ behalf. Against this backdrop, manufacturing industries in China have been booming in the decades since China’s economy opened up in the late 1970s. This survey focuses on five of these booming industries: Information & Communication Technology (ICT), electronic and electrical appliances, iron and steel, shipbuilding, and automobiles and conducted field research in 27 factories producing for 12 transnational corporations. At http://www.amrc.org.hk/projects/IMF_china_report.

□ Upcoming EVENTS –

28) “CSR Asia Summit- The Next Agenda: Pushing the boundaries of environmental and social responsibility,” 3-4 November, Bangkok, Thailand Running for the 6th time in 2008, the annual CSR Asia Summit has quickly emerged as the most anticipated corporate social responsibility (CSR) event in the calendar since its inception. Amidst a growing call for companies to engage with CSR initiatives in Asia, the event is poised to explore hot topics unique to the Asian context, which would bring new insights for businesses, governments, NGOs and other CSR practitioners. The Summit is targeted at global and Asian experts and practitioners in the fields of social, environmental and corporate governance issues. In 2007, the event successfully attracted 220 delegates from 17 countries and regions, most of them high profile companies and organizations who have enormous influence in shaping the CSR landscape in the Asia-Pacific.

<http://www.csr-asia.com/summit08/index.php>

□ China PROFILE □

29) Nick Young, journalist and founder of China Development Brief

This month, CPN speaks with Nick Young, founder of China Development Brief, a nonprofit publication reporting on social development in China, whose English language version was shut down by the government last year. Here, he speaks with us about the closing of his publication and what this means for civil society and its future in China. The following is a transcript of the discussion.

Q: You've had a long history in China, especially within the civil society sector. In one of your earlier interviews, you mentioned that the growth of civil society really depended on how you see it. How do you see or define civil society as it functions in China? What does having a civil society mean to you?

A: I get less sure as time goes by. When these big notions become fashionable-- for one can say the same thing about 'corporate social responsibility' or 'social entrepreneurship'—they tend to express many competing visions: most basically, some people are keen on 'civil society' because they don't like the state; others are keen on it because they don't like capitalism! There's an endless re-creation of new forms of discourse and often it's a case of new words to express old arguments.

A lot of the time, when we talk about civil society, we could drop the 'civil' and just talk about 'society.' Is China just a society of drones following Communist Party orders? No. I don't think it's ever been like that. The peasants (and local Party branches) who started opting out of collectivization in the late 1970s, without Politburo permission, drove change forward—Deng Xiaoping (who was not entirely cuddly—he implemented the earlier Anti-Rightist campaign, for example) was sensible enough to condone and extend the experiment instead of resisting it. So China de-collectivized and finally began to get back on its feet. Two decades later, you get a rash of rural unrest, usually sparked by local corruption, and the government finally responds with the 'new socialist countryside' policy to improve rural governance and livelihoods. So Chinese society does exert pressure and the present government is way more responsive to that than Mao's government, which presided over mass famine out of ideological conceit.

If civil society is a useful and meaningful concept, it has to mean more than just NGOs which in China are still young and weak, although I think they are becoming more able as well as more numerous. I think it has to include China's intellectuals, who are significant opinion formers (although this is often over-stated: most of them seek a comfort zone and stay in it, for reasons that are perfectly understandable.) It has to include professionals—journalists, some of whom do really important work within state owned media as well as in more independent publishing and broadcasting (notably netizenry); lawyers; social workers, teachers. The trouble is that all those constituencies I've mentioned are relatively easy to point to but it's much harder to detect and measure the currents and tides among the wider population of 'ordinary

people,' yet those are really fundamental forces and they are not inert. So, I guess you look at NGOs because they are easily visible. They have declared and appointed themselves, they are becoming more important actors, and they may be important indicators of less visible forces—but we should not simply assume that in so complex a place as China. That's what China Development Brief did, anyway, especially our Chinese edition, which is still going strong, we looked at the Chinese NGOs. But it is important to be clear that we were only looking at part of the picture, because the whole is too big to describe at all coherently—for a small venture like ours, anyway.

Finally, and most importantly, I want to say this: some foreigners have a vision of civil society in China in which NGOs and other social forces gradually become stronger and then one day sweep away the Communist Party. In my opinion this is a dangerous delusion which no-one with any common sense or basic understanding of China could seriously advance.

Q: Why and/or in what ways do you think having a civil society is important to China?

A: I think that Chinese people need and deserve better qualities of conversation among themselves—that's my most fundamental belief. When I first arrived in China I was by no means so arrogant as to believe that I had anything of value or interest to say to Chinese people. I had never before been east of Zanzibar, I didn't speak Chinese, what could I possibly tell them about their own place that they didn't already know? What I originally created in China Development Brief was an English language journal about the international development aid industry in China, and it was designed just to improve conversations between foreigners. That, I felt, was a modest and valid aim. But Chinese people and institutions who had seen the magazine were soon coming to me saying 'We can't get this information elsewhere, it's really useful . . .' And I began to feel that China was a place where, for reasons both ancient and modern, people did not communicate with each other very well. I soon realized that people in different offices in the same government department might have lunch together or play *mah jong* together yet never connect with each other professionally in a significant way—they might not even know what went on in the office next door, let alone in the other government departments down the street. Information, statistics, data etc all flowed up and down the command chain—up to your bosses and down to the people below—but was never regarded as relevant to anyone outside of that pillar, and might even be officially secret outside of that pillar. That struck me as a sub-optimal use of the world's largest single reservoir of human brainpower. And so when the World Bank etc compiled lists of China's 'development challenges'—you know, environment, health, employment, blah blah—'communication' was soon appearing at the top of my list. I was also beginning to feel, on the basis of observation not ratiocination, that the most useful foreign aid projects were really about connecting up Chinese brains and Chinese interests—getting

different people, different institutions, with different vested interests into the same room and hopefully working on the same topic, hopefully resolving the real differences that divided them. That was a perfectly valid and honorable role for foreigners to play. Much better than telling Chinese people how they should be running things.

And that was why I created a Chinese language product. It was demand driven in that Chinese people were coming to me asking for something (they weren't quite sure what), and I didn't want to 'supply' only that tiny minority of intellectuals who could speak English (and some of whom, now I look back on it, were probably mainly interested in spotting consultancy opportunities for themselves). I wanted instead to create something that would reach people who didn't already have access to the international development discourse and the aid agencies. At first it was basically me writing stuff in English and having it translated into Chinese; but it was not didactic, it was, rather, telling people 'This is how foreigners think—make of it what you want.' I felt that role was valid: I do know how foreigners think, Chinese people generally don't, so I had knowledge of genuine value to transfer to those who were interested, and that was not condescending or preaching. And I continued to play that role throughout my time in China, especially with my Chinese colleagues: day in, day out, explaining to them how foreign brains work—not just *the* foreign brain' but the diversity of foreign perspectives that there are—and in return they gave me a study tour of Chinese brains and Chinese realities. It was a fair exchange and pretty much everything I know about China comes from them.

I'm digressing. The Chinese magazine soon moved on from being a one man show: it was not sustainable, me writing all the stuff, and besides I thought it would be more appropriate for a Chinese team to be doing the writing of the Chinese product because they would be in a much better position to know what Chinese readers would want to hear and be able to understand. So we developed a Chinese team. What we produced at first was not at all coherent nor, probably, very useful, but over a couple of years it got better.

The problem was that at first we weren't at all clear who it was for. Later on, we used to do communications trainings for NGOs in which I would say to people that "Only poets are entitled to write entirely for themselves: us lesser mortals have to write for audiences, so you need to be clear about who your audience is, and remember that it's the audience that matters, not you." I knew that was 100% right because I had learnt it the best way, through my own mistakes. We were producing a Chinese language magazine, with a print run of a couple of thousand copies, to serve a population of 1.27 (then) billion, with no clear idea of how to find the 2,000 individuals in that huge number who might benefit from what we were doing, and no clear idea, actually, what to say to them either.

What gave us the direction we needed was when, at the turn of the century, we did a directory profiling 250 Chinese NGOs--the first venture of its kind in post-

1949 China and probably our single most significant landmark. Western political scientists had looked at China and pretty much concluded that there was no sphere of independent citizen action, that it was 'corporatist,' as some said—which I understood to be a polite way of saying 'fascist.' I never thought that was a stupid view, it was seriously arrived at and argued for. But our little contribution, with a few thousand dollars funding enabling us to spend probably more than a thousand hours in conversation with people all over the country who had got up and done something for themselves (or, more usually, actually, for others), was just a shard of empirical evidence that no, actually the story is more complicated.

But the real value of that exercise for us was that it made it immediately and blindingly clear who our Chinese publication should be for: It should be for those 250 NGOs, to help them locate themselves in a broader community and to create conversations between them—and conversations that were always intended to include government and Party people, insofar as they were interested and insofar as we had any ability to reach them. Our ability to reach them was in fact sadly limited by the fact that we were unauthorized—and there was simply no way to do this more legally. But it was certainly never ever intended as a conversation of conspirators who were steeling themselves to take on the state.

So, obviously, my view of what 'civil society' is has changed over time, and I no longer like the phrase much, but the way I think about it now is that the world is a terrible mess and we will destroy it completely if we do not soon learn to talk and listen to each other—that was lesson number 2 in our communications training, following logically from the first, you *cannot* be a good communicator if you are not a good listener. I know it sounds very idealistic, and I know that in China and in many other places, not to mention globally between north and south east and west etc there are real, hard, tough rivalries of interest and that these are enormously difficult to overcome, but I am absolutely convinced that they cannot be overcome any more by one or the other side 'winning' and keeping the rest down because we will simply destroy the place in the process and there will be nothing left to win. So we have to talk to each other. In China, where I had happened to pitch up because my wife had happened to get a job there, I felt the most important conversation that needed to happen was between the rulers and the ruled. So the ruled need something—for the sake of argument let's call it a civil society—that gives them a voice with which to speak to the rulers. Of course it would be preposterous to say that our Chinese magazine was the answer, but I saw it as being a teeny bit of the answer, and I think that is all we could do.

Q: In your own work, what have been some of the shifts and trends to the development of civil society in China over the years? What does this say to you about its future?

A: Well, let's just stick to the constituency of Chinese NGOs that our Chinese team was now writing for and leave the big civil society thing to one side. The first thing is that they grew rapidly in number. Within five years of our doing the 250 Chinese NGOs book we were looking at a tenfold increase, at least, in the number of groups that it made sense to call NGOs by our—very rough and ready—criteria. I would have loved to do regular updates, should have put the whole thing online at the very beginning to make it manageable, taken on extra staff to maintain it: we could have created the basis of a Council of Foundations type directory that might have lasted forever. But we were a tiny, unauthorized organization and didn't ourselves have the capacity—and I personally lacked the institution-growing expertise—to grow fast enough to keep up with the growth surrounding us. Interestingly, that was also a key challenge for nearly all of the Chinese NGOs that we reported on.

The policy environment had thawed a bit, it was possible to exist—for, in the early 90s (when the international political scientists were on the beat looking for civil society—they were victims of bad timing, right after Tiananmen there weren't many people sticking their heads above the parapet; whereas we were simply lucky enough to have stumbled on the right question at the right time), but in the early 90s it was *extremely* difficult for ordinary citizens to start up anything by themselves. I am thinking of people like Meng Weina, who created Zhi Ling and Hui Ling in Guangzhou, providing services for young kids with serious learning difficulties. I was once a residential social worker in the UK and I was frankly shocked by her social work approach which struck me as caring but essentially Victorian—there is a strong impulse towards residential care in China, which is widely seen as a humane option, with very little awareness of the appalling damage that institutionalization does, and which we in the West now know so much about, having made the same mistake throughout the 20th century—but Meng has come a long way since then despite her being totally unbendable and determined to do things her own way. I had several discussions with her quite early on, in which it was fairly clear she at first thought I was a silly foreigner who didn't understand the China context, but we were always good friends and I have remained a big fan of hers. I really don't understand why you get all these foreign progressive types coming in looking for human rights activists or AIDS activists or green activists to give some international prize to and there's this woman who has been slogging away for 20 years with complete, pig-headed dedication to a cause that ennobles all our humanity but the foreign liberals aren't interested because it is not sexy enough for them. Anyway, when she started up she had local bureaucrats coming to her and saying 'You can't do this it's illegal.' With real hostility. They forced her out of several premises, threatened to bulldoze one place, if I remember correctly, all because they were terrified of seeing anyone exercise some initiative. And actually there were lots of people like Meng—and when I say people I mean mainly women, at least a dozen that I can think of: Zhang Shuqin who went around gathering up kids whose parents had been executed; Xie Lihua and her rural women, the lovely old lady who ran the Maple

Centre and whose name I forget, Wang, I think, but who did so much to ignite the idea of personal counseling. And they were nearly all obstinate people because they had to be, no-one without those qualities would have been able to get anything going. Some of them were well connected with the Women's Federation, and so knew how to work the system, but not Meng, she was a totally independent obstinate person which is why she takes my prize. And there were also some Christian groups, Agape in Guangzhou, which ran a kindergarten for Hepatitis B positive kids who were excluded from state provision, the Amity Foundation in Nanjing, the YMCA in Shanghai. These in the early-mid 90s were the real ground-breakers when the ground was really hard to break.

And, I cannot emphasize too strongly, many of them were working in the field of disability, fairly ordinary people in many cases trying to solve problems that affected them directly and personally where government was providing very little and yet allowing very little space for individual initiative. If you think about it, surely this was actually a pretty good barometer of the deeper changes, the growth of freedom and determination to act, in Chinese society generally. And yet the international media and most of the international donors really weren't terribly interested in this story. Not sexy enough. Didn't fit into the romantic vision of civil society as a democratic surge that would bring political change. By the time I left China I was receiving at least one phone call per month from a foreign reporter wanting to write about environmental NGOs, about to visit a province and wanting to be put in touch with green activists. In twelve years I don't remember ever receiving a single enquiry about disability groups or groups of disabled people doing things for themselves, but for me they were perhaps the most interesting and important of all.

The environmental NGOs are, of course, also important. When we did '250 NGOs' there were maybe a dozen of them. Partly because we got so many enquiries I eventually decided, in 2006, to put together an on-line database of environmental NGOs—if the whole NGO field had become too big for us to cover, maybe we could at least cover the greens, and then a bit later maybe do a similar exercise for the disability groups, that was my thinking—and so we created www.greengo.cn, which profiled well over 100 independent environmental NGOs: like I said, at least a tenfold increase over 5 years. They were growing in a very diffuse way—a constellation of small organizations, rather than a few big groups. Of course there was a practical explanation for that. If one of the early groups, like Friends of Nature, had tried to recruit a national membership it could probably have got a million members within a few years; but that would put it in a very frightening position because the Communist Party would be *extremely* nervous about an organization that had a million voluntary members. So it was not surprising that, instead, you should see this widespread growth of little, local organizations.

But there were also inherent problems in this. As I have said, at the beginning it was extremely hard to get anything going, by the turn of the century the atmosphere was much easier, kind of showing an amber light in a surrounding policy fog. It was still far from an enabling environment, the regulations were still highly restrictive in many ways, but local authorities were no longer so overtly and consistently hostile to NGOs, and many people in government were beginning to feel that, in social service provision especially, the NGOs could play a useful role in helping to cope with social 'burdens.' There were even people in government who felt that organizations with more advocacy type objectives—like some of the green NGOs, and a few that were working on really 'sensitive' issues like labor rights—had an important role to play in 'public participation' and 'public supervision' which is the Chinese way of saying that government and, increasingly, corporations, need citizen 'watchdogs,' a very progressive position. The environment protection authorities especially felt this, because they were so institutionally weak and in need of any allies they could get. But the more typical position in government was that they wanted to encourage the good guys, the social service providers and charitable organizations, and discourage the bad guys, the troublemaking advocates. Of course you simply can't frame NGO policy in a way that achieves those objectives—fundamentally, you either allow citizens the freedom to act or you don't—so this perennial ambivalence makes it virtually impossible for China to achieve a coherent policy and legislative framework. Yet by the start of the new century the general atmosphere had become much less hostile, there was a significant growth of informal space, more tolerance of private actors wanting to do little things in that space, and forming or working in an NGO had become an imaginative possibility, so there was a proliferation of new groups. BUT—and this is key—there were major issues of growth. It had become possible to do almost anything and work on almost any issue on a very small scale, but how could you grow to the point that you had any significant impact, either in terms of reaching many people or in terms of affecting the way government behaves? This is the major question that faces nearly all NGOs in China, and I feel I understand it intimately because we at China Development Brief were in *exactly* the same position.

It's partly a political problem of course but, rather than discussing that, I would also point to the organizational dynamics. The 'first generation' NGOs were, as I have pointed out, typically created by strong personalities and many of those people were also micro-managers. They found it hard to let go, hard to delegate, hard to develop their staff and, given all the resource and political difficulties they also had to face, they found it very hard to grow organizations that really were organizations rather than platforms for their own individual activism. As leaders they were primarily visionary rather than adept administrators. They mainly lacked—just as I did—the skills and foresight necessary to create systems and procedures that would serve as foundations to sustain growth: things tended to run informally, with decision making authority concentrated in the leaders' hands, which generally also held the

purse strings in ways that were typically untransparent. These problems were fairly generic across all the sectors, and in some ways they were precisely the same problems that you find in Chinese government agencies and in the business sector. So there were a *lot* of growing pains, and not all that much growth of individual organizations. There are a few groups (nearly all service providers) that I could point to that experienced tenfold plus growth in their own operations, but not many.

I don't want to sound unsympathetic because these people did face enormous difficulties on a day to day basis and had very little time for looking at the distant horizon and long term possibilities. It was rarely possible to know if you would still be up and running at the end of next month, let alone in ten years time. And, typically, groups got caught up in a kind of project straightjacket: no core income, no way to cover general running expenses, and so they had to take on more and more 'projects' with definable 'outputs' in order to pay their office rent. This is a major problem with the development framework that donors have created for their own administrative needs and convenience. It creates incentives for people to cheat, for example through double-funding or dodgy account keeping, in order to cover routine costs that no-one wants to pay for, and it is inherently unlike real life. I don't split my life up into 'projects.' Social reality is not divisible into 'projects.'

So as a result of all this, within a few years you had many worn-out leaders who had not built beneath them anything that could really carry forward and develop what they had started. As a result, many groups split, sometimes more than once, and in some sectors, HIV/AIDS being a notable example, there were a lot of factional rivalries and jealousies; while at the same time you had many hundreds of new organizations springing up, some good, some not so good and some, frankly, run by self-seeking charlatans. Now this is really complicated. On the one hand, I felt 'Can we really say this is bad? Who can claim to have a blueprint for how independent NGOs *should* develop in China? Maybe this kind of splitting of cells and this volatility, is unavoidable, a development phase that actually needs to happen.' But on the other hand I have in my head a paternalistic Chinese government bureaucrat saying to me: 'You see: allow them a little freedom and they immediately start squabbling amongst themselves. This is why we need the Party to maintain social order and leadership.' Do you see what I mean? For that bureaucrat will also have looked at Bangladesh and the Philippines where there are tens of thousands of NGOs but where the state has much less capacity to deliver services, and he will ask 'Are you seriously telling me that we should allow this to happen? Look at how big China is! If we allow two or three million NGOs to run around off the leash it will be absolute chaos and there is no guarantee that they will really be able to deliver much anyway.' That is the way they think and we need to recognize, even if disagreeing, that it is not irrational. There are real problems here.

So, if you ask me how NGOs will develop in China in the future, I can say with some certainty that it will be messy. How could it be otherwise? My hope has always been not that the state will suddenly, as the result of some hundred thousand dollar UNDP or foundation 'project,' shift its position on associational freedom—that is a complete no-brainer—but that it will remain relaxed enough and allow more informal space for experimentation to develop, and that more and more policymakers will see enough social and administrative benefits in that experimentation to view NGOs more positively; and that in the meantime the best NGOs will find ways to solve some of their problems of organizational growth. I think that may be the most realistic hope because many policy areas in China are equally messy, with the government not yet clear, for example, on what the respective roles of the state, the market and the non profit sector should be in provision of public goods. But messy, informal growth at least brings the start of conversations between NGO people and officials; and that is the kind of communication that I began by talking about. I believe that would in itself be good for China and through the process there may, I hope, be growing acceptance and accommodation between China's government and NGOs.

Q: What do you think the influence of foreign donors and organizations have been to local NGOs?

A: Well, foreign donors have of course been an important source of funds and I am not entirely critical of that but I do think it has some dangers. Back in 2001 we held a series of Local Resource Mobilization workshops for small, independent organizations. I never planned for ours to become a training agency but we did this for two reasons. Firstly, I wanted our Chinese staff to get close to the organizations we were reporting on, closer than you can get by doing an hour's interview, in order to understand their situation better so that our staff could then write more relevant and useful stuff. Secondly, there were one or two training organizations beginning to appear and I suppose I wanted to influence them to include this item on their agendas—we invited all of them to attend as observers—because I felt it was so fundamentally important.

One issue was sustainability. Donor fashions change and, although foreign funding for Chinese NGOs has not been large by comparison with programs in many countries, there was a danger that it would dry up one day, especially as China was perceived to be getting richer. Also, the explosive growth of Chinese NGOs meant that they could not all queue up at same doors. Another important issue was addiction to life above your means. Some donors give very generous grants and I felt this might encourage people to believe that you can't think unless you have an IBM think-pad. Also, we called it 'resource mobilization' not 'fundraising' because we wanted people to think creatively about what resources they did have at their disposal, to realise that it is not necessarily always about money, and in the sessions when we asked about this—for these were all facilitated discussions, using a superb, Chinese trainer, not lectures telling them how to do it—they came up with some really interesting

stuff, saying for example that public space was a resource, that relationships were a resource, that idealism and trust and reputation were resources, all wonderful stuff that they themselves came up with. And then there's the issue of ownership. Depend on donors for too long and you likely become opportunistic, re-crafting 'projects' because they fit in with donor priorities, not yours. And then, of course, there is legitimacy. Especially for anyone involved in any kind of advocacy, dependence on foreign funding was a really serious weakness. So we wanted to air all of these issues and see where people would take them. I do of course recognize that it is extremely hard for the NGOs. Only a tiny number of government-created foundations are permitted to fundraise from the general public in China, and the independent groups are dependent on what friends and families put in, or private donations from better-off people they happen to know, or grants from international agencies. But I still thought it was possible to think about and experiment with other methods and at least concentrate attention on how this might be done, and I am happy to report that some of our workshop participants did think hard about it and began to experiment with a quite wide range of strategies.

Another significant area of foreign donor involvement has been NGO capacity building programs. Some of these were I think quite useful, and we ourselves continued to be involved in this in a small way with sideline programs in communications and volunteer management and one or two other initiatives—for example we arranged a week-long 'NGO convention' in Qinghai Province where there were a dozen or so very interesting organizations that were in many ways more genuinely 'community based' than the great majority in coastal provinces. But I think you have to be very careful about the idea of 'capacity building' as a whole, because it does rather presuppose a view of what counts as a 'capable' organization and it is very hard to see what are the most important capacities for an organization in China's unique situation. Doubtless there are some basic skills and core competencies that any organization needs, but you don't have to go very far into areas that at first sight look straightforward to find that they can soon become quite complex.

The real issue here is, 'Who sets the agenda?' I don't see anything wrong with donors supporting local initiatives—and in my view, based on long experience and careful research such as our 'NGO Advocacy in China' Special Report (which can still be downloaded free of charge from the www.chinadevelopmentbrief.com website), the vast majority of Chinese NGOs are basically patriotic and definitely want to set their own agendas, not least because they usually think that foreigners simply don't understand China. Donors have to respect that, and the more responsible donors do, but even in the best cases there is always a discussion, an attempt to find common ground and interests, and this in some cases means that the donor steers the grantee more than the grantee steers the donor. And in some cases the steering is completely explicit. A very clear example is the case of AIDS: the international donor community, for reasons I perfectly understand and don't

disagree with, was desperately keen to promote 'civil society' involvement in China's AIDS response. There has been a huge influx of funds for NGOs working in this field, and there have been some good programs, but we have also seen Chinese government agencies creating NGOs in order to absorb the funds, and we have seen some very opportunistic groups springing up with the sole objective of accessing those funds. In another field, towards the end of my time in Beijing barely a week went past without some foreign agency coming through trying to encourage environmental NGOs to work on climate change issues, whereas the issue many of them feel most passionate about is water.

I have to be clear here that I am not simply saying that foreigners should keep out of China altogether. I am nothing if not an internationalist, when I was I teenager I had a poster on my bedroom wall with Theilard de Chardin declaring—wildly prematurely—that 'The age of nations is past,' and I do believe in some form of globalization, even though sadly I cannot articulate exactly what form! Today, international capital is deeply engaged in China, bright young foreigners are pitching up there looking for career opportunities, there is a huge amount of cultural and intellectual exchange, a growing number of cross-cultural marriages. So it wouldn't make sense to say that international donors or NGOs should somehow steer clear of China, out of respect for local culture or whatever, when everyone else piles in and quite palpably affects the nature of China. But what I am saying is that international donors and NGOs really do need to show respect and to listen very carefully—it comes back to my communication thing again. We have to remember that Westerners barged into China in the 19th century shouting 'You need God and trade and science and we're here to save you!' and then grabbed bits of local real estate through what the Chinese still call the 'unequal treaties'—and they were of course *highly* unequal. We can't just secularize that today and barge in shouting 'You need democratic institutions and trade and science and we're here to save you!' We've got to stop shouting and start listening. We need more equal relationships.

Q: Do you think this has had any impact on the government's growing concern about regulating civil society?

A: Absolutely. It's the whole 'color revolution' thing. The government of China is perfectly well aware that many people in the West are worried about and in some cases overtly hostile to a 'rising China,' and the most conservative and xenophobic people in the government believe that Westerners want to nurture Chinese NGOs as a kind of 'fifth column' to cause trouble in China and keep China down.

There are two sides to this. Firstly, the fact is that NGOs worldwide now are a global geopolitical force. They have relatively easy access to and enjoy significant prominence in Western media—whether it's Global Witness talking about China's role in Africa, Human Rights Watch talking about generic human

rights abuses, a whole range of environmental groups talking about China's global footprint, or 'Free Tibet' campaigners. These groups help to shape Western public opinion and that exerts pressure on elected leaders in Western countries. You can see this for example in the whole Olympics debacle. Reporters Without Borders, a French group—which is significant to me, I am a Francophile of long standing but I think the French tend to believe they invented human rights back in 1789 by asserting the universality of egalite etc—makes a strong bid to lead the European pack on the Tibet issue, and the next thing is Nicolas Sarkozy leads the pack in floating the idea of boycotting the opening ceremony. I think that was a populist act of gross political folly—after Jacques Chirac had worked so hard to build a good relationship with China. We now see Sarkozy scrabbling about to try and limit the damage: I gather he sent Hu Jintao a copy of Charles De Gaulle's autobiography! How incredibly inept. Angela Merkl in Germany has not done much better.

So my broad point is that the international campaigning groups do have real clout now, and in my opinion they do not always use that power responsibly because their critiques invariably oversimplify highly complex situations in order to generate bullet-point 'conclusions' that can grab the headlines. Now, if I feel like that, a highly libertarian Westerner who was effectively expelled from China, can you imagine what China's leaders feel? It is easy to imagine that they feel under remorseless attack from foreigners who are determined to keep China down—with NGOs leading the charge. And this is hardly likely to make them think that China needs to develop its own cohort of advocacy NGOs.

The other side of the coin is that you get Condoleezza Rice talking quite openly about funding NGO programs to bring about 'regime change' in, for example, Iran—and this in a context where the U.S. government won't explicitly discount the use of military force as another option. So NGOs are more or less clearly equated with bombs and tanks! Hearing this in 2005, at exactly the same time that Western media were discussing the role of the Open Society Institute in allegedly fomenting 'color revolutions', it was inevitable that China's own security forces would launch an investigation of international funding for NGOs in China. Seen from their point of view it would have been grossly negligent to do anything else.

I don't believe that many people in the State Department are stupid enough to believe that NGOs will overthrow the Communist Party, or that the world would be a better place if that happened. But it is easy to see how it would look that way to a Chinese state security agent. For the fact is that the U.S. government does fund Chinese NGOs, through the State Department's Bureau of Democracy, Rights and Labor, and through the National Endowment for Democracy, and it also funds Chinese exile and dissident groups. Many of the programs they fund within China are quite sensitive, working on issues with a clear governance focus—Meng Weina, for example, doesn't see any of the money—and this strikes me as a case where there is a quite strong donor

desire to steer the grantees. The worst thing, though, is that this is all much less transparent than it should be. For example, The Bridge Fund receives Congressional funds for work in Tibetan areas. I've seen some of their work and what I saw struck me as on the whole quite good. But they are a highly untransparent organization, and I know that they do not reveal the source of their funding to grantees. And I believe strongly that this kind of untransparent, cloak and dagger approach is counter-productive. It feeds state security paranoia and it also queers the pitch for other organizations. For example, right now, Chinese media are beginning to rumble about the Trace Foundation, which is 100% private, being an agent of U.S. foreign policy, and the way things are going it won't be long before all the other private U.S. foundations are tarred with the same brush again. This is arrant nonsense, but it is understandable how Chinese officials can leap to these entirely wrong conclusions when they come across U.S. government funded organizations creeping about secretively at a time when they also feel under intense ideological attack from a whole host of international campaigning NGOs.

So, to cut a long story short, starting in the Spring of 2005 there was a two year period in which foreign organizations and Chinese NGOs receiving funds from foreign organizations were under rather close scrutiny by state security services and by various government and social science researchers appointed to report on the sector. This was quite stressful for the organizations under surveillance, especially for Chinese staff of international organizations and some Chinese NGOs, who were repeatedly interviewed by state security people, who can be quite scary, and repeatedly asked 'What is the real purpose of the organization you work for?' In the end, though, I think the results were rather inconclusive—they didn't find any NGOs with a 'hidden agenda' to overthrow the state, because there simply weren't any. I think the final verdict was that some foreigners were making a useful contribution, that some didn't understand China and weren't doing anything useful, that a few were highly suspect, and that the whole sector needed to be 'managed' better—brought under government control: for the fact was that there were all sorts of international organizations funding all sorts of activities and I don't believe any single individual in the government of China had a good overview of this.

It was at this stage that China Development Brief's English language edition was ordered to stop publishing and I was barred from re-entering China, and a few other Chinese organizations were also closed down. I don't think this amounted, though, to a 'crackdown' so much as a tidying up. It was a precautionary approach to weed out potential troublemakers in the run-up to the Olympic Games. In our case, I think they knew that I was planning to leave anyway and had put in place a transition plan to transfer our English language publishing to Chinese ownership and control, and they saw this as a useful opportunity to prevent that from happening with a minimum of fuss. I think they found me worrying because I knew too much, had achieved too much independently—which they would construe as me developing a power base—

and because I was too insouciant for their liking, too much an unpredictable maverick. It was not a good decision, but I don't think it was entirely irrational and I don't think too much should be read into it.

Q: In recent years, there has also been a growing movement of philanthropy in the country as well, both by private individuals and foundations. How do you see this emerging trend influencing the landscape of civil society? How do you see the relationship between the government and philanthropy growing and/or shifting in China, and what are some of the challenges and/or limitations you see for the development of philanthropy in China?

A: Yes, a formal philanthropic sector is beginning to take shape in China and I think this is a broadly positive development.

For many years, since the mid 1980s, there had been a 'government-organized' foundation sector, basically public fundraising organizations. Many foreigners tended to dismiss these as phony, but I felt that was a shallow judgment. The 'GONGOs' as they were called struck me as being a kind of half-way house towards a freer market in philanthropy. Most of them were never much more than fundraising mechanisms for under-resourced government departments, many of them were dreary and bureaucratic and feeble at achieving even their very limited mandate, but a few were quite imaginative and effective. They were significant in beginning to revive the idea of there being some legitimacy in private charity, that not absolutely everything could and should be done by the Party or the government, and some of the people who worked in them certainly believed that they occupied a distinctive space, that they were not entirely governmental; in fact, many of them deeply resented the term 'GONGO.' And the best of them had quite an inclusive approach, were interested in the new, more independent NGOs that were beginning to emerge, and in one or two cases provided institutional support and shelter for some of those independent organizations. Also, some, such as the China Legal Aid Foundation, have over the last couple of years provided funding to more independent NGOs doing really quite cutting-edge work in areas such as legal representation of migrant workers in disputes with employers.

I think this is likely to remain an important sector because it might be able to answer some of the questions I raised about the growth and scale of independent NGO operations. The government official in my head was concerned about how to cope with a vast constellation of small organizations, a perfectly legitimate concern, and I think that Chinese officials are now beginning to see the GONGOs as a means to shepherd, manage and perhaps retail funds to smaller, community based or 'grass roots' organizations. We see this for example in the way that the China Association for STDs/AIDS Prevention and Control came very close to being selected as the retailer of Global Fund contributions for civil society AIDS efforts in China. Some of the AIDS NGOs resented this, but in fact it is not an unreasonable model. It is not

dissimilar to the 'quasi-autonomous' Arts Council in the UK, which is run by an independent board acting as a retailer of government funds for a whole constellation of theatre, dance, music, arts and literary groups.

At the same time, I am sure that the government of China is very interested in the possibility of generating philanthropic funds in the way that the Hong Kong Jockey Club does, or that Japan does from speedboat racing. The Chinese love to gamble and this is a headache for the government since gambling hurts addicts and promotes vice rings. In Hong Kong, it was a stroke of British administrative genius to deal with those problems by legalizing gambling but within a monopoly conferred upon the—in those days 'Royal'—Jockey Club, which runs a totaliser and hands out the proceeds, after winnings have been paid out, to local charities. This reduces pressure on government budgets and also had the sideline benefit of allowing the colonialist Brits to carry on racing, at no cost to themselves or the administration. What an elegant, unified solution to a whole range of problems! I think China would love to copy that, and has experimented with it in Guangzhou and Shunyi, but I understand that corruption has so far been a huge problem which also infects the Sports Lottery. But maybe in time they will iron these things out.

Meanwhile, in 2004, after a drafting process that lasted many years, the Ministry of Civil Affairs finally published new regulations that, for the first time in Communist China, allowed for the registration of fully private grant-making foundations. The rules are still rather restrictive, and rather unclear—they require foundations to find a government sponsor ready to 'supervise' and vouch for them as well as registering with the Ministry of Civil Affairs, and they were supposed also to apply to foreign foundations with operations in China, but it was not clear which articles applied to foreigners and which did not, etc. Also, six months after the regulations came out the 'color revolution' investigation began and this basically paralyzed registration processes for a couple of years. But private foundations are now beginning to register, some of them are recruiting people who have gained experience either in the GONGO sector or in foreign foundations, and they are beginning to shape their own programs. I have not been able to follow this closely over the last year, but the signs are that some of the new private foundations have quite strong pro-poor sympathies, for example wanting to work in education of rural migrant families and in education in Tibetan areas, and I am fairly confident that some of them will consider making grants to independent NGOs. I am sure that others will prefer to start out by making grants to needy individuals—this was fairly typical of charitable approaches in the UK during the industrial revolution, and there is a very strong tradition in China of support targeted to identifiable individuals, widows, orphans, people affected by floods, etc, whereas there is generally much less trust of 'community' programs; but this may grow over time and there is likely to be at least some funding for NGOs and community groups.

So what you have here quite possibly adds up to the beginnings of a mixed philanthropic economy—some state entities retailing funds raised by public fundraising or by lotteries, legalized gambling etc; some local governments beginning to use their own budgets to sub-contract social service delivery to community organizations (there are already examples of this, such as the YMCA in Shanghai); private foundations running their own programs and perhaps making grants to NGOs; and some independent NGOs developing their own private supporter networks. And all of this does present significant opportunities to independent NGOs, although clearly it will be quite a competitive market. But we should definitely not expect to see the state evaporate from this sector any more than it is evaporating from the for-profit economy. From the late Ming dynasty onwards, when private philanthropy began to emerge in China, the state has always tended to lead and to want to co-ordinate those efforts, and I think we would do well to see this more as a Chinese characteristic than as a Communist characteristic, although obviously the two go hand in hand at present.

Are there also risks in all of this? Yes, I think there are. I am a European and I share Western and Northern Europe's preference for a state that accepts responsibility for providing its citizens with significant social protections. The United States, obviously, was built on preference for lower taxation, a less socially active—some would say less interfering—state, and a more active private and voluntary philanthropy. Doubtless there are virtues in both approaches but my feeling is that private philanthropy is a rather weak redistributive mechanism. Sure, there are some philanthropists who want to help the weakest and most vulnerable sectors of society. But there are many others who would rather endow a chair at Harvard or Tsing Hua, or contribute to a city art gallery or park.

In China, government revenue as a proportion of GDP is growing steadily, from a very low nadir in 1995, but it remains very low by comparison with more developed countries. The big state does not, actually, have deep pockets, and we in the West tend not to see this because we keep hearing about trade surpluses and the zillions of dollars in forest reserves. There is, therefore, great enthusiasm in Chinese government circles for passing the social baton to 'social forces'—meaning the private and non-profit sectors. It's politically tricky for them, because the government doesn't really want to relinquish control of anything, yet they would prefer not to pay for anything either! They would like best for others to pay and for them to steer. Who wouldn't? And so there is a great desire to promote philanthropy, and that desire is also driven by the need to legitimate private wealth in a society that is becoming highly unequal: the government needs a strong narrative of the nouveau riche giving back to society in order to defuse rising social resentments.

Now, having confessed my own prejudices, I am *not* saying that China should necessarily adopt a 'European model.' If the British government can't afford

comprehensive free health care for all of its citizens, the Chinese government certainly can't. In fact I don't think China should merely adopt *any* model, the country needs to find its own way. But my concern is lest enthusiasm for philanthropy obscure the fundamentally important question of what the state *should* be doing with its limited resources in education, in health, in provision for older people, 'people with other abilities,' etc. The risk is that public policy makers will look to private philanthropy to take care of the really poor, but I think that is way too optimistic and the government needs to concentrate its attention on what its own responsibilities are.

A second danger is that if non-state social service providers are going to mushroom, as they are already doing, the government needs to be able to set, effectively monitor and enforce minimum acceptable standards—for example, standards of care in private institutions. But China has so far shown very limited capacity to do this. Notably, it has formal standards for environmental protection and labor rights that, on paper, are not at all bad, but enforcement is tragically weak. And when it comes to children's homes, foster programs, private schools, retirement homes etc we know from our experience in the West how easily these can become abusive institutions and how hard it is to create and monitor decent standards for them.

A third danger—especially in a context where the state is so keen to steer—is that the creativity of private actors may be suffocated. Interestingly, we see this in Hong Kong, where the government and the Jockey Club and the Community Chest together fund numerous large, non-profit organizations that deliver many of Hong Kong's social services. These organizations themselves complain that they are so busy delivering, and so tied to agreed performance targets and outputs, that it is hard for them to invent and to develop new forms of service. And I think there is a real problem here, because I think that non-profits need the flexibility to be innovators—that is their real social utility. If the state succeeds in capturing and harnessing private philanthropy to service provision, as has happened to a significant degree in Hong Kong,

Q: If you could offer some advice to funders interested in working in China, what would it be?

A: As with the medical profession, the first rule should be 'Do no harm.' Bad grant-making is not just a waste of money, it can be worse than that.

Be prepared to invest in understanding the context.

Be open and transparent. This is the only way to develop relationships of trust, and without those you won't achieve much that is useful. Make every effort to inform relevant government agencies what you are supporting and why.

Don't rush in to long-term partnerships with Chinese agencies, whether they are government or non-government. Divorce in such cases is invariably messy and painful on all sides. Start with small-scale cooperation initiatives and build up from there.

Be broad and inclusive. Chinese partners may want to keep you to themselves; resist this. Even if you do not have funding to spread around broadly, or prefer a narrow focus to maximize impact, it is important to make linkages across projects and for the work you support to be seen and understood by others.

Try as much as possible to hire and work through Chinese people. There is a vast pool of talent to draw on, and good Chinese staff, once they understand your organization and objectives, will be the most effective communicators with partners and others.

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.

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