

**The Functioning and Dysfunctioning of NGOs
in Transitional China:
Change and Continuity in State-Society Relations**

**A Thesis Submitted to the University of London
for the Degree of Doctor of Philosophy**

**By
Yiyi Lu
Development Studies Institute
London School of Economics and Political Science**

UMI Number: U198829

All rights reserved

INFORMATION TO ALL USERS

The quality of this reproduction is dependent upon the quality of the copy submitted.

In the unlikely event that the author did not send a complete manuscript and there are missing pages, these will be noted. Also, if material had to be removed, a note will indicate the deletion.



UMI U198829

Published by ProQuest LLC 2014. Copyright in the Dissertation held by the Author.
Microform Edition © ProQuest LLC.

All rights reserved. This work is protected against
unauthorized copying under Title 17, United States Code.

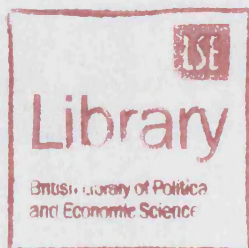


ProQuest LLC
789 East Eisenhower Parkway
P.O. Box 1346
Ann Arbor, MI 48106-1346

THESES

F

8335



986834

Abstract

Despite the rapid development of NGOs in China in the last two decades and the growing interest in them in both academic and policy circles, research on Chinese NGOs has suffered from a lack of both detailed qualitative data and sophisticated analytical frameworks. The present thesis is an attempt to address both gaps in existing research. It draws on a large amount of information generated by in-depth case studies of NGOs, and it replaces the state-versus-society dichotomous framework that has underpinned most existing studies of Chinese NGOs with a new approach that disaggregates both the “state” and “society” and emphasizes their inter-penetration.

The thesis challenges a number of existing analyses of Chinese NGOs. Contrary to common belief that Chinese NGOs lack autonomy from the state, it argues that many of them have in fact enjoyed a remarkable degree of *de facto* autonomy. Whilst Chinese NGOs are widely perceived as lacking many basic skills that urgently need to be developed by means of organizational capacity building programmes, the thesis suggests that many NGOs already possess sophisticated skills which may be different from those taught by standard NGO training programmes but which are well suited to the specific institutional context of transitional China. The thesis looks at how Chinese NGOs operate in this context and examines the key factors that have limited their usefulness both as service providers and as advocates for vulnerable and disadvantaged members of society. It concludes with some reflections on the evolution of state-society relations in post-reform China as revealed by this study of NGOs. It summarizes change and continuity in state-society relations in the notion of dependent autonomy. This means that social forces have gained substantial autonomy from the state, but they continue to depend on the state for various vital support and resources.

Acknowledgements

I would like to thank the Ford Foundation and Save the Children UK China Programme for their generous financial support, without which I could not have undertaken this study. My gratitude goes in particular to the following individuals: Kate Wedgwood, Tony Saich, Stephen McGurk, and Sarah Cook. I also benefited from a Research Studentship from LSE in 2001-2002, which covered part of my tuition fee for that year.

I am very grateful to my long-suffering supervisor, Prof. John Harriss, for sticking it out with me. I am also grateful to Dr. David Lewis for his valuable comments on my draft thesis.

I wish to thank the NGO Research Centre at Tsinghua University, Beijing, for allowing me to take part in their academic activities while I was based in Beijing. These activities were extremely useful to my research. The staff of the Centre, especially Dr. Deng Guosheng and Prof. Wang Ming, generously shared their research findings with me on many occasions. I found our discussions on Chinese NGOs both highly informative and enjoyable.

Warm thanks also go to Helmut Anheier, Jude Howell, Nick Young, Perry Keller, Susan Champagne, Andrew Fischer, Ceri Rose, my former colleagues at Save the Children UK, and my former teacher Nathan Sivin for their help and advice at different stages of my study.

Last but not least, I owe a great debt to the many individuals and organizations which I interviewed in China. Most of these individuals and organizations cannot be named here, but I would like to express my heartfelt thanks to Ms. Meng Weina, Ms. Zhang Shuqin, and Ms. Hu Manli for their trust and support of my research. Without the invaluable information which they and NGO practitioners like them openly shared with me, I could not have written this thesis.

Contents

Abbreviations	6
1. Introduction.....	7
Defining NGOs in China	10
NGO Terminology in China	16
Methodology.....	18
Scope of the Research.....	24
Synopsis of the Thesis.....	25
2. Research on Chinese NGOs: Comparing Different Analytical Frameworks	29
2.1 English-language Literature	29
Civil Society, Corporatism, and Institutional Analysis.....	29
Classification of Chinese NGOs: Degrees of Autonomy from the State.....	40
Policy Research	42
2.2 Chinese-language Literature	44
Under-utilised Information.....	44
Beyond Associations	46
The “Post Totalist Society” and the “Dual Nature of Chinese NGOs”	48
Strategies, Motivation, Organisation, and Leaders	51
Deficiencies of the Existing Research.....	55
2.3 Conceptual Foundations of the Study.....	58
Political Culture and Political Participation in China	58
The Political Economy of Transitional China.....	62
Dependent Autonomy: The Conceptual Framework of the Study	65
Conclusion.....	67
3. The Autonomy of Chinese NGOs.....	69
3.1 Officially-organised NGOs	70
The Case of China Youth Development Foundation (CYDF).....	70
Other Cases of Officially-organised NGOs.....	79
Reasons for the De Facto Autonomy of Officially-organised NGOs	85

3.2 Popular NGOs.....	92
Conclusion.....	98
4. Chinese NGOs and the State: A Dependent Relationship	100
4.1 NGO Dependence on the State for Legitimacy and Protection.....	106
4.2 NGO Dependence on the State for Resources.....	118
4.3 NGO Dependence on the State for Project Implementation	128
4.4 NGO Dependence on the State for Knowledge and Information	138
Conclusion.....	146
5. The Skills of Chinese NGOs	148
5.1 Managing Relationship with the State	150
5.2 Public Relations and Fundraising Skills	164
5.3 Reasons for the “Bad Management” of NGOs.....	179
Lacking Clearly Defined Goals and Poor Strategic Management.....	179
Bad Financial Management.....	185
5.4 The Rationality of the “Irrational” Management of NGOs.....	189
Conclusion.....	195
6. The Limitations of Chinese NGOs	197
6.1 State Policy and Capacity	197
6.2 NGO Dependence on the State.....	209
6.3 Motives and Skills of NGO Practitioners.....	217
6.4 Political Culture and Barriers to Collective Action	227
Conclusion.....	240
7. Conclusion.....	241
Appendix	259
References.....	273

Abbreviations

CASAPC	China Association of STD/ AIDS Prevention and Control
CASS	Chinese Academy of Social Sciences
CFPA	China Foundation for Poverty Alleviation
CGSCV	China Green Shade Children's Village
CLF	China Literature Foundation
CSW	Commercial sex worker
CYDF	China Youth Development Foundation
DONGO	Donor-organized NGO
DPF	Disabled Persons' Federation
GONGO	Government-organized NGO
GVB	Global Village of Beijing
HCSC	Help Centre for Special Children
ICF	Industrial and Commercial Federation
IDU	Injecting drug user
INGO	International NGO
MCA	Ministry of Civil Affairs
NEPA	National Environment Protection Agency
NPO	Non-profit organization
PCV	Prisoners' Children's Village
PEA	Private Enterprises Association
PLWHA	People living with HIV/ AIDS
PNEU	Private non-enterprise unit
POMB	Popular Organization Management Bureau
PPCC	People's Political Consultative Conference
SELA	Self-Employed Labourers' Association
SPRSRA	Shaanxi Province Returning to Society Research Association
STD	Sexually-transmitted disease
UMCA	United Moms Charity Association
YCRDA	Yilong County Rural Development Association
YDF	Youth Development Foundation
YPCF	Yunnan Province Charities Federation
YRHRA	Yunnan Reproductive Health Research Association

1. Introduction

My original plan for this thesis was to conduct an assessment of the performance of social welfare NGOs (sometimes also called “third sector organisations”) that had emerged in China in recent years. This was to be compared with the performance of both public and private sector social welfare organisations. I hypothesized that NGOs were able to develop because they displayed some comparative advantages vis-à-vis organisations in the other two sectors. After starting the fieldwork, however, I quickly realized that such a research project was unlikely to yield interesting results, as the following case helps to illustrate.

The case involved a family in a big coastal city that had an autistic child. The child’s mother divorced her husband and abandoned the child. The father therefore had to care for the child on his own. He had a salary of 1,400 *yuan* or so per month. At the time the minimum living standard in the city was set at around 300 *yuan* per person per month,¹ which meant that this man did not qualify for financial assistance from the government. The man needed to work full-time in order to earn the salary to support himself and his son. Since it was impossible to look after an autistic child all by himself while working full-time, he tried to find a residential home for the child. There were very few residential homes for mentally disabled children in the city, whether publicly- or privately -owned. He learned about a private institution which was said to be good, but it charged over 1,000 *yuan* a month – obviously beyond the means of this man. With considerable efforts he finally obtained a place for his son in a private non-profit institution which also charged fees for its service but whose fees he could afford. However, its service was rather poor. After some time the child’s condition worsened. During my fieldwork I interviewed a friend of this man

¹ Minimum living standard is a poverty line set by the government. The government distributes financial assistance to households whose incomes are below this line. The minimum living

who had visited the child at the residential home. She was so shocked by its poor quality of care that she wanted to make complaints to the management. However, the man begged her not to do so. Even though it was far from ideal, obtaining a place in that home for his son had not been easy, since it had a long waiting list. Besides, he had no other place to go. Given that “exit” was not an option, the man thought that complaining would only make things worse for his son in the future.²

This case was not unique. Everywhere I visited I gained the impression that low-quality service provided by NGOs had been the norm, while even fee-paying clients were in no position to demand better services owing to a lack of alternatives. It soon became clear to me that social welfare NGOs were still at such an early stage of development in China that the majority of them would not even measure up to a minimum standard of good performance.³ Later, I extended my fieldwork to NGOs in other sectors, such as education, human rights, and health. In these fields, too, it seemed that the performance of Chinese NGOs had left much to be desired. Therefore, if I were to stick to my original research plan, I did not see how I could produce anything particularly interesting or illuminating about Chinese NGOs in the end, other than delivering a scathing criticism of their performance. On the other hand, the fact that many NGOs were giving such poor performances raised a number of questions. For example: Why is their performance so unsatisfactory? How can NGOs continue to receive donations and other forms of support on the basis of such poor performance? Why do they have so little accountability? Why is there no effective external supervision to ensure standard? These questions eventually made me change the direction of my research to examine how NGOs were created, how they carried out their activities, how they mobilized support, and how they managed their external relations—in short, how NGOs survived and

standard varies from city to city, reflecting the difference in local prices.

² Interview, 26 March 2000.

³ For example, in many NGO social welfare organisations clients were still subjected to verbal and physical abuse by the staff. Interviews, March, May, and July 2000.

operated in contemporary China.

The output of my revised research agenda, the present thesis, describes the way NGOs function in a country whose economy, state, and society are all in transition. Although there is no denying the positive roles Chinese NGOs have played in numerous arenas—such as pioneering new services, defending the rights of disadvantaged people, raising public awareness of critical issues, providing opportunities for people with similar concerns to network with each other, and mobilizing donations for charitable causes, to name just a few—in this thesis I have focused more on the problems of NGOs than their achievements. I highlight their behaviour that runs counter to what is supposed to be the proper behaviour of NGOs, e.g., forging patron-client ties with government officials, then using bureaucratic protection to evade supervision by the public and the media. I argue that much of the dysfunctional behaviour of Chinese NGOs can be explained by the way they function in contemporary China: Frequently, when NGOs are good at "getting things done" and are successful in ensuring their own organisational survival and growth, this simultaneously creates the condition for their dysfunctionality, i.e., their inadequate performance in helping the disadvantaged and powerless or serving the interests of their members.

Although studies of NGOs in other countries and general theories of NGO development provide useful references for my research, it is essentially grounded in analyses of the characteristics of the Chinese state and society and the patterns of their interaction in the reform era. The research in turn is intended to shed some light on the evolution of state-society relations in post-reform China. For this reason, the most relevant literature for this study is not the NGO literature but the political science literature on contemporary China.⁴ It is the latter literature that has

⁴ As an example of the relatively limited relevance of the NGO literature compared to the China studies literature, consider the following statement in a frequently-cited book in the NGO studies field:

informed the analysis in this thesis.

Defining NGOs in China

Although the word NGO is already widely used in China, the official term which currently conveys the notion of an NGO is “popular organisation” (*minjian zuzhi*). Popular organisation contains two categories: “social organisation” (*shehui tuanti* or *shetuan*) and “private non-enterprise unit” (*minban feiqiye danwei*). Social organisations are officially defined as “non-profit organisations which are formed voluntarily by Chinese citizens in order to realise the shared objectives of their members and which carry out activities according to their charters” (State Council 1998a).⁵ Private non-enterprise units are defined as “non-profit social service organisations which are set up by enterprises, service units,⁶ social organisations, other social forces, or individual citizens using non-state assets” (State Council 1998b). The main difference between a social organisation and a private non-enterprise unit is that the former is a membership organisation whereas the

Traditionally, most NGOs have been suspicious of governments, their relationships varying between benign neglect and outright hostility. Governments often share a similarly suspicious view of NGOs, national and international, and their relationship, at least in Africa, has been likened to cat and mouse (Edwards and Hulme 1992: 16).

Even where NGOs and states work together, one influential study found that they were best described as “reluctant partners” (Farrington and Bebbington 1993). As two leading NGO scholars observed, this description “appears to characterise the situation in many countries” (Hulme and Edwards 1997: 13). Obviously, NGO-state relations which exist in many parts of the world and which have been carefully documented and analyzed in the NGO literature stand in sharp contrast to those that exist in China, where the majority of NGOs are termed “officially-organized NGOs”. Instead of being “suspicious of the government” and behaving as “reluctant partners” of the government, China scholars note “the semi-official, semi-popular nature” of Chinese NGOs (Sun 1994), their “overlapping with the state” (He 1997: 8), and their “symbiotic” relationship with the state (Saich 2000). At best Chinese NGOs are part of a “state-led civil society” (Frolic 1997). At worst they are “embedded within state agencies” (Foster 2002). To analyse NGO-state relations in China, therefore, I find it more useful to consult studies of state-society relations in China by China scholars than the generic NGO literature.

⁵ In addition to individual members, all organisations other than state organs may also join social organisations as institution members.

⁶ Service unit (*shiye danwei*) is defined in the Chinese administrative and legal systems as a type of organisation that is distinct from an administrative agency, an economic enterprise, or a popular organisation. See the next paragraph for more information on the service unit.

latter is not.⁷

“Private non-enterprise unit” (PNEU) is a fairly recent invention. Before 1998, the Chinese administrative and legal systems only recognised four types of organisations: administrative agencies (*xinzheng jiguan*), economic enterprises (*qiye*), social organisations, and service units (*shiye danwei*). Prior to the economic reforms, service units were state-owned organisations that provided services to the public on a non-commercial basis, such as schools, hospitals, research institutes, publishing houses, theatres, and museums. Service units used to be fully funded by the state. After the economic reforms, as part of the effort to alleviate the fiscal burdens of the state, service units were encouraged to set up income-generating ventures, to charge fees for their services, and even to be “managed like business enterprises” (*qiyehua guanli*), i.e., not only achieving financial self-sufficiency but also becoming profit-making entities. In addition, the government also adopted the policy of encouraging “various social forces” and individual citizens to set up service units.⁸ As a result, alongside fully state-funded and state-owned service units, other types of service units also emerged, including privately owned service units with no state funding, which came to be known as “private service units” (*minban shiye danwei*) (see, e.g., Zhang, Ma and Yang 1998; Huang 1998; Liu 1993; Su *et al* 1999).

Before 1998, while social organisations had to be approved and registered by Civil Affairs departments, there was no regulation concerning the approval and registration of service units. As reform progressed, service units of all types of ownership also proliferated, whether with or without the approval of any state agency. To bring the chaotic situation back under control, the State Council finally promulgated two regulations in 1998: the “Provisional Regulations on the

⁷ For management and registration purposes foundations are also classified as social organisations at present even though they are not membership organisations.

⁸ According to “Plans for Reforming Party and Government Organisations” jointly issued by the Chinese Communist Party’s Central Committee and the State Council in 1993. The document is quoted in Zhang, Ma and Yang 1998: 94.

Registration and Management of Private Non-Enterprise Units” and the “Provisional Regulations on the Registration and Management of Service Units.” The policy makers who drafted the regulations coined the term “private non-enterprise unit” to replace the old expression “private service unit”, and created separate registration and supervision requirements for them. Service units are defined in the 1998 Provisional Regulations as “public-benefit social service organisations...set up by state organs or other organisations using state-owned assets” (State Council 1998c). The main difference between a service unit and a PNEU, therefore, is that the former is state-owned whereas the latter is not.

Popular organisations must be approved and registered by Civil Affairs departments at the county level or above in order to exist legally. This requirement, however, does not apply to eight big national social organisations which are often referred to more specifically as “people’s organisations” (*renmin tuanti*) or “mass organisations” (*qunzhong tuanti*). These organisations, which include the All-China Federation of Trade Unions, the All-China Women’s Federation, and the Communist Youth League, were in fact created by the state and perform administrative functions on its behalf.

Current regulations also exempt from the registration requirements “organisations formed within administrative agencies, social organisations, enterprises, or service units which are approved by these organisations and which only carry out activities internally” (State Council 1998a). For example, university student unions do not need to be approved and registered by Civil Affairs departments as long as they have been approved by their universities. Many so-called “internal social organisations within work units” (*danwei neibu tuanti*), however, do not really confine their activities to the premises of their mother organisations. For example, a very active student environmental group at Beijing Forestry University has jointly organised many public events with other environmental organisations, student

associations in other universities, and the media, such as conferences and fora, environmental awareness raising campaigns, tree planting trips, and wild animal protection activities (Hu 2001). In other words, apart from their legal status, many internal social organisations are not very different from independently registered popular organisations, therefore they need to be studied alongside the latter in any full-scale investigation of Chinese NGOs.⁹

Similar to internal social organisations, there is also a type of NGO known as “second-level social organisations” (*erji shetuan*) or “branches” (*fenzhi jigou*) of registered organisations. Before 1998, as subsidiaries of registered organisations, these NGOs did not need to be approved and registered by Civil Affairs departments. As a result, some NGOs which could not meet the prerequisites for registration had managed to gain a quasi-legal status by persuading registered NGOs to let them “hang under” (*guakao*) as their second-level organisations. In exchange, they would pay an annual “management fee” (*guanlifei*) to their host organisations. Some registered NGOs have survived mainly on the management fees they receive from their second-level organisations.¹⁰ Like internal organisations, second-level organisations cannot enjoy “legal person” (*faren*) status, i.e., they are not considered fully independent legal entities. While not being legal persons might cause some inconveniences¹¹ to second-level organisations, those that enjoyed good relations with their host organisations often had more freedom and autonomy than registered NGOs, since unlike registered NGOs, they were not under the direct supervision of Civil Affairs and other concerned government departments. In effect, second-level NGOs constituted a loophole in the government’s NGO management system. The new government regulation promulgated in 1998, therefore, plugged this hole by requiring second-level NGOs to be registered by Civil Affairs as well.

⁹ This view is commonly held by Chinese researchers. See, e.g., Liu 2001; Deng 2001a; Gao 1999.

¹⁰ Telephone interview with a Chinese NGO researcher, 17 June 2002.

¹¹ For example, second-level organisations may not be allowed to have their own bank accounts, which means they have to use the bank accounts of their host organisations. However, this is not always the case. Some second-level organisations do have their own accounts.

However, the registration requirements are less stringent than those applied to independent NGOs.

Given that organisations which do not conform to the registration requirements are outlawed, in theory NGOs that can operate openly in China would include registered social organisations, approved internal social organisations, registered second-level social organisations, registered PNEUs, and perhaps mass organisations as well,¹² but certainly not business enterprises, service units, or unregistered organisations. In reality, however, any comprehensive study of Chinese NGOs must also include some organisations in the last three categories, for the following reasons:

Firstly, current regulations require every NGO to find a “professional management unit” (*yewu zhuguan danwei*) to act as its sponsoring agency. Only after obtaining the approval of its sponsor can an NGO apply for registration with Civil Affairs departments. The sponsor must be a state organ above the county level or an organisation authorised by such an organ. It must also be “relevant” to the activities proposed by the NGO, i.e., it must have responsibilities in the same field in which the NGO operates. For example, a literary society should be supervised by the Bureau of Culture, not the Education Commission; a football fans’ club must be professionally managed by the Sports Commission, not the Health Bureau, and so on. On the other hand, state organs are under no obligation to accept applications for sponsorship from NGOs in their fields. For instance, the Bureau of Culture can

¹² Mass organisations have often been accused, with very good reasons, of not being NGOs in the real sense. Nevertheless, they have been included in most studies of Chinese NGOs by both Chinese and foreign researchers, although they are treated as a special category. It should be noted that mass organisations perform administrative functions on behalf of the state and they operate in much the same way as government agencies. Their staff all have the status of civil servants and can be transferred to government agencies. The trade union, the communist youth league, and the women’s federation in fact function as the Communist Party’s labour, youth, and women’s department respectively, and are under the direct leadership of the Party. In short, it often makes more sense to think of these organisations as part of the state apparatus than as NGOs.

refuse to sponsor any literary society that wishes to register. Current regulations also disallow NGOs with similar remits to coexist in the same geographic area. For example, if there is already an association of disabled people in Beijing, then no new association of this kind will be allowed to register in Beijing. As a result of these strict rules, many grassroots NGOs have been unable to register, either because they fail to find government agencies that are willing to act as their professional management units, or because other NGOs with similar missions have already been registered in the sites where they intend to base their operations. In order to exist legally, some NGOs have registered with Industry and Commerce Bureaux as businesses instead, even though they engage in public-benefit activities and are non-profit-making. In fact, some of the best-known NGOs in China which are celebrated as “genuine NGOs” as opposed to “government organised NGOs” (GONGOs) and which have been the favourites with international donor agencies fall right into this category, and are therefore not under the jurisdiction of Civil Affairs.

Secondly, although the 1998 provisional regulations clearly defined PNEUs and service units, and specified different registration and supervision arrangements for them, as late as 2000 the re-registration of private service units as PNEUs had not yet started in most places. In one of my fieldwork cities, two years after the promulgation of the 1998 regulations, newly founded NGOs which should have registered as PNEUs were still allowed to register as private service units. The Ministry of Civil Affairs estimated that there were at least 300,000 to 400,000 PNEUs nationwide, but by the end of 2002 only 111,000 of them had been properly registered.¹³ Therefore, at present some organisations with “service unit” status must also be included in the category of NGOs.

Finally, there are unregistered, hence illegal organisations which nevertheless carry

¹³ These figures come from the Ministry of Civil Affairs' website (www.mca.gov.cn).

out activities openly and which have been left alone by the government instead of being banned according to the regulations. Some second-level NGOs which have not been registered by Civil Affairs as demanded by the new regulation of 1998 are also continuing their operations without encountering any problem. This situation obviously has a lot to do with the currently limited government capacity to enforce the regulations concerning NGOs. This issue will be discussed further in later chapters.

To sum up, at present NGOs in China can have a diversity of legal status, ranging from registered popular organisations, internal organisations, second-level organisations, to business enterprises, service units, and completely unregistered organisations. This shows that although the government has been trying for some years to put the sector in good order, it has only had limited success so far.

NGO Terminology in China

The specific Chinese terms for different types of NGO have already been introduced in the pervious section. This section concerns the generic terms currently in use. As mentioned above, the official Chinese term for NGO is popular organisation, but the word “NGO” is increasingly used by government officials, academics, and NGO practitioners in China on both formal and informal occasions. Two other terms—“non-profit organisations” and “third sector organisations”—are also frequently used. Technically, these two terms have different denotations from the term NGO, as they cover popular organisations as well as service units, but the three terms are often used interchangeably. A few years ago, “NGO” was still considered a more sensitive term than the other two inside China. One reason for the sensitivity which has often been mentioned is that the Chinese translation of the word “non-government” may have the connotation of anti-government. When an international conference on NGOs took place in Beijing in 1999, for example, the

Chinese organisers had to replace the word “NGOs” in the title of the conference with “non-profit organisations” in order to have the conference approved by higher authorities. Recently, however, “NGO” has become so fashionable that to point out to a GONGO that it is not a genuine NGO would be a serious offence.¹⁴ When another major NGO conference took place in Beijing in October 2001, not only did the word “NGO” appear in the title of the conference, but the event also ended with the high-keyed release of a “Beijing Anti-Poverty Declaration by Chinese NGOs” (*People’s Daily*, 3 November 2001: 2). There seems to be good reason, therefore, for me to use the term NGO to refer to the objects of this study.

In their discussions on domestic NGOs Chinese researchers and NGO practitioners often divide them into two broad categories: “officially-organised” (*guanban*) NGOs and “popular” (*minban*) NGOs. The former are initiated by the government and receive government subsidies. Their staff are often on the government’s payroll, and their leadership positions are usually held by government officials. By contrast, popular NGOs are initiated by individual citizens and receive no government subsidies. Their staff are not government employees and they do not have officials occupying their top management positions.¹⁵ Officially-organised NGOs are also frequently called “top-down” (*zi shang er xia*) NGOs, whereas popular NGOs are referred to as “bottom-up” (*zi xia er shang*) NGOs.¹⁶

¹⁴ Presentation by a Chinese NGO researcher at the Forum on Governance in China, IDS, 11-13 September 2001. The researcher took part in organizing the 1999 conference.

¹⁵ The distinction between officially-organized and popular NGOs is not always clear-cut. For example, some popular NGOs have staff who are able to work for them while retaining their status as government employees. This kind of situation will be explained in more detail later in the thesis.

¹⁶ Calling NGOs either “officially-organized” or “popular” represents a different way of classifying them from the one described in the previous section. This classification is based on NGOs’ origin, whereas the previous section distinguished NGOs by their different legal status. Officially-organized NGOs are less likely than popular NGOs to have ambiguous legal status. Given their official background, they are less likely to run into difficulty when they try to register with Civil Affairs. Therefore, it is usually popular NGOs that are forced to register as businesses, or second-level organisations under registered NGOs, or not register at all.

Methodology

Fieldwork for this thesis was conducted in a number of sites in north, northwest, southwest, east, and southeast China, which included Beijing, Shanghai, Guangdong, Shaanxi, Yunnan, Sichuan, and Anhui. The initial research was carried out between October 1999 and September 2000. This was supplemented with further fieldwork in October and November 2001, and again in October and November 2002. The research centred on case studies of individual NGOs. In total, I studied 40 NGOs. Of these, seven were studied most intensively, which involved the use of ethnographic methods such as participant observation. Another seven NGOs were studied in a detailed but less intensive way. This typically involved several interviews with the NGOs' key personnel plus visits to the organisations but no extended observations or extensive interactions with the NGOs' staff and clients. Information on the remaining 26 NGOs was drawn from one detailed interview, usually carried out during a visit to the organisation, and the NGOs' documents. All 40 organisations are described in an appendix.

In selecting my cases, I tried to achieve as much diversity as possible. The organisations I studied spread over ten different sectors. Their distribution by sector is as follows:

Sector	Number of NGO Studied
Children's Rights and Welfare	10
Women's Issues	3
Environment	2
Legal Service	2
Learned Society/Science and Technology	3
Disability	7
HIV/AIDS	5
Education	2

General Social Welfare	4
Rural Development/Poverty Alleviation	2
	Total: 40

In terms of geographic distribution, not only are my cases located in different parts of China, but the locations also represent both rich coastal areas and socio-economically underdeveloped hinterland regions, both big metropolises and small cities. Finally, my fieldwork also covered NGOs with all the different legal status mentioned above: there are fully registered NGOs, second-level organisations “hanging under” registered NGOs, NGOs registered as businesses, as well as unregistered organisations.

Most organisations I studied are popular NGOs. As noted earlier, my original research design focused on social welfare NGOs. Although the Chinese NGO sector as a whole is dominated by officially-organized NGOs, the vast majority of them are either business and trade associations or science and technology associations (Pei 1998; Wang, Zhe and Sun 1993; White 1994). There have been few officially-organized NGOs in the social welfare sphere.¹⁷ Consequently, most of the NGOs I found in the field were popular NGOs. Later, as my research question changed, I extended my fieldwork to more sectors. However, I decided that I would continue to devote more attention to popular NGOs, as I found that a relatively large quantity of secondary data and analyses already existed on officially-organized NGOs which I could utilize, but there had been very few

¹⁷ The reason is twofold. On the one hand, the three big mass organisations, the trade union, the women’s federation, and the youth league, are already performing many social welfare functions. In addition, there are already specialised agencies such as the China Disabled Persons Federation and the National Commission on the Affairs of Elderly People that are responsible for looking after particular groups of vulnerable people, therefore the government perceives no need to set up many officially-organized NGOs in this field. On the other hand, state policy in the reform era has emphasized the necessity for society to share the responsibility for social welfare provision with the state (which is captured in the slogan “the socialization of social welfare”). The government has therefore sought to encourage private initiatives and mobilize non-governmental resources to complement its own effort. This means that it wishes to see popular rather than officially-organized NGOs being created in this sector.

detailed studies of popular NGOs. This had resulted in considerable misunderstanding of the characteristics and modus operandi of these organisations. I felt that my research would make a bigger contribution to the knowledge of Chinese NGOs if it could help to fill the gap in data and analyses on popular NGOs.

As far as I know, my research differs from existing qualitative studies of Chinese NGOs in its extensive use of ethnographic methods, especially in relation to my seven core case studies. I worked in one NGO for two weeks, during which time I participated in all its daily activities as a full member of the organisation, even answering phones and receiving visitors on behalf of its director. Although I did not work for the other NGOs, I usually spent days “hanging around” on their premises, chatting with people, observing their activities, looking through documents, and examining pictures, work regulations, and memos on walls and notice boards. When I was studying an NGO, I usually spent a lot of time socializing with its members in the evenings and at weekends. I would go to their homes for dinner or eat in restaurants with them. To show their hospitality, my hosts often took me to local tourist attractions for sightseeing or to famous local markets for shopping. These informal after-work interactions often yielded information about the NGOs which would never have come out in formal interviews in the NGOs’ offices. I was also able to ask probing questions that would have been too intrusive in a more formal setting. Many of the most informative interviews I had happened during these informal interactions in the form of chats and conversations. One such interview took place when I drove with an NGO director to an airport in another city to pick up her daughter. The journey lasted several hours, during which she went over the entire history of her organisation with me, telling it as a personal story rather than a formal account of events. Another interview, again very informal, took place one evening when my interviewee and I were both attending a conference away from home. After dinner, we went shopping together for three hours. Through our chat I was able to learn a lot of illuminating details about her

organisation which she did not mention before when I interviewed her more formally.

The use of ethnographic methods also had another big advantage: It allowed me to obtain more genuine information and weed out more false information than researchers who did not employ such methods. My experience suggests that in a first interview many interviewees would deliberately withhold some important information or give some inaccurate information. For example, there is a strong tendency for NGO directors to complain about the lack of support from the government but not to mention how they might have gained access to various state-controlled resources by forging patron-client ties with state officials. NGO staffers often emphasize their altruistic motives while downplaying personal considerations that might have led them to work for NGOs. Clients sometimes hesitate to criticize the services of NGOs before a stranger whom they have just met. My research strategy, however, provided me with several lines of defence against information manipulation by interviewees. In particular, by having many follow-up interactions which were usually progressively less formal with my interviewees, I developed a friendship with many of them. As a result, some of them would confess to me that certain information they initially gave me was wrong. For example, when she first introduced her staff to me, one NGO manager greatly exaggerated their previous experience and qualifications. She also claimed that they left their previous jobs to join the NGO because they found its work more fulfilling. Later, she revealed to me that some of the staff were in fact laid-off workers who did not have any job when she hired them.

Once they became friendly with me, many interviewees also decided to share with me information which they had initially chosen to withhold. One director of a popular NGO always described the main problem facing her organisation as the constant interference in its affairs by a government agency that exercised oversight

over its operation. One researcher who studied this NGO published a paper whose analysis was apparently heavily influenced by the director's complaints against the government agency. It portrayed the agency's role as entirely negative, seeking to control the NGO and hampering its effort at helping the clients. When I first met the director, I was given the same one-sided story about the NGO's relationship with the agency. However, after the director and I became friends, she told me another side to this story, namely there had been considerable benefits to the NGO in placing itself under the supervision of this particular agency. The NGO had been able to use the agency's resources to carry out its activities. In fact, at the beginning it was the director who invited the agency to play a supervisory role, precisely out of calculations of the potential gains to the NGO of having the agency on board. In short, the NGO and the agency had a mutually beneficial relationship, which was initiated by the NGO, even though the director preferred to present her organisation as a victim of government interference to outsiders.

During my fieldwork I was able to build good rapport with several NGO directors. They became very open with me and took me along to their meetings, both formal and informal, with government officials, donors, and other supporters, such as friends who advised them on PR matters. This gave me good opportunities to observe how NGO managers conducted their organisations' external relations. I also proactively created opportunities for myself to observe NGOs interacting with donors, potential clients, and each other. For example, taking advantage of my affiliation with Save the Children UK (SCUK), a British NGO with a big operation in China, I arranged for two NGO directors who had not met before to go on a study visit to a SCUK-funded project in central China. During the visit, I was able to observe the two directors sharing experience and networking with each other and with the local project they were visiting. In another instance, I referred some potential clients to two NGOs in the same city that provided similar services. I accompanied these potential clients on their visits to the two NGOs. This allowed

me to see both how the NGOs presented themselves to potential clients and how potential clients assessed the organisations and their services.

One veteran NGO leader I met during my fieldwork, Meng Weina, was the main founder of two NGOs in Guangzhou and one in Beijing that provided services for disabled people. A keen networker, she had contact with many other NGOs all over the country. Luckily for me, she took a great interest in my research and sought to help me by introducing me to other NGOs she knew. In Guangzhou, she arranged for a senior manager of one of the NGOs she co-founded to take me to visit several other popular NGOs in the disability field. During these visits, the manager often exchanged information with our hosts about the latest development in their own organisations. They might also gossip about other NGOs. From their conversations I was able to gain information which I would not have heard otherwise. In Beijing, Meng Weina personally took me to visit several other NGOs. Once again, I often found her conversations with our hosts as informative as the visits themselves. Once Meng Weina and the director of another Beijing-based NGO decided to do a bit of networking by spending a whole day visiting three other NGOs. They invited me to join them. In each NGO we visited, listening to Meng Weina, the other director, and our host sharing experiences was like observing a small focus group of NGO directors. Its very different dynamics from one-to-one interviews produced some very different data from what I obtained in one-to-one interviews. Meng Weina also took me to many interesting events in different NGOs which she felt would be useful for me to observe, for example, a big ceremony to launch a new service, an inspection tour by a high-level government official, a fund-raising activity, and so forth. In addition, she constantly sent me documents which she thought were relevant to my research, such as her correspondence with government officials and other NGOs. Meng Weina's help greatly aided my research by giving me access to more organisations and a more diverse range of information than I originally envisaged.

In addition to the 40 NGOs covered by my own fieldwork, my analysis has also drawn on qualitative data on other NGOs that are generated by research and investigation conducted by others. In particular, I have referred to 15 case studies of Chinese NGOs commissioned by the China Foundation for Poverty Alleviation in 2001 and 21 case studies carried out by the NGO Research Centre at Tsinghua University in 2000 and 2001. I have also been able to gain information on yet more NGOs through various activities I participated in while based in Beijing between 1999 and 2000. For example, in November 1999, a team of consultants from a US-based NGO carried out a study of the capacity-building needs of Chinese NGOs. I interpreted for these consultants for one week while they interviewed several NGOs. In the thesis I have included information which I learned from those interviews as well.

To maintain confidentiality I have left out the names of most NGOs I studied. To ensure that no clue is left concerning the identity of the organisations under discussion, I only note the dates of my interviews without mentioning the locations. In some places, I also judge it prudent to omit the exact date, giving only the month and year when an interview took place.

Scope of the Research

My research is confined to organisations that are approved or at least tolerated by the state. Therefore, although it includes organisations that are not registered, as explained above, it excludes organisations that are specifically prohibited by the state, such as clan-based organisations, independent labour unions, or certain religious groups. Although such organisations do exist despite the state ban, usually by surviving underground, they operate in different ways from the organisations I studied. Their relations with the state and the rest of the society are also governed

by different logic.

The vast majority of NGOs covered by my fieldwork are organisations that are active in the spheres of social welfare and social development. I did not interview organisations whose activities are primarily linked to the functioning of the market, such as trade and production associations, associations of entrepreneurs and merchants, or consumers' associations. Nor did I conduct fieldwork on organisations in such domains as arts, culture, or sports. However, throughout the thesis I have quoted secondary data on NGOs operating in these other arenas. My analysis is based on both these secondary data and the primary data generated by my own fieldwork. My conclusions apply to Chinese NGOs in general, not just those in the social welfare and social development fields.

Synopsis of the Thesis

Chapter 2 first reviews the existing literature on Chinese NGOs. I suggest that analytical frameworks that are based on the state-versus-society dichotomy, such as civil society and corporatism, are unable to capture the complexity of the relations between NGOs, their constituencies, and the state. A deep understanding of the nature and functions of Chinese NGOs requires that researchers disaggregate both "state" and "society" to take into account the diverse incentives and goals within them. I also question the adequacy of NGO management theories as analytical frameworks for the study of Chinese NGOs. Although data that are generated by the managerial approach to NGO studies are useful, I suggest that only political analysis is likely to lead to important findings about Chinese NGOs at this stage of their development.

Following the discussion of the works of other scholars, I introduce the key concepts and theoretical issues which I have explored in constructing my own analytical

framework. I then outline this framework at the end of the chapter.

Chapters 3 and 4 focus on the relationship between Chinese NGOs and the state (as composed of diverse entities and interests rather than as a monolith). I propose that there is a crucial distinction between NGO “autonomy” and “independence”. Many Chinese NGOs can be characterized as heavily dependent on the state yet enjoying a remarkable degree of de facto autonomy. Chapter 3 addresses the issue of autonomy. It challenges the mainstream view that Chinese NGOs generally suffer from a lack of autonomy. It also disputes the conventional wisdom that relatively speaking popular NGOs are more autonomous than officially-organized NGOs. It shows that the central government has limited capacity for enforcing its NGO management policies. NGOs can cultivate bureaucratic patrons who shield them from control and supervision by civil affairs or other government departments, leaving them with substantial autonomy. Given their origin, officially-organized NGOs are often more likely to have powerful bureaucratic patrons than popular NGOs, therefore they may enjoy more rather than less de facto autonomy than popular NGOs. Both officially-organized and popular NGOs, however, are heavily dependent on the state, as Chapter 4 argues. Citing a large amount of empirical evidence, it demonstrates that not only do Chinese NGOs rely on the state for resources, information, and project implementation, but their legitimacy is also frequently derived from their links to the state.

The degree of operational autonomy a particular NGO enjoys and the amount of support it is able to draw from the state depends significantly on the skills of that NGO. The skills of Chinese NGOs are the subject of Chapter 5. In this chapter, I criticize current analyses of the capacity-building needs of Chinese NGOs for their insufficient attention to the particular political, institutional, and cultural context in which these organisations operate. While Chinese NGOs appear to lack many basic skills and capabilities as defined by standard NGO capacity-building programmes,

they clearly possess the necessary skills that enable them to survive and develop in the specific environment of contemporary China. In this environment, there are often good reasons for “bad” or “irrational” management practices of NGOs. Therefore such practices should not be attributed to NGOs’ lack of capacity.

While NGOs possessing the kind of skills described in Chapter 5 are able to carve out a niche for themselves in contemporary Chinese society, it is clear that some of these skills are also likely to result in their dysfunctionality in serving the interests of their clients or members. The dysfunctionality and limitations of Chinese NGOs are the focus of Chapter 6, which explores their causes. It highlights some key factors that negatively affect the performance of Chinese NGOs and constrain their benevolent actions. These include certain aspects of the state’s NGO policy, the limited state capacity for curbing the improper and illegal activities of NGOs, NGOs’ dependence on the state, problems with the motivations of NGO workers and the methods they use to achieve results, and certain features of China’s political culture.

Chapter 7, the conclusion, reflects on change and continuity in state-society relations in post-reform China as revealed by this study of Chinese NGOs. I suggest that the most significant change and continuity can be summarized in the notion of dependent autonomy. On the one hand, the general dependence of NGOs on the state proves that although many important changes have taken place in state-society relations after two and a half decades of reforms, these have not amounted to revolutionary changes. On the other hand, the high degree of de facto autonomy many NGOs have enjoyed indicates that the state is no longer able to tightly control society. This is partly the consequence of the state losing control over its own agents. The extraordinary freedom enjoyed by some NGOs, especially in pursuing activities that are of dubious legality and do not necessarily serve public interest, would not have been possible without the protection and assistance of their

bureaucratic patrons and friends. The weak state capacity for imposing discipline on NGOs, however, may not augur well for the development of civil society in China. It may actually lead to an uncivil society where rules do not exist or are ignored, and organisations that are supposed to work for public interest may be used to serve illegitimate private interest instead.

2. Research on Chinese NGOs: Comparing Different Analytical Frameworks

The first part of this chapter aims to provide a summary of the existing literature on Chinese NGOs. I discuss the English- and Chinese-language literatures in two separate sections, since the two literatures are distinct in many aspects. This reflects the fact that researchers inside and outside China have taken rather different approaches to the study of Chinese NGOs. The second part of the chapter introduces the concepts and theoretical issues that will inform my own analysis of Chinese NGOs in later chapters.

2.1 English-language Literature

Civil Society, Corporatism, and Institutional Analysis

Studies by foreign scholars, which tend to be theoretically more sophisticated than the works of Chinese researchers, often employ some basic models of state-society relations as their analytical framework. Most studies compare the explanatory power of the two leading paradigms of state-society relations in the China studies field, i.e. civil society and corporatism¹⁸, and conclude that corporatism more accurately describes the relationship between Chinese NGOs and the state, although they are usually cautious about dismissing the civil society model completely, allowing instead that elements of it are still useful for understanding

¹⁸ According to the classic definition of corporatism authored by Schmitter, it is “a system of interest representation in which the constituent parts are organized into a limited number of singular, compulsory, noncompetitive, hierarchically ordered and functionally differentiated categories, recognized or licensed (if not created) by the state and granted a deliberate representational monopoly within their respective categories in exchange for observing certain controls on their selection of leaders and articulation of demands and supports.” (Schmitter 1979: 13). Political scientists often distinguish between two subtypes of corporatism: state corporatism and societal corporatism. The difference lies in the relative strength and autonomy of social organisations vis-à-vis the state. Under state corporatism, the power of the state is predominant.

Chinese NGOs.¹⁹ They then identify the particular features of the corporatist arrangements in China which distinguish them from corporatism in other places, labelling the Chinese variants “state-socialist corporatism” (Shue 1994), “socialist corporatism” (Pearson 1997), “corporatism Chinese style” (Unger and Chan 1996), “local corporatism”, “departmental corporatism” (White, Howell and Shang 1996), and so forth.

The rejection of civil society as a primary interpretative framework by most foreign researchers is mainly on three grounds. Firstly, it has been generally observed that Chinese NGOs only enjoy limited autonomy from the state, and many NGOs are in fact hybrid organisations in which state and society are interwoven. Hence they do not even meet the minimal definition of civil society, whose component organisations exist outside and independent of the state (Shue 1994; Nevitt 1996; Howell 1996a, 1998; White 1994; Whiting 1991; Unger and Chan 1996). Secondly, in contemporary usage the notion of civil society has been linked closely to political democratisation. Civil society organisations are often perceived as agents of democratisation. This does not seem to square with the discoveries of researchers on the ground, who find that Chinese NGOs often perform better as the state’s instrument of control over societal groups than as mechanisms for expressing and pursuing the interests of the latter (Nevitt 1996; Pearson 1997; White 1994; Yep 2000; White, Howell and Shang 1996).²⁰ Furthermore, apart from some underground organisations, Chinese NGOs “have neither an explicit nor an implicit democratic programme” (Howell 1998: 72). They “do not serve as forums for critical public discussion of political affairs” (Howell 1998: 71), and the internal culture of these organisations hardly embodies any democratic spirit either.

¹⁹ Even those who use the term “civil society” may actually have corporatism in mind. For example, Frolic designates Chinese NGOs “state-led civil society”, then goes on to explain that “State-led civil society is a form of corporatism.” (Frolic 1997: 58)

²⁰ Even researchers who argue that Chinese NGOs increasingly perform social representation functions point out that this does not mean they already constitute a civil society (see, e.g., Zhang 1997).

Finally, the civil society framework is considered inadequate because of the way it narrows our thinking. The notion implies a clear-cut distinction between the state and society, which may cause researchers to overlook the frequent blurring of the boundary between them in contemporary China (Perry 1995; Yep 2000). In addition, the impetus behind the formation of NGOs in China has come from both state and society, but the civil society notion tends to direct our attention solely to the impetus from society. "An analysis which privileges civil society over the state leads to only partial explanations", writes Howell, "as attention becomes focussed on the autonomous, voluntary and spontaneous characteristics of these organisations at the expense of their relationship with the state. It implicitly assumes an oppositional and conflictual relation with the state, neglecting the cooperative dimensions." (1994: 107)

All these seem to suggest that corporatism is a more adequate tool for analysing Chinese NGOs. As Baum and Shevchenko aptly summarise: "The principal attraction of corporatist models is their ability simultaneously to acknowledge the pluralizing socioeconomic changes induced by market reforms and the continued dominance of the Leninist party-state." (1999: 348) Viewing Chinese NGOs through the corporatist lens is precisely what many researchers have done. In her study of business associations in China, for example, Pearson proposes that we see these organisations in the light of "socialist corporatism". She defines it as a variant of state corporatism that reflects the specific features of a reforming socialist regime, in particular, the devolution of some power from an over-extended state bureaucracy to extra-state bodies created by the government itself, such as the new business associations that have emerged in the reform era.

A similar view was expressed by Unger and Chan, to whom the large number of new associations formed in the 1980's indicate that the Chinese state has

implemented a "corporatism Chinese style" (1996: 104) to replace the old "Leninist-command" system. They describe this Chinese corporatism thus: "China in this sense approaches state corporatism from the opposite direction as the East Asian NICs: not as a mechanism for yet further strengthening the state's grip over the economy and over society, but rather the reverse, a mechanism through which the state's grip could be loosened" (1996: 105).

In their detailed study of associations in China, White, Howell and Shang also made extensive use of the concept of corporatism. Their research on local associations in two cities led them to coin the phrases "local corporatism" and "departmental corporatism". The former, a form of "meso-corporatism", refers to the relationship between local government as a whole and local associations under its jurisdiction. The latter, a form of "micro-corporatism", highlights the motivations behind the establishment or sponsorship of subordinate associations by individual government departments. The former is initiated by local states to promote the social-economic development of their localities, while the latter serves to advance the particular institutional interests of individual departments.

Like the civil society model, the corporatist interpretation has also faced challenges. It should be noted that even analysts who embraced corporatist models have often felt it necessary to offer a few caveats. For example, Pearson (1997) acknowledges that the development of corporatism in China cannot be said to be the result of an explicit or even conscious state doctrine. White, Howell and Shang equally dismiss the existence of any "systematic and clear-minded attempt" at establishing corporatism, seeing instead a more "incremental, disjointed, implicit and haphazard" process at work (1996: 212). They also point out that the associations they came across in their research exhibit a diversity of relationships with the state, with some organisations being more autonomous and voluntary than others, so they are best described as forming an organisational continuum stretching from a

state-dominated extreme to a civil society extreme. Like White, Howell and Shang, Shue (1994) also writes about a "state-corporatist continuum" of civil associations in China. Similarly, Pearson's comparison of three business associations shows that "socialist corporatism does not exist uniformly in all business sectors", with some associations enjoying more autonomy than others, although she still thinks that "there are sufficiently similar characteristics to consider them all part of a new socialist corporatist strategy." (1997: 134-135)

The challenges to the corporatist interpretation, however, go beyond these caveats. Yep (2000) studied the same business associations on which the exponents of the corporatism model have largely based their analysis, but he believes that the usefulness of the model is rather limited. As Yep points out, corporatism is essentially a system of interest representation that involves political exchange between the state and organised social interests. For corporatism to work, there must be effective mechanisms for aggregating and communicating social interests. In addition, the specific social group that enters into corporatist exchange with the state also needs to have a strong internal cohesion. On both counts Yep finds that business associations in China fall short of the corporatist definition. First, they are too dominated by the state to be able to play effective interest aggregation and communication roles. Second, instead of promoting horizontal integration within the business sector, these organisations actually hinder such integration, as business managers are disaggregated into different associations according to types of ownership (e.g., privately-owned, collectively-owned, etc.) and the scale of their enterprises. In short, to Yep "there may be forms of corporatism emerging in China, but not in essence." (2000: 548)

Even Howell, who once offered corporatist analyses of associations in China in the book she co-authored with White and Shang, seems to have moved some distance away from that position. In a later article she has inclined to a view similar to Yep's:

In the Chinese case, ... there is little evidence of involvement of the new social organisations in central government policy. This suggests first that in the post-Tiananmen period the balance of power between social organisations and the state is in favour of the latter; secondly, that control and coercion constitute the leitmotiv of the state, but by no means the only factor, in its relationship with these new social organisations; and thirdly, that the power of these new organisations is not yet sufficient to be drawn into the policy arena. Thus it would be more accurate to describe the relationship between the party/state and the new intermediary sphere as one of *incorporation* rather than corporatism per se." (1998: 63)

The strongest objection to the corporatist analysis on the ground that it obscures state dominance over social organisations has come from Foster, whose investigation of business associations in the coastal city of Yantai leads to the conclusion that these entities are "in essence appendages of government or Party organisations" (2002: 42). The closeness and, in many cases, overlapping, of the business associations and their sponsoring government agencies in terms of personnel, office space, daily operations, and functions suggest that the associations can be more fruitfully studied "as new elements of the state's administrative system than as participants in a state-society dialogue." (2002: 42)

The corporatist analysis of Chinese NGOs has also been criticised from the opposite direction. While disagreeing with the civil society model, Saich (2000) also faults corporatist interpretations for over-estimating the capacity of the state to enforce its will upon NGOs while under-estimating the ability of NGOs to circumvent or deflect state intrusion. Saich stresses that NGOs in China are able to negotiate their own niches with the state, and they often "subordinate" themselves to the state of their own volition, as this allows them to have more impact on policy-making and to pursue their members' interests and organisational goals more effectively than if they have remained completely autonomous.

Whether they subscribe to the corporatist analysis, or lean towards further

state-dominance interpretations, or see instead more room for NGOs to “negotiate with the state” (Saich 2000) than is allowed by the corporatist notion, the above summary of some major existing studies by foreign scholars shows that the popularity of the state-versus-society approach – what Perry (1994) has termed the “state-society paradigm” – has by no means declined among China scholars. The state-society dichotomy constitutes the basic framework for most of the above-mentioned analyses of Chinese NGOs, even though many analysts acknowledge that the boundaries between state and society are often blurred. They are preoccupied with assessing the degree of autonomy from the state that is enjoyed by these NGOs,²¹ even while acknowledging that Chinese NGOs are mostly mixtures of state and society. In their eagerness to identify some general patterns of state-society interaction that can accommodate the variations in the relationship between NGOs and the state revealed in their empirical data, many analysts have also failed to explore these variations further to see what interesting discoveries and insights they might lead to.

That is why the few exceptions to this general thrust of current international scholarship on Chinese NGOs are particularly worth mentioning. Perry (1994) has suggested that a deeper understanding of Chinese politics require that researchers move beyond the state-society dichotomy by disaggregating the crude and unwieldy categories of “state” and “society”. The following three studies are good examples of such an approach.

In his article on private business associations in Tianjin, Nevitt argues that the state-society paradigm is less useful than “an institutional focus” for understanding these associations, by which he means “a focus on the changing incentives and

²¹ With the exception of Foster, who takes the “extreme” view that the business associations he has studied are so deeply embedded within state agencies that they should be considered part of the organisational complex of the state, therefore the question of their degree of autonomy is no longer relevant.

behaviour within the institutions of the party-state" (1996: 41). Nevitt compares two associations of private businesses in one city. One of them, the Self-Employed Labourers' Association (SELA), is comprised exclusively of small-scale private entrepreneurs. The other one, the Industrial and Commercial Federation (ICF), serves larger private enterprises as well as joint ventures, township enterprises, etc., although private enterprises form the largest single category of its members. Several factors suggest that the SELA might more actively represent the interests of private business vis-à-vis the state than the ICF. To begin with, the SELA collects membership fees whereas the ICF does not. Its entire budget comes from the municipal Communist Party. Secondly, the SELA's professional management unit (see Chapter 1) is a government agency, the Industry and Commerce Bureau, whereas the ICF is directly supervised by the local branch of the Party. Finally, the membership of the SELA consists entirely of private entrepreneurs, whereas the ICF's membership is mixed.

Instead, Nevitt found that the ICF was far more active in pursuing both the collective and individual interests of its private entrepreneur members than the SELA. In fact, although both organisations had a dual role, i.e. to perform control functions on behalf of the state and advocacy functions on behalf of their members, neither seemed to have balanced its two duties well. The SELA was too control-oriented and largely neglected its advocacy functions whilst the reverse was true of the ICF. Not only did the SELA and the ICF display very different behaviour despite having similar missions, but the practice of their district²² chapters also diverged from that of the municipal-level organisations. The municipal SELA and ICF seemed to have balanced their dual roles better than their district chapters, which means that relatively speaking the municipal SELA took its advocacy functions more seriously than its district chapters, while the municipal ICF was

²² In China, large cities are divided into districts. District governments are similar in structure to municipal governments. Functional government agencies at the municipal level all have branches at the district level.

more restrained in pursuing its members' interests than its district chapters.

What accounts for these differences? Nevitt suggests that the explanation lies in the different incentives guiding the careers of party-state officials who controlled the SELA and the ICF at different levels. He distinguishes between two career strategies for these officials. The "ladder of advancement" strategy means that officials seek career advancement by trying to please their superiors, and this would entail carrying out faithfully the tasks assigned to them by the authorities immediately above them. Officials who pursue the "big fish in a small pond" strategy, on the other hand, choose to tie their fortunes to their local institutions and concentrate their energy on "developing their own local networks of power and support" (1996: 38). Prior to the reforms, the "big-fish" strategy did not make much sense, since under the command economy "virtually all resources were allocated from higher levels and virtually all income was remitted to higher levels" (1996: 38). In other words, there was little water in the small pond to sustain big fish. After market reform and economic decentralisation, however, the "big-fish" strategy has become a credible alternative to the traditional "ladder of advancement" strategy.

This explains the difference between the behaviour of the SELA and the ICF as well as between the municipal organisations and their district chapters, argues Nevitt. Municipal level officials in Tianjin have a much bigger chance of advancing up the bureaucratic ladder than district officials, given Tianjin's prominence and proximity to Beijing. Consequently, officials who control the municipal SELA and ICF tend to execute their duties more conscientiously, which is why the municipal organisations have achieved a better balance of the control and advocacy functions. In contrast, officials at the district level are more likely to be attracted to the "big-fish" strategy. To develop their local economy and increase local resources, these officials can be expected to attach more importance to the large private enterprises that are members of the ICF than to the peddlers, small retailers and

restaurateurs who make up the ranks of the SELA. No wonder, then, that district ICF chapters went as far as helping their members to manipulate city-level policies in order to pay less tax and enjoy preferential rates for services, while district SELA chapters hardly bothered to look after the interests of the petty private entrepreneurs in their charge. For similar reasons, the municipal ICF was also more interested in advocacy for its members than the municipal SELA, although as mentioned before, at this level both organisations were more careful about balancing their dual roles than their district chapters.

A comparative study of private business associations has also been conducted in Beijing by Unger (1996). Although Unger did not conceptualise his study in terms of an “institutional focus”, his actual approach was very similar to Nevitt’s, and he discovered exactly the same phenomena as observed by Nevitt. The three private business associations in Beijing included in his investigation, the SELA for small private business operators, the Private Enterprises Association (PEA) for medium-sized businesses, and the ICF for the largest entrepreneurs, displayed starkly different attitudes towards their constituencies. The SELA and the PEA were completely dominated by their supervising government agency and failed to represent the interests of their assigned private entrepreneur groups. The ICF stood at the opposite pole and served the interests of its members “beyond the goals of the state” (1996: 813). Unger identified as many as seven factors which might have contributed to the difference between the SELA and the PEA on the one hand and the ICF on the other hand, and he hypothesised that these factors would also condition the behaviour of other associations in other parts of China. The factors range from the central government policy towards the particular social group an association is supposed to represent, the nature of an association’s supervisory agency, i.e., whether or not it has direct regulatory responsibilities over the constituency of the association, to the particularistic interests of the local officialdom and the social status of an association’s constituency.

If the explicit and implicit institutional focus of Nevitt and Unger are illuminating because they take us beyond what the state-society paradigm allows us to see by disaggregating the "state", then equally illuminating is Wank's (1995a) "institutional explanation"²³ of the different attitudes of entrepreneurs in Xiamen City towards one particular private business association, which transcends the state-society paradigm by disaggregating "society".²⁴ When the Xiamen Civic Association of Private Industry and Commerce was suppressed due to intra-bureaucratic conflict, Wank found that neither the small shop owners nor the entrepreneurs of the largest trading firms among its members showed much concern. Those most upset by the suppression of the Civic Association were the owners of medium-sized firms that were beginning to expand from retail into wholesale trade. As Wank explains, the variation in entrepreneurial attitude towards the Civic Association is related to the different strategies pursued by these entrepreneurs with regard to the state bureaucracy. In China's partially marketised economy, bureaucrats still have considerable control over the allocation of public resources, including resources in short supply, such as bank loans and under-priced public assets. They also hold much regulatory power, which gives them discretionary control over fines, licences, fees and taxes.

In this context, private entrepreneurs have been observed to pursue one of two business strategies with regard to the bureaucracy. They may see the bureaucracy as an obstacle and try to keep contact with it to a minimum. This strategy is widespread among the petty entrepreneurs, who "perceive the demands by officials for cash pay-offs regarding taxes, fines and licences as arbitrary and predatory. By

²³ "An institutional explanation emphasizes how organisational constraints shape social action. The interests of actors have to be explained rather than assumed." (Wank 1995a: 67, footnote 29)

²⁴ In fact, Wank disaggregated both the state and the society in his analysis of the association. He described the fight between two state organisations for the control of the association as well as the different attitudes towards the association among the city's private entrepreneurs. Here I am primarily interested in relating the society side of the story.

lessening interaction with officials, they seek to reduce bureaucratic interference in their enterprises" (Wank 1995a: 67). The other strategy sees the bureaucracy as a source of opportunity and seeks to increase contacts with it. This strategy is pursued by entrepreneurs running big firms, who form patron-client ties with the officialdom in order to gain "access to scarce commodities and restricted opportunities as well as to bureaucratic protection from policy fluctuations, central state campaigns, and harassment by local officials" (Wank 1995a: 68). Since petty private entrepreneurs in Xiamen mostly pursued the first strategy, their indifference to the demise of the Civic Association is not very surprising. The biggest private operators had already developed good connections with the officialdom, so they did not need the Civic Association either. It was the owners of firms that were expanding from retail into wholesale trade who were most keen about the Civic Association. They did not enjoy bureaucratic patronage yet but it would become crucial to their future business success. The Civic Association provided some bureaucratic protection for them and the opportunity to develop contacts with officials. They were therefore the most disappointed when the Civic Association ceased operation.

As the studies by Nevitt, Unger and Wank demonstrate, institutional analyses that disaggregate the "state" and "society" promise us a more nuanced view of Chinese NGOs than the state-society binary thinking. If we were to achieve a more accurate and detailed understanding of Chinese NGOs, then researchers would need to pay closer attention to the diverse interests of the different actors within "state" and "society", and to explore more thoroughly the incentives, opportunities, and constraints that shape their behaviour.

Classification of Chinese NGOs: Degrees of Autonomy from the State

The articles by Nevitt and Unger also help to demonstrate the inadequacy of

another dominant habit of thinking in the field of Chinese NGO studies. If there is a single issue that has interested most foreign scholars of Chinese NGOs, then it is the degree of autonomy from the state maintained by these organisations. This interest is manifested by their predilection for classifying Chinese NGOs according to this criterion. For instance, Whiting (1991) divided Chinese NGOs into quasi-governmental, semi-governmental, and truly non-governmental. White, Howell and Shang (1996) categorised them into four sectors: "the caged sector", i.e. the mass organisations; "the incorporated sector", i.e. the registered NGOs; "the interstitial, 'limbo' world of civil society", i.e. unregistered NGOs which have been allowed to operate in the open; and "the suppressed sector", i.e. underground organisations. Howell (1997) identified four broad types of NGOs based on the criteria of autonomy, spontaneity and voluntariness: mass organisations, semi-official organisations, popular organisations, and illegal organisations.

Researchers who focused on NGOs in a specific field have equally considered an organisation's relative autonomy from the state as the most important attribute in classifying these organisations. For example, Chen, who studied *qigong*²⁵ associations, saw them as forming four main categories: "official bodies", "legitimate and public groups", "popular, informal groups", and "underground associations" (Chen 1995: 354). Knup (n.d.), who examined environmental NGOs in China, produced three categories with varying degrees of autonomy from the state: government-organised NGOs, individual-organised NGOs, and voluntary organisations.

As mentioned earlier, in their eagerness to describe broad patterns, some researchers have neglected to explore the variations in the relationships between Chinese NGOs, their constituencies, and the state. The classification of Chinese NGOs according to their degree of autonomy from the state appears to be an

²⁵ Chinese traditional breathing and meditation exercises.

attempt to address such variations. It suggests that researchers often consider an organisation's relative autonomy to be a vital clue to its behaviour and function. However, the business organisations in the studies by Nevitt and Unger all belong to the broad category of government organised NGOs, but they display vast differences in the way they go about their business. This suggests that where an NGO stands on the autonomy scale may be of limited value in either predicting or explaining its behaviour. An even bigger problem with the autonomy-based classification of Chinese NGOs is that researchers have equated the extent of an organisation's official links with its degree of autonomy, but these two aspects do not always go hand in hand. To use the organisations in the studies of Nevitt and Unger again, the ICF is actually a mass organisation, i.e. the least autonomous category in the various classifications cited above, whereas the other business organisations are all in the next category which is supposed to have more autonomy. As we know, the empirical data showed that the ICF in fact acted with more autonomy than the other organisations. In later chapters, more examples like this will be presented to demonstrate that the actual degree of autonomy which a particular NGO maintains is often not as obvious as its formal connections to the government might suggest. In practice, an officially-organised organisation may well enjoy more *de facto* autonomy than a purely popular organisation. Therefore, to classify Chinese NGOs into "quasi-governmental", "semi-governmental", and "truly non-governmental" or similar categories may sometimes create a false sense of distinction between NGOs with different official links and may actually mask some universal features in their interactions with the state and their constituencies.

Policy Research

The majority of the published works by foreign scholars on Chinese NGOs should probably be classified as academic research, as they address more or less theoretical issues. In addition to this type of writing, there have also been a small number of

studies which might be called policy research. These are mainly reports prepared for various foreign and international institutions with a practical interest in the development of the NGO sector in China. They usually contain concrete information on the legal and financial frameworks for NGOs in China and government policies relevant to the sector. They also make assessments of the needs of Chinese NGOs in areas such as funding, management training, and information.

While these reports often contain perceptive and thought-provoking comments on both external and internal problems faced by Chinese NGOs, they are not able to go into much detail as they are typically based on information gathered during short study visits or meetings and interviews with NGOs lasting no more than a few hours. As the authors rely heavily on interviews with NGO staff and are not able to verify the information provided by them through close observation of the day-to-day operations of these organisations and their interactions with external actors such as government agencies, clients, and local communities,²⁶ their conclusions run the risk of being biased towards the claims and self-assessments of NGO staff.²⁷ Finally, many authors of such reports are foreigners whose expertise lies in NGO management or broad development issues rather than China studies. As a result, their analyses tend to be influenced by their knowledge and conception of NGOs in other countries, which may actually be a liability given that the context is so different.

A good example of the failure of these reports to fully appreciate “NGOs with

²⁶ Most authors of such reports are foreigners, so in addition to time constraints, there are also other factors affecting their ability to check the interview data through first-hand observation, such as various language and cultural barriers. The need for long and close observation is acknowledged by the author of a report for the Ford Foundation. At the end of her report, Raab recommended that to test some of the conjectures put forward in her study it would be advisable to do participant observation by placing a researcher as an intern with Chinese NGOs for several months (Raab 1997: 55, footnote 131).

²⁷ Such limitations are not confined to policy research. It seems that the academic research discussed earlier has also been affected by these constraints. I have not seen any published work by foreign scholars that is based on the kind of extensive participant observation recommended by Raab.

Chinese characteristics” is the way they see the currently illiberal legal framework for NGOs in China solely in political terms. The various restrictions on the formation of NGOs are perceived to be born entirely of the state’s fear of potential political challenge to its monopoly of power and are therefore strongly criticised. No report seems to understand that the fear of potential economic problems has also been an important consideration in the government’s decision to maintain tight control over NGOs. In fact, over the years a considerable number of NGOs, especially GONGOs set up by local government agencies, have been embroiled in economic activities which are not strictly speaking legal. Some of these organisations are nothing more than secret moneymaking devices. Financial irregularities and other forms of corruption have been a serious problem with many Chinese NGOs, and it is partly responsible for the government’s strict regulation of the sector, a fact which few studies by foreign researchers seem to realise.²⁸ One explanation for this lack of awareness must be that this kind of information is most unlikely to come up in interviews with NGOs themselves.²⁹

2.2 Chinese-language Literature

Under-utilised Information

The Chinese literature on NGOs is more diverse than the English literature. A sizeable share of this literature consists of non-academic writings, such as presentations at various conferences and workshops by NGO practitioners, and published speeches and short articles by Civil Affairs officials responsible for NGO registration. Although these materials offer little theoretical analysis, they often

²⁸ In fact, I have not come across any study by foreign researchers, whether it belongs to the category of policy research or academic research, which recognises that a substantial number of Chinese NGOs have been guilty of various corrupt activities.

²⁹ Such information is also unlikely to come up in interviews with government officials, who often refrain from exposing corruption cases for fear that they would undermine the attempt of GONGOs to raise money from the general public and potential foreign donors.

contain important factual information which one suspects has not been accessed by most foreign researchers, for some of the theoretical debates recounted in the previous section may not have arisen in the first place if these facts had been taken note of.³⁰

For example, in a collection of articles by Civil Affairs officials and staffers of officially-organised NGOs published in 1992, many contributors cite the “bureaucratisation” (*xingzhenghua*) of social organisations as one of the main problems that need to be addressed. As they explain, this means that many social organisations are dependent on and directly controlled by state administrative agencies and act as their auxiliary bodies. They are initiated by these administrative agencies. Their staffs are seconded from the agencies. Their leadership positions are held concurrently by officials of the agencies. Their operating funds come from the agencies. Finally, which activities they should undertake is also dictated by the agencies. The secretariats of these NGOs, which are staffed by personnel from the administrative agencies, actually run the show. Their actions neither reflect the wishes of their members nor represent their interests. In other words, these organisations are just membership organisations in name and only their secretariats have any substance to them, so their function and behaviour are not much different from government organisations. In extreme cases, administrative agencies have set up social organisations, which are by definition membership organisations, without even bothering to recruit any members. In other words, these social organisations only have secretariats. Their membership is non-existent. Administrative agencies created these organisations by simply putting up another signboard on their doors to proclaim its existence, and they become both the government agency and the secretariat of the memberless social organisation (Shen 1992; Leng 1992; Zhao 1992). This phenomenon is known as “one team, two signboards” (*yi tao renma, liang kuai*

³⁰ To be fair to foreign researchers, these materials are scattered around and are not always easy to find.

paizi).

The information from this collection of articles by people with intimate knowledge of Chinese social organisations fully corroborates Foster's argument introduced in the previous chapter that many business associations in China are simply organisational appendages of state agencies. Although these organisations are presented as NGOs, to treat them as such would only cause confusion. Foster suggests that the government agency in China should not be considered a single organisation but a complex of multiple organisations. Administrative agencies often preside over a set of subsidiary organisations including enterprises, service units, and social organisations which are all part of the agency's organisational complex. Judging by the descriptions of Chinese Civil Affairs officials and social organisation representatives themselves, to treat the most official (or "bureaucratized") social organisations as part of the government's organisational complex indeed makes more sense than studying them as NGOs. If foreign scholars who advocated the corporatism model had studied the Chinese materials on the bureaucratization of NGOs, they might have at least decided to banish the most official social organisations from the NGO territory, as Foster did, and would have consequently made their corporatist interpretations more convincing by applying them only to the more substantive NGOs. Since this did not happen, debates inevitably broke out as people like Yep and Foster questioned the validity of corporatist interpretations by pointing to the evident embeddedness of many social organisations within government agencies.

Beyond Associations

As can be seen from the summary of the English-language literature, most of it is based on the study of one particular type of NGO, namely associations, especially business and trade associations. Very few foreign scholars have studied other types

of NGOs, such as social service organisations, foundations, and membership organisations other than economic associations. In this regard the Chinese literature is also more diversified. In the last several years, a few large-scale research projects have produced a number of publications on these other types of NGOs. Particularly interesting is a series of 10 books sponsored by the China Youth Development Foundation (CYDF) and published in 1999. The CYDF is a famous top-down NGO under the aegis of the Communist Youth League. The series, entitled "third sector studies", includes four books that are devoted to the CYDF itself. They all use the CYDF as a case study of Chinese NGOs and each of them focuses on a particular aspect of the CYDF, for example, its fundraising strategies, or the motivation of its staff. Together with a comprehensive book-length study of the CYDF published in 1997, these volumes provide a wealth of information about this highly successful organisation which offers the reader considerable insight into the unique environment in which Chinese NGOs operate and the way they adapt to and exploit that environment.

Another major research project in recent years resulted in the publication of two volumes in 2000 and 2001 respectively by the Tsinghua University NGO Research Centre which contain 21 case studies of a variety of Chinese NGOs. Although these case studies are less detailed than the books on the CYDF and are not as analytical, they are the first systematically collected qualitative data on Chinese NGOs in which all the major types are represented. Following the Tsinghua research, the China Foundation for Poverty Alleviation (CFPA) also commissioned some similar case studies which were published in one volume in late 2001. There is unfortunately much overlap between the Tsinghua and the CFPA cases, but the CFPA study does include several NGOs which are not in the Tsinghua study, therefore it has further expanded the existing qualitative database.

In addition to these qualitative research projects, the Tsinghua NGO centre has also

conducted a nation-wide survey of NGOs as well as a survey of NGOs in Beijing. Although the quality of the surveys was marred by various factors, for example, the extremely low response rates,³¹ they have at least generated the first quantitative data set on Chinese NGOs.

The “Post Totalist Society” and the “Dual Nature of Chinese NGOs”

Unlike their foreign colleagues, Chinese scholars seem to have little disagreement amongst themselves concerning the characteristics of Chinese NGOs. Neither civil society nor corporatist theories hold much attraction for them. They consider both paradigms unsuitable for analysing the Chinese realities, as they fail to give proper recognition to the vast power retained by the state over society (see, e.g., Shen and Sun 1999; Kang 1999a). Some scholars also accuse them of being “abstract” and “macro” theories which are not very practical when it comes to describing the actual behaviour of Chinese NGOs or interpreting complex empirical data (Kang 2001: 2). As natives of the society they study, Chinese scholars obviously have an advantage over their foreign colleagues in understanding the environment in which Chinese NGOs operate and in observing their actual behaviour. As a result, their major theoretical contribution to this field of study is probably a more specific description of the condition of the state and society in China after 20 years of reform and of the particular characteristics of Chinese NGOs brought about by that condition.

In their book on the fundraising strategies of the CYDF, Sun *et al* use the term “post totalist society” to describe the environment in which the CYDF operates. As they explain, before the reforms, Chinese society could be called a “totalist” society, which was characterised by the state’s monopoly of most resources as well as most of the space for economic and social activities. By the time the CYDF was founded in

³¹ The response rates for the two surveys were 15.64% and 13.7% respectively (Deng 2001a: 10; Deng 2000: 26).

1989, a decade of market-oriented reforms had put the Chinese society well on the path towards a post totalist society, which is characterised by the emergence of “free-floating resources” and “free operating space”, i.e. important resources which are no longer controlled by the state and opportunities for people to use the resources now in their hands. On the other hand, the state still holds considerable sway over the economic and social realms in a post totalist society. Political and administrative authority can still penetrate all other spheres and exert heavy influence on the workings of the market, although compared to the totalist society such authority is more likely to be exercised in irregular and informal ways. In short, the post totalist society is a transitional stage between a totalist society and a society with a fully developed market economy (Sun *et al* 1999).

The emergence of a post totalist society not only creates the possibility for NGOs to develop, but also determines the pattern of their behaviour. The study of Sun *et al* shows that the huge fundraising success of the CYDF can be attributed to its skill in exploiting both resources within the state and those outside the state, or, to use the expressions of Chinese scholars, both “resources within the system” (*tizhi nei ziyuan*), and “resources outside the system” (*tizhi wai ziyuan*). As Sun *et al* point out, given the continued pre-eminence of political and administrative power, if an organisation like the CYDF separates itself from the “system” and fails to use its “political advantage” as a top-down NGO with strong ties to the system, it would find it very difficult, if not entirely impossible, to mobilise social resources on any significant scale. On the other hand, if the CYDF has relied solely on its ties to the system, it would not have achieved its tremendous success either. There are two reasons for this. First, the state’s dominance over society has after all been weakened in a post totalist society, therefore, if NGOs want to tap into societal resources outside state control they would need to do so on their own. Second, the CYDF is sponsored by the Communist Youth League. Although it can easily use the resources controlled by the Youth League, to gain access to resources belonging to

other state organisations would be a very different matter. To do so also requires that the CYDF apply its own initiative.

Therefore, the lesson from the CYDF case study is that any NGO that wishes to survive and do well in today's China must be able to utilise resources both inside and outside the state. This has inevitably contributed to the "dual nature" (*shuangchongxing*) of Chinese NGOs, a judgement widely shared by Chinese scholars. The "dual nature of Chinese NGOs" was first raised by Wang, Zhe and Sun after they studied social organisations in Xiaoshan city in the early 1990's. More specifically, they suggested that Chinese social organisations can be described as "semi-official, semi-popular" (*ban guan ban min*) in nature.³² This is reflected in every aspect of these organisations' existence. For example, motivations for the establishment of social organisations come from both the government and society; they perform both management functions on behalf of the state and service functions on behalf of their members; and their leadership positions are shared between government officials and representatives selected from their membership (Wang, Zhe, and Sun 1993).

The studies of the CYDF have demonstrated more vividly the dual nature of Chinese NGOs. In his book, Kang distinguishes between two modes of operation which the CYDF employs simultaneously: administrative (*xingzhenghua*) and "socialised" (*shehuihua*). The former means drawing on the state's extensive organisational network and administrative authority to do things. The latter means reaching out to society directly instead of enlisting the aid of the state apparatus. Take fundraising as an example, when branches of the Communist Youth League in work units all over the country collect money from their members, then give it to

³² Wang, Zhe and Sun actually identified three types of social organisations: officially-organised, semi-officially-organised, and popular, but they found the majority of the organisations to be semi-officially-organised, so the sector as a whole could be described as semi-official semi-popular in nature.

the CYDF as collective donations in the name of the work units, it is typical administrative means at work. Socialised fundraising, on the other hand, relies on methods such as charity concerts, newspaper and television advertising, and direct mailing. Kang (1997) points out that under present circumstances combining administrative and socialised modes of operation is the most sensible strategy for Chinese NGOs. His argument was echoed by Sun *et al*, whose entire book was dedicated to illustrating the adept combination of administrative and socialised mobilisation techniques by the CYDF.³³ Since socialised methods were still novelties in China when first introduced by the CYDF, they made the CYDF wildly successful in drawing popular support to its cause.

Strategies, Motivation, Organisation, and Leaders

Apart from a few policy research papers, the English-language literature on Chinese NGOs is predominantly a political science literature, for it is mainly concerned with broad issues such as state-society relations and the political and social consequences of market reforms. In contrast, much of the Chinese literature, especially the various case studies of individual organisations, is more in the tradition of NGO studies. It examines NGOs' internal management, their performance, and their external relations. The Chinese literature is therefore a useful source of concrete information on some specific issues concerning Chinese NGOs, for example, who are the NGO leaders, how are NGOs set up, the motivations of NGO staff, and the governance structures of NGOs. The most interesting materials in this literature, however, have to do with the strategies used by NGOs to exploit the institutional environment of a post totalist society in order to gain advantage for themselves, such as the fundraising strategies of the CYDF discussed by Kang and Sun *et al*. The materials on NGO strategies have shown that far from being helpless victims of state stricture,

³³ Sun *et al* contrast socialised with what they call "organisation-based" (*zuzhihua*) method, but it is obvious from reading the book that by "organisation-based mode" they mean exactly the same thing as what Kang has called "administrative mode".

NGOs in today's China can find many ways to evade state control and even to use the resources of the state to advance their own interests.

Particularly interesting in this regard is the analysis by Gao Bingzhong of NGO strategy to gain legitimacy. As mentioned in the Introduction, despite government regulations that outlaw any unregistered NGO, many such NGOs have continued to exist and operate openly. One explanation for this, as suggested by Gao, is that in present-day China NGOs do not need "full legitimacy" in order to survive. Many NGOs have come into being with only "partial legitimacy", then try to gain full legitimacy using their partial legitimacy. Partial legitimacy consists in three forms: social legitimacy, administrative legitimacy, and political legitimacy.³⁴ Social legitimacy can be based on tradition, common interests, or common values. For example, the last 20 years have seen the revival of many folk societies organised around the worshipping of local deities which had been banned by the state as "feudal superstition" for decades. These societies enjoy wide local support since they carry on traditions going back many generations and they cater to popular beliefs in theism, fatalism, and retribution. The days when sacrificial rites are performed are organised into local festivals with folk art performances and temple fairs. These attract many local people, who come to take part in the commercial and cultural activities and to see friends and relatives in addition to worshipping the deities. In other words, the societies' activities also serve some important common interests. Because they build on tradition, common interests, and common values, these societies enjoy social legitimacy and it has been the precondition for their existence (Su *et al* 1999: 319-336).

An NGO's administrative legitimacy derives from its association with the state

³⁴ In addition to these three types of legitimacy, Gao also mentions "legal legitimacy", which means the legal status which NGOs obtain after they are registered. Gao's whole article, however, can be said to be devoted to explaining how NGOs can exist without "legal legitimacy" if they have social, administrative, or political legitimacy.

administrative system. It can be obtained in many different ways, for example, receiving the backing of government agencies or officials, having officials as members, or being allowed to take part in government organised activities. In 1998, Beijing University did a survey of its local alumni associations. From the survey data Gao found that only 23% of the 38 associations had been registered by Civil Affairs. The rest either never applied for registration or had had their applications turned down. The fact that the unregistered associations were nevertheless able to exist can be explained by their administrative legitimacy, as the top posts in these associations were without exception held by high-ranking officials in the local Communist Party, government, state-owned enterprises, or service units. Gao used an example to demonstrate the power of administrative connections: On the occasion of the centennial celebration of the founding of Beijing University in 1998, the alumni association in Heilongjiang Province gave its Alma Mater a pair of very expensive carved vases as present. They were similar to the pair of vases placed in the Heilongjiang Room in the Great Hall of the People, except that they were bigger. They were even bigger than the pair of vases which were presented as the official gift of the provincial government to the Hong Kong government in 1997 to celebrate its return to China. Note that this resourceful alumni association did not even have a legal status, as it was not registered (Su *et al* 1999: 337-354).

Finally, NGOs gain political legitimacy by showing that they accept the existing political order and conform to state ideology. Since political legitimacy is crucial to the survival of NGOs in China, the vast majority of them go beyond a minimalist position, i.e. not violating any political standards set by the state, and try to demonstrate that they actively support the state's goals and policies. For example, the Beijing University Alumni Association describes its purpose as, above all, "to contribute our efforts to the socialist construction of our motherland, the reunification of our country, and the rejuvenation of China." (Su *et al* 1999: 368) As Gao points out, obviously an alumni association exists primarily to serve the

common interests of its members. If the members want to serve their country, there are ample opportunities for them to do so in their own work units. Yet the chief purpose of the alumni association has been described as promoting the national interest, which shows how badly Chinese NGOs need political legitimacy to justify their existence (Su *et al* 1999: 355-372).

Gao's study offers many good examples of clever manoeuvres by NGOs to gain or claim legitimacy. A folk society that worships a dragon tablet invites academics from around the country to its festival every year to study it. The society arranges food, accommodation, and the programme for the academics, and it always invites them to a discussion at the end of their visit, at which they are asked to speak of their impressions of the festival. The guests usually feel obliged to make some positive remarks, stressing the boost the festival provides to the local economic and cultural life. These remarks are construed as positive assessments by the country's intellectual authorities, which are used to lend political legitimacy to the society. Another typical legitimacy-gaining strategy of NGOs is to make partial government recognition or sanction look like full government recognition or sanction. Government agencies or officials may approve of certain functions of an NGO or some of its activities, but the NGO will construe it as full approval or acceptance of itself by the government. To use the example of the dragon tablet society again, Gao has recorded the speeches of several local officials and the leader of the society at two discussions during the dragon tablet festivals. The officials all affirmed the positive contribution of the festival to local economic development but avoided making an overall assessment of its nature. When it was the leader's turn to speak, however, he went straight to the most sensitive issue, i.e. the superstitious element of the festival, and interpreted the officials' positive comments as "having removed the label of superstition from the festival" (Su *et al* 1999: 350). In other words, it could now lay claim to political legitimacy.

Deficiencies of the Existing Research

The discussion of the post totalist society and the dual nature of Chinese NGOs it gives rise to is very useful in facilitating our understanding of these organisations. However, on the whole academic research inside China has not moved very far beyond identifying this dualism.³⁵ Consequently it shares the same problem with English-language studies that adopt the “state-society paradigm”. As mentioned earlier, the state-society binary thinking can only take us so far, as it is inadequate for explaining the variations within the NGO sector. In fact, many NGO case studies conducted by Chinese researchers contain interesting information which shows that individual NGOs usually have rather different relationships with different segments of the state and society. However, such information has not been used by Chinese researchers for the kind of institutional analysis described in the previous section, thus the dynamics of NGO development in China remains insufficiently explored.

The binary thinking which dominates NGO research inside China is also reflected in the fact that researchers often draw sharp lines between “officially-organised NGOs” and “popular NGOs”, or between “top-down” and “bottom-up” NGOs, as they are alternatively called. Some researchers have even carried the polarisation of the two different types of NGOs to the point of being inconsistent with their other analysis, e.g. the dual nature of Chinese NGOs. For example, while talking about NGOs’ dual nature Kang asserts that they usually depend on both “resources within the system” and “resources outside the system”, and they usually use both “official” and “non-official” channels to obtain resources (Kang 1999a: 3). When he

³⁵ On the issue of NGO legitimacy, for example, researchers such as Kang merely state that Chinese NGOs must strive for two kinds of legitimacy at the same time: “official legitimacy” (i.e. recognition from the government) and “social legitimacy” (Kang 1997: 636). More nuanced analysis, such as that by Gao, which distinguishes between administrative and political legitimacy, and which hints at cleavages within the state, e.g. when NGOs with strong administrative connections can flout the registration requirements by the state, is still very rare.

tries to emphasize the difference between top-down and bottom-up NGOs, however, Kang claims that bottom-up NGOs are not able to access resources controlled by the government and they can only use socialised methods to raise funds (Kang 2001: 45, 48, 73).

In over-emphasising the difference between top-down and bottom-up NGOs, Chinese researchers have made a similar mistake to that made by many foreign researchers. The distinction between “officially-organised” and “popular” NGOs is both useful and necessary in highlighting the different origin and consequently the different initial endowments of NGOs. However, as was pointed out earlier, this does not mean that organisations with more government ingredient must perforce enjoy less autonomy than those with less government ingredient, or that their goals, behaviour, and the strategies they adopt to pursue their organisational development are necessarily different.

The fact that Chinese researchers have drawn sharp lines between top-down and bottom-up NGOs must also be blamed on the general lack of understanding of the latter, which leaves intuitive assumptions that they stand in contrast with the former unchallenged. Although a number of case studies of bottom-up NGOs have been conducted in recent years, they are not detailed and in-depth enough to give us sufficient insight into the workings of these organisations. Apart from the studies of the CYDF, a typical top-down NGO, and a couple of other case studies in the CYDF sponsored book series,³⁶ the rest of the existing NGO case studies tend to be superficial, usually done within a very short time.³⁷ Furthermore, these case studies can perhaps be said to have suffered from the managerial approach to NGO studies. The researchers who carried out the case studies turned to non-profit organisation

³⁶ Which include the study of the Dragon Tablet Society and the Beijing University Alumni Associations by Gao, which he used for his analysis of NGO legitimacy.

³⁷ A somewhat extreme example is an NGO case study in the two Tsinghua volumes. The author of the case study told me that it was based on a one-day visit to the organisation.

management literature in Western countries for inspiration, and used their case studies to describe the formal structures and functions of the organisations. Such information is obviously useful for building up a database of Chinese NGOs, however, it is far from certain whether these are the most urgent issues which need to be researched. Apparently non-profit organisations in Western countries operate under very different legal, fiscal and institutional frameworks from those faced by Chinese NGOs. The issues that are of great importance to Western non-profit organisations may therefore not be so important or relevant to Chinese NGOs at the present time.

To give just one example, similar to Western non-profit organisations, most Chinese NGOs have a board of directors which is supposed to determine major policies and exercise supervision. However, it is commonly known that the governing boards of many Chinese NGOs are mere figureheads and have no real control over the actions of the NGOs. When asked about her organisation's board of directors by a researcher, the general secretary of the Yilong County Rural Development Association gave an extremely candid answer. She had visited the United States and felt that NGO's board of directors there performed very useful functions. "But ours is a sham. So why should I spend my energy on a sham? These mere formalities of democracy have no real meaning even if we perform them." (Yang 2001a: 83) While NGO managers decide not to waste time on their figurehead boards, some Chinese researchers continue to devote their time to describing the formal governing structures of NGOs instead of analysing the real decision-making processes within them. At this stage of NGO development in China, one suspects that foreign researchers are at least right in prioritising political analysis over managerial analysis, as many Chinese NGOs are still fluid entities which have yet to take mature organisational forms. They can easily produce mission statements, constitutions, management structures, and rules and procedures that may have little bearing on what actually happens. Before they can effectively assess the

management of these organisations, researchers need, first of all, to find out what is really going on and why—in other words, the politics behind the management issues.

2.3 Conceptual Foundations of the Study

My analysis of Chinese NGOs borrows insights from the existing studies. In particular, it draws inspiration from institutional analyses that explain NGO behaviour by taking into account the existence of divergent interests, motivations, and attitudes within both the state and society. My analysis also invokes relevant concepts and theoretical reflections in the scholarly literatures on China's political culture and the political economy of reform-era China. Below is a summary of the key theoretical issues in these literatures which I have explored and related to my study of Chinese NGOs, followed by a description of the analytical framework of my study.

Political Culture and Political Participation in China

Many observers of China's political culture have noted that it has a host of attributes that constitute obstacles to collective action and the growth of civil society. These include fatalism, passivity, fear of politics, deference to authority, elitism, and lack of cooperative spirit and group solidarity. Alan Liu, for example, commented thus on China's mass political culture:

Two primary characteristics of this culture are occasionalism and sectionalism. The first means every group (or person) attempts to maximize its (or his/her) short-term interest while a specific occasion allows it. The second means every group deals with the state independently of other groups (1996: 224).

Liu also quoted Liang Qichao, a famous early twentieth-century Chinese reformer

and scholar, who enumerated eight characteristics of the Chinese political culture: survivalism, inurement to violence, a propensity to internecine conflicts, falseness-and-craftiness, egocentricity, myopia, fearfulness, and volatility. Although Liang made this observation in the 1920s, in Liu's opinion, these characteristics of the Chinese people "are still much in evidence" today (1996: 226).

Another scholar, Ogden, had this to say on the elitism and individualism of Chinese political culture:

Mainstream Chinese culture has also been deeply elitist, for it is a society in which everyone ranks him- or herself (and are ranked) as superior to some and subordinate to others. But it has also been a highly individualistic culture, in the sense that Chinese, beyond their loyalty to family, do not tend to display the type of group loyalty that is seen in some other cultures, such as Japan's; and that they seem to be interested far more in individual self-enrichment than in the collective public good (2002: 115).

Comments like these appear to typify "interpretive studies", which are "characteristically based on documentary sources, interviews, and field observation" (Nathan and Shi 1993: 95).³⁸ Such studies have been accused of a number of weaknesses, which have led Nathan and Shi to conclude that: "In short, even the best interpretive work consists of broadly stated, loosely specified insights using ill-defined terms, meaning different things to different readers, and making statements that may or may not be true." (1993: 96) An alternative to interpretive studies is the survey approach. As Nathan and Shi point out, surveys have the advantage of allowing researchers to describe beliefs, values, and attitudes with precision and to measure variation in cultural attributes among a population. So, what light have survey studies been able to throw on Chinese political culture?

Not surprisingly, different surveys have yielded different results, but there has been

³⁸ It should be noted that both Liu's and Ogden's books, from which these quotations are taken, have drawn on a diversity of sources, including survey data.

no lack of survey findings that support the “broadly stated insights” of interpretive studies. For example, a 1987 national survey found that although Chinese citizens were generally interested in politics, their interest seldom translated into concrete actions of political participation. In this survey, 62.41% of the respondent agreed with the statement that “I am very cautious about discussing politics”; while 63.69% agreed that “It is better not to get too involved in politics”(quoted in Tao and Chen 1998: 219). A survey carried out in Beijing in 1988-1989 concluded that “most people in Beijing abandon group-based political activities when articulating interests, engaging individually in the majority of political activities. Many political activities elsewhere that are collective, such as campaigns and strikes, have become individualized in Beijing” (Shi 1997: 110). Similar conclusions were reached by a survey of the rural population conducted in four counties in 1990: “the Chinese sample trails nearly all other countries with respect to rates of cooperative, group-based efforts to solve problems and address issues, thus echoing the common observation about the weakness of civil society in China” (Jennings 1997: 364).

Another survey of Beijing residents in 1995 found that the majority of respondents were elitist- and authority-oriented. 71.4% of them agreed or strongly agreed that “The well-being of the country is mainly dependent upon state leaders, not the masses”; 63.5% agreed or strongly agreed that “In general, I don’t think I should argue with the authorities even though I believe my idea is correct” (Zhong, Chen and Scheb II 1997). Similar attitudes have also been detected among many private entrepreneurs in four provinces in central and eastern China. In a survey carried out in these provinces in 1997 and 1999, 49.2% of private entrepreneurs agreed or strongly agreed that “Rich people should have more influence in policy making than poor people”; 50.1% of them agreed or strongly agreed that “Measures to improve the political structure should be initiated by the party and government, not by society” (Dickson 2003). A 1998 survey of 350 university students in Beijing asked them to prioritize twelve development challenges for China over the next five

years. Only 3.4% of the respondents chose "Increase public participation in government decisions" as the first priority; 0.6% chose "Increase public participation in community decision-making" as the first priority, making both issues rank below others such as "Develop a society where ideals count more than money", "Develop a friendlier and more humanistic society", and "Protecting the environment" (quoted in Ogden 2002: 123-124).

What have caused the above-mentioned characteristics of the Chinese culture and popular attitude that hinder political participation and civic activism? Scholars have explored different explanations. Lucian Pye tries to trace the psychological roots of China's political culture. Take "stoic fatalism" as an example, Pye suggests that the Chinese socialization process is responsible for this particular trait of its people. As Pye explains, from earliest childhood Chinese learn that they must accept the dictates of their parents without complaint and must not show the slightest aggression towards their parents whatever their private feelings. "Years of quiet obedience to paternal authority teach that it is usually best to display no emotions, accept fatalistically what is called for, and suppress one's anger" (Pye 1988: 56). Other scholars cited China's long tradition of Confucianism as contributing to many of its distinctive cultural attributes. For example, Hu (2000) describes how Confucianism as a state ideology has supported authoritarianism through such means as teaching the ruled to be loyal and obedient to their rulers and emphasizing the virtue of conformity and hierarchy. Many scholars also note the obvious effect of decades of frequent political campaigns and the state's pervasive control over society on mass political culture.

The nature of the political institutions in China offers another explanation for its people's political behaviour. As Shi (1997) argues, whereas the institutional arrangements in many societies make it difficult for ordinary citizens to influence policies at the implementation stage, thereby forcing them to pursue their interests

by targeting the agenda setting or policy formulation stages of the policy process, the institutional design in China is such that the reverse is true. In China, policies are usually not formulated in a precise form, and lower-echelon bureaucrats often enjoy considerable discretionary power in interpreting and implementing policies according to local situations. Such an institutional design induces people to focus on influencing the decisions of individual officials rather than the policy-making process itself in order to obtain the desired benefits from the government. This in turn encourages them to take individualized actions such as developing patron-client ties with officials or using *guanxi* (personal connections), which is often more cost-effective than investing in group-based political activities.

The Political Economy of Transitional China

Political economic studies of post-reform China have provided important insights for my analysis of NGOs. Particularly relevant are studies of private businesses and their relationship with the state, and studies of “state entrepreneurialism” and corruption in the reform era.

A detailed review of private business–state relations in China will be provided in Chapter 4. Here I briefly summarize the key findings of major studies. These studies conclude that the growth of private businesses in China has not led to the formation of a civil society that pushes for political change, as analyses and forecasts influenced by modernisation theory have posited. Instead, these studies find that private entrepreneurs operate by forging patron-client networks with state officials, who still control many vital resources and opportunities in China’s only partially marketized economy (see, e.g., Solinger 1992; Bruun 1993; Pieke 1995; Wank 1999). Private entrepreneurs depend on such networks to conduct their businesses. In other words, although reform has created a new social group that controls autonomous economic resources, this has not amounted to the rise of an

independent social force that is interested in reshaping the political system, thereby challenging the authority and domination of the state. The development of private businesses has not removed the dependence of societal actors on the state. It has only changed the forms of such dependence.

Reform has also brought changes to the Chinese state. In analysing the behaviour of state agencies in the new era, some scholars have developed the notion of “state entrepreneurialism” (or “entrepreneurial state”). It refers to the widespread phenomenon of state agencies engaging in business activities to make profits for themselves. As one study describes this phenomenon:

Since the late 1980s, but especially in the 1990s, individual departments across the state system have been setting up new profit-seeking, risk-taking businesses. These businesses vary from small trading companies that operate from the departments’ own premises, to large department stores and real estate development corporations. But all are invested in by those departments, and are staffed by former bureaucratic employees. Most importantly, their earnings are shared with their parent department (Duckett 1998: 3).

The businesses set up by state agencies may or may not be related to the regular administrative functions of the agencies. For example, Duckett’s (1998) study found that municipal and district real estate management bureaux in Tianjin had set up many real estate development companies since the mid-to-late 1980s, obviously capitalizing on their privileged access to land, which was still administratively rather than competitively allocated. On the other hand, these bureaux had also set up many other businesses, such as trading companies and department stores, which fell outside their bureaucratic sphere of action.

Although Duckett acknowledges that state entrepreneurialism often involves the exploitation of their bureaucratic power and position by state agencies, she argues that it is different from corruption, since the profits gained from such ventures go to

the state bureaux rather than to individual officials. This argument is tenuous at best. According to a study by Lin and Zhang (1999), state agencies use the profits generated by their businesses in three common ways, one of which is to share them among agency employees. This can take various forms, including bonus payments, free or subsidized consumer goods, the provision of housing and other communal facilities (e.g., canteens and cable TV), and group consumption (e.g., banquets, junkets, and entertainment). Therefore, at least some of the profits gained from state entrepreneurialism *do* go to individuals in the agencies. But instead of benefiting just the leaders of the agencies, the profits are shared among all the members. This often has the effect of muffling potential whistle-blowers. As one study of official corruption in China points out, corruption in the reform period takes place at both the individual and the organisational level. In the case of organisational corruption, "illicit actions are taken not by a single individual or by collusion among individuals, but by a public agency to achieve material gains for the agency as a whole through the use of its power." Arguably, organisational corruption has been one of the defining features of official corruption in the reform period (Lü 2000: 201, 193).

While the charge of corruption cannot be dismissed simply on the ground that state entrepreneurialism benefits entire agencies rather than selected individuals within them, not all entrepreneurial undertakings by state agencies are considered corruption by the central state. Lin and Zhang (1999) suggest that most such activities take place in the grey areas of law and regulation. Although state agencies use some of the proceeds to satisfy the private interests of their members, often they also use part of the profit to fill the gaps in budgetary allocation. In fact, originally state entrepreneurialism arose partly as a response to budgetary shortfalls commonly faced by state agencies. The tenacity of this phenomenon despite repeated attempts by the central state to contain it is also partly attributable to the fact that state agencies justify their entrepreneurial activities by using some of the

profits to finance their formal bureaucratic functions.

Dependent Autonomy: The Conceptual Framework of the Study

My analysis of Chinese NGOs has been informed by the concepts and theoretical issues introduced above. It is founded on separating two notions, autonomy and independence, which have been treated as interchangeable terms in studies of Chinese NGOs up to now. I suggest that making a distinction between them is in fact crucial to understanding Chinese NGOs. Chinese NGOs at the present time are best characterised as dependent on the state but being able to enjoy substantial autonomy of action. In exposing the dependence of NGOs on the state, I draw a parallel between NGOs and private businesses. I demonstrate how NGOs rely on various forms of support from the state to operate, just as private entrepreneurs rely on patronage-client ties with state agencies and officials to run their businesses. I point to the structural and institutional conditions of China in its current transitional state, which make the dependence of both NGOs and private businesses on the state inevitable.

In analysing the autonomy of Chinese NGOs, I link it to the behaviour and motivation of state agencies in the post-reform period. The transformation of the Chinese state as a result of the reforms has been one of the key issues of concern for China scholars. Most studies of the Chinese state under reform ask how the relative strength of central and local states and their relationship have changed. Many note a major weakening of the central government's ability to control local governments and officials and ensure their compliance with its policies. However, some scholars, notably those who developed the concept of state entrepreneurialism, take individual state agencies instead of the local state as a whole as their unit of analysis. They show that many state agencies have engaged in activities that primarily serve their own individual interest rather than the collective interest of the territorial

governments of which they are component parts and in the process may often compete with other state agencies. In other words, reforms have not only increased the autonomy of the local state taken as a whole but also increased the autonomy of individual state agencies. As I will demonstrate later, in many cases, the autonomy of Chinese NGOs, especially officially-organized NGOs, is a consequence of the increased autonomy of individual state agencies. Sometimes the autonomy of the former is best seen as the extension of the autonomy of the latter.

Although the general pattern of NGO-state relationship in contemporary China can be summarized in the notion of dependent autonomy, individual NGOs cannot automatically expect to receive a high level of support from the state or enjoy a high degree of autonomy. My research suggests that much depends on the skills of individual NGOs in “working the system” in order to maximize both the support from the state and their autonomy. Here the political culture and characteristics of political participation in China become particularly relevant. They provide the necessary background for understanding the skills and strategies of NGOs.

Throughout my analysis, I chart the divergence of interests, goals, and attitudes between different levels and agencies of the Chinese state. I also underscore the multiple divisions that exist within society, especially among constituents and staff of NGOs. Furthermore, I show that NGOs that have found a niche for themselves in contemporary China often represent the convergence of interest between segments of the state and society³⁹ and an emphasis on their inter-penetration constitute the basic analytical approach of this study.

³⁹ Recognizing that both the state and society are composite rather than unitary entities does not mean that we cannot talk about “state” and “society” any more. Disaggregating the state and society does not deny their existence, and emphasizing their inter-penetration does not deny the distinction between them. Therefore, throughout the thesis I will continue to use the terms “state” and “society”, especially where I am only interested in distinguishing them from each other. I shall use phrases like “state agencies” and “different social groups” when my emphasis is on the divisions within each realm.

Conclusion

While many foreign scholars have drawn inspiration from “macro” theories such as civil society and, in particular, corporatism, Chinese analysts are right to question their usefulness in interpreting the reality of Chinese NGOs. Most foreign researchers have in fact rejected the civil society paradigm, but corporatism seems to have captured the imagination of quite a few of them. Whether corporatism accurately describes the relationship between the state and the large number of business and trade associations that have come into being in the reform era is still in dispute, as attested by the papers of Yep and Foster. In any case, it would be very difficult to apply the concept of corporatism to other types of NGOs, such as foundations like the CYDF, social service organisations, or non-governmental research institutes, as corporatism is essentially about interest group politics. Even if it has some heuristic value in understanding business associations in contemporary China, it is hard to see how the concept can aid our study of NGOs in the classical sense, namely organisations working for social and economic development which may or may not be membership organisations.

Therefore, when it comes to analysing the actual behaviour of a diverse array of Chinese NGOs, the concepts proposed by Chinese researchers seem to be of more practical value. The idea of the dual nature of Chinese NGOs, for example, allows us to explore the roles played by both state and society in the development of NGOs. The distinctions between resources within the system and resources outside the system and between administrative and socialised modes of operation help to demonstrate some of the ways in which the dual nature of Chinese NGOs manifests itself. Finally, the different types of legitimacy suggest a framework for explaining why NGOs without legal status can still survive and even thrive in China despite the government’s attempt to eliminate such organisations.

Chinese researchers, however, have not undertaken the kind of institutional analysis exemplified by the works of Nevitt, Unger, and Wank. Such an approach recognises the multifarious interests, agendas, and perspectives within both state and society. It is the interactions of these diverse interests, agendas and perspectives rather than simple state-society confrontation or co-operation that constitute the basic environment for Chinese NGOs. Only by examining these interactions closely can we fully appreciate the complex nature of NGOs in contemporary China.

To study such interactions, I have developed a conceptual framework that is centred on the notion of dependent autonomy. In the following chapters, I will use this framework to analyse the empirical materials from my research.

3. The Autonomy of Chinese NGOs

Most scholars believe that Chinese NGOs lack autonomy. This is not only because the majority of them are “officially-organised NGOs”, and are therefore under government control, but also because even the limited number of “popular NGOs” are not able to enjoy full autonomy either. One only needs to look at the current “dual management system” (*shuangchong guanli tizhi*) for NGOs to realize it, the argument goes. Current regulations require every NGO to place itself under the “professional management” of a state organ with responsibilities in its area of work, in addition to being registered and vetted annually by Civil Affairs departments. The professional management agency holds a wide range of responsibilities, including supervising the NGO’s “ideological work”, financial and personnel management, research activities, contacts with foreign organisations, and the reception and use of donations from overseas (Ministry of Civil Affairs 2000; State Council 1998a, 1998b). NGOs that do not comply with the dual management requirement are outlawed. Therefore, as one Chinese researcher summarizes the situation: the current legal framework ensures that no fully autonomous NGO can lawfully exist in China (Kang 1999b: 222).

Although the sector as a whole lacks autonomy, experts generally believe that certain types of NGOs are more autonomous than others. The consensus of researchers and practitioners divides Chinese NGOs into two broad categories: the officially-organised or “top-down” NGOs, and the popular or “bottom-up” NGOs. Top-down NGOs are less autonomous than bottom-up ones, since they are initiated by the government and receive government funding, and many of their staff are actually government employees seconded from administrative agencies or service units.

The belief that Chinese NGOs, particularly officially-organised NGOs, suffer from a

lack of autonomy is in fact based on two false equations. First, policy is equated with actual practice. Second, government support and the commitment of its resources are equated with control. Both equations do not bear scrutiny. Through the dual management system the intent of the state is apparently to hold the NGO sector on a tight leash, but this does not mean that the state always effectively enforces its policy. Similarly, just because an NGO is launched by a government agency with government resources does not mean that it will not find ways to pursue its own independent agenda. In this chapter, I first use some examples of officially-organised NGOs to demonstrate that contrary to common beliefs, autonomy is not necessarily a practical issue with Chinese NGOs. Then I discuss whether popular NGOs are indeed more autonomous than officially-organised NGOs.

3.1 Officially-organised NGOs

The Case of China Youth Development Foundation (CYDF)

The CYDF has undoubtedly been the most thoroughly studied NGO in China, thanks to its interest in sponsoring research on NGOs and its willingness to allow itself to be used as a case study. The CYDF's pedigree as a top-down NGO is indisputable. It is registered with the Ministry of Civil Affairs as a social organisation⁴⁰, but it also has the status of a service unit under the Communist Youth League's Central Committee.⁴¹ Before launching the CYDF, the Youth League

⁴⁰ Foundations are currently registered as social organisations even though they are not membership organisations. All the regulations concerning social organisations apply to foundations. In addition, they are also subject to the approval and oversight by the People's Bank of China. It has therefore been said that foundations are placed under a "triple management system".

⁴¹ This fact is not well-known. As was explained in Chapter 1, social organisations and service units are two different types of organisations. The latter are state-owned organisations which are by definition not NGOs, therefore for an organisation to be an NGO and a service unit at the same time is extremely confusing. Yet the CYDF's situation is not that unique when one thinks of the variety of legal status Chinese NGOs can have at present despite the existence of regulations which clearly stipulate what they should and should not be. Even more confusing than the

first sought and obtained approval from the Party's Central Committee. It also asked the Secretariat of the Party's Central Committee to let one of its members serve as the honorary chairman of the CYDF's board of directors, to which the Party's Central Committee consented (Kang 1997: 89-90). The Youth League provided the CYDF with its initial registered fund of 100,000 *yuan*, its initial operational cost, and office space. Above all, the Youth League supplied the CYDF's first staff from its own pool of cadres (Guo, Yang and Ying 1999). The nature of the relationship between the CYDF and the Youth League is perhaps best captured in the words of the CYDF's general secretary, Xu Yongguang, who jokingly called the CYDF "the son of the Youth League's Central Committee" (Kang 1997: 253).

Given the highly top-down nature of the CYDF, one would expect to find a lame-duck organisation under the tight grip of the state which must constantly follow the cue of its supervisory agency, the Youth League. Instead, the studies of the CYDF uncovered significant evidence of the organisation's remarkable autonomy in pursuing its own goals. To cite just a few examples: In 1991, just when the CYDF was trying to develop a nation-wide organisational network to implement its trademark programme, Project Hope, the Party's Central Committee and the State Council jointly issued a directive ordering an overhaul of all existing Chinese foundations and a temporary halt to the approval of new ones. The directive also stipulated that national foundations are not allowed to set up local branches. The CYDF, however, continued to push forward the establishment of Project Hope local operations but told them to call themselves Project Hope local "funds" instead of "foundations". The CYDF's general secretary claimed that a foundation was an organisation whereas a fund was just a sum of money, so the creation of local "funds" was not a breach of the directive (Kang 1997: 445-446; Zhou

CYDF's dual status is the fact that the Youth League itself, which is supposedly a social organisation, can have a service unit under it. This helps to demonstrate the unique status of mass organisations, which are actually not very different from government agencies and are indeed treated as such rather than as NGOs by the state.

and Chen 1999: 212).

A further example occurred in 1993 when the CYDF entered into barter contracts using karaoke machines donated by the Dutch electronics company Philips. The CYDF decided to set up an information management system which would connect its headquarters in Beijing and the provincial Project Hope offices through a computer network. However, it did not have the money to purchase the many computers and other equipment necessary for the network. Thereupon the person in charge of setting up the network suggested giving some of the karaoke machines to a couple of computer companies in exchange for the needed computers and the other network equipment. At the time there was a government regulation which forbade foundations to sell goods donated to them by foreign companies or individuals. The CYDF person knew that the computer companies would sell their karaoke machines, therefore the barter with them would result in a violation of the regulation. Nevertheless it was carried out. The CYDF person took the precaution of signing the contract with the computer companies himself on behalf of the directors of the CYDF, so, should the incident be investigated by the government later, he could claim that the directors did not know about it. In this way the CYDF would be sheltered from the potential risk of the transaction. Fortunately no investigation occurred and the government regulation was later modified to allow the exchange and sale of donated goods (Kang 1997: 167).

The final example concerns the CYDF's handling of the sensitive issue of educational deprivation amongst poor rural children when it first launched Project Hope, which aims at raising money from the public to help poor children to attend school. Project Hope was launched in October 1989, at a time when exposing the so-called "dark side" of the country, such as poverty and educational deprivation, still carried some political risk. October 1, 1989 was the 40th anniversary of the founding of the People's Republic of China. Furthermore, the country had just gone

through a major episode of political turmoil in the early summer of that year. Therefore, the Party had asked the media to concentrate on reporting the achievements of the country in the past 40 years. To raise money from the public, however, the CYDF would need to stress the fact that many Chinese children were still unable to receive basic education owing to poverty. Under the circumstances, the CYDF calculated that if it asked the Youth League for permission to organise a press conference to launch Project Hope, as was the normal practice, the Youth League might refuse to give its approval, which might result in the whole project being nipped in the bud. Consequently, instead of organising a press conference first, the CYDF printed 500,000 copies of a letter of appeal and sent it to enterprises all over the country asking them to donate money to Project Hope. As Xu Yongguang, the general secretary of the CYDF, described this move: "By sending out the letter we achieved a *fait accompli*. We have already created the 'trouble', now what can you do about it?" (Sun *et al* 1999: 35) As it happened, nobody did anything about it and everybody went along with the CYDF's plan. Three weeks after sending out the letter the CYDF held a press conference to officially launch Project Hope, which was attended by all the major news media in China (Sun *et al* 1999: 34-35; Guo, Yang and Ying 1999: 20-22; Kang 1997: 98-99).

These three examples suggest that NGOs can often find ways to get round the rules laid down by the state in the pursuit of their own agendas and they may even defy government policies and regulations with impunity. As Xu Yongguang once said to the CYDF's staff: "We will play 'edge ball' to do even the things which should be done but which we are not allowed to do, let alone the things which nobody has explicitly said that we cannot do." (Kang 1997: 100) Given that the dual management system puts NGOs under the direct supervision of their "professional management units", at this point one might think that for an NGO to get round some minor state regulations is one thing, but to evade the control of its professional management unit is another thing, especially in the case of an NGO like the CYDF

which only came into existence because its professional management unit used its own resources to launch it. So, does the CYDF have to take its orders from the Youth League? The following examples will help to illustrate the relationship between the two.

The various studies of the CYDF have all concluded that an important factor behind its success is that it has a very enlightened professional management unit which has allowed it to conduct its own business with minimal interference. The CYDF has been able to choose its own staff from the very beginning. The Youth League's Central Committee only assigned one of its staff members to the CYDF in the eleven years since its inception, and the assignment was in fact made at the request of the CYDF. It happened when the Central Committee set up a Project Hope Supervisory Office to monitor the use of the funds raised by the CYDF. The idea of creating a supervisory office was actually the CYDF's. According to Xu Yongguang, when the CYDF first put the idea to the Central Committee, the response was: All right, why don't you just set up this office yourself? One of your deputy general secretaries can serve as the director of this office. The CYDF then insisted that the supervisory office should appear to have been created by the Central Committee. As Xu Yongguang said to the Central Committee: "Even if this is just making a show, you should at least make it look genuine." Thereupon the Central Committee appointed one of its staff members the director of the Project Hope Supervisory Office, but this person was in fact chosen by the CYDF first. The Central Committee put together a list of recommended candidates for the job, from which the CYDF picked the person it wanted.⁴²

Not only was the Supervisory Office created at the suggestion of the CYDF, but it was also hosted in the CYDF's office⁴³ rather than the office of the Youth League.

⁴² Interview with Xu Yongguang, 8 November 2001.

⁴³ The CYDF was initially given an office in the office building of the Youth League's Central Committee. By the time the Supervisory Office was set up, the CYDF had moved out of the

Furthermore, except for the first year, the entire outlay of the Supervisory Office (including the salaries and welfare benefits of its staff) was paid by the CYDF instead of the Youth League's Central Committee (Kang 1997: 160). When the Central Committee-appointed director of the Supervisory Office was interviewed, he spoke enthusiastically about the great opportunities the CYDF offered its staff, all the while referring to it as "our organisation". As the interviewers concluded, he completely saw himself as a member of the CYDF instead of a supervisor from the outside (Guo, Yang and Ying 1999: 265). Putting these facts about the Supervisory Office together, one can hardly conclude that the Youth League has tried to place the CYDF's financial operation under close supervision.

As soon as it was set up, the CYDF submitted a written request to the Youth League's Central Committee for permission to take advantage of the Youth League's organisational resources to raise funds. The Central Committee agreed and promptly asked all its departments and subsidiary units to actively support the CYDF's work. In its early years the CYDF relied entirely on the Youth League's nation-wide network to implement Project Hope. With its meagre initial resources, the CYDF was only able to hold the first Project Hope national conference by "getting a lift" in a Youth League national conference, i.e. by making the Project Hope meeting part of the agenda of the Youth League conference. At that conference, the Youth League's Central Committee asked the Young Peasants section of the Youth League at all levels to assist the CYDF with implementing Project Hope in their own areas. In his speech the director of the Central Committee's Young Peasants Department told cadres in local-level departments that they should make Project Hope-related work part of their routine job and combine it with the Youth League's other work in poverty-stricken areas (Sun *et al* 1999: 46). Because the CYDF depended so much on the Youth League's network,

Central Committee's building, but its new office was also an estate owned by the Central Committee. The CYDF was allowed to use it for free. (Guo, Yang and Ying 1999: 126; Kang 1999b: 223).

which was mobilised by commands from the Central Committee, many local Youth League branches thought the right to use the name of Project Hope belong to the Youth League's Central Committee. This meant they did not need to seek the approval of the CYDF if they decided to carry out activities in the name of Project Hope. Feeling that its ownership of Project Hope was being challenged, the CYDF then began to assert that Project Hope belonged to it, not the Youth League's Central Committee, and the CYDF and the Central Committee were not the same thing (Zhou and Chen 1999: 210-211).

To counter the challenge to its ownership of Project Hope from the Youth League's local branches, the CYDF promoted the establishment of local Project Hope funds to be managed by specialised offices separate from local Youth League committees. Eventually every province set up such an organisation.⁴⁴ These organisations are still under the aegis of provincial Youth League committees, just as the CYDF is under the aegis of the Youth League's Central Committee, but at least they have independent identities. Since government regulations prohibit national foundations from setting up local branches, the provincial Project Hope Fund management offices all have independent legal status and are not subsidiaries of the CYDF, but the CYDF has managed to gain some control over the provincial organisations on the basis of its ownership of Project Hope. The CYDF argued that the local Project Hope Funds were all part of the national Project Hope Fund, and should therefore be subjected to the overall supervision of the CYDF (Kang 1997; Sun *et al* 1999).

Throughout the CYDF's wrestling with local Youth League committees for control over Project Hope, the Youth League's Central Committee consistently took the side of the CYDF rather than that of its local branches. At crucial moments, the CYDF always asked the Central Committee to put pressure on local branches to yield to its

⁴⁴ Most of the provincial organisations are also called Youth Development Foundation, but some of them have taken on other names, such as Project Hope Office.

wishes, and the Central Committee never failed to oblige it. Because the Young Peasants departments of the Youth League at local levels had initially been responsible for implementing Project Hope, they were reluctant to hand over the operations to the specialised Project Hope Fund offices set up later, but the Central Committee stood behind the CYDF and the Young Peasants departments were edged out. Next, the CYDF wanted to have a say in the appointment of local Project Hope Fund managers. Originally it was the provincial Youth League committees which appointed the managers, but the CYDF demanded to share the authority with provincial Youth League committees. Again the Central Committee lent its support to the CYDF (Kang 1997; Sun *et al* 1999).

So far we can see that the relationship between the CYDF and the Youth League's Central Committee is hardly one in which the professional management agency dominates the NGO, denying it its autonomy. On the contrary, we see the NGO gradually strengthening itself using the resources of its professional management agency. Perhaps most illuminating is what Xu Yongguang, who founded the CYDF, said in my interview with him. He confirmed that initially the CYDF relied heavily on various support from the Youth League's Central Committee. Drawing from the CYDF's experience, he advised Chinese NGOs to make good use of government resources at the beginning, then to pay more attention to "developing their individualities" later. As Xu Yongguang sees it, after their initial reliance on government resources, NGOs should take care to gradually "grow their own wings". Once they have "grown their own wings", NGOs will gain more independence, and more independence will lead to a stronger bargaining position vis-à-vis the government. Although the current legal framework is not ideal, Xu Yongguang believes that it is still possible for NGOs to develop their autonomy.⁴⁵ It was very interesting to hear Xu Yongguang discuss how the CYDF intended to repay its generous patron, the Youth League's Central Committee, which had

⁴⁵ Interview with Xu Yongguang, 8 November 2001.

allowed it to grow its own wings. By the CYDF's own admission, the Central Committee has never tried to place its people in the CYDF. One important reason seems to be that the Central Committee has been very satisfied with the CYDF's current management team. However, what if the Central Committee refuses to endorse the CYDF's choice of leaders in the future when the current ones leave? What if the Central Committee tries to send its own choice of replacements?⁴⁶ According to Xu Yongguang, the CYDF should then be prepared to "play a dirty trick" on the Central Committee by using the board of directors against it. The CYDF's board of directors has never had a real say in its affairs. However, nominally it is the highest decision-making body of the CYDF (Kang 1997: 157). The chairperson of the board has always been a Central Committee official, but most of the board members appear to have been picked by the CYDF itself. If the Central Committee tries to appoint its candidates to the CYDF's chief managerial positions in the future, the CYDF would simply ask the board of directors to veto them. As Xu Yongguang said confidently: "The directors of the board will definitely follow our command."⁴⁷

Should this happen, it would not be the first time that the CYDF has played a trick on the Central Committee. During the interview Xu Yongguang also told another story of how the CYDF tried to minimise the Central Committee's supervision of its personnel. The CYDF was supposed to report to the Central Committee the appointment of all its department heads for the record. To avoid doing this, the CYDF abolished all the departments and reorganised them into seven "centres" and one general office instead. Afterwards it no longer had to report the appointment of its new middle-level managers to the Central Committee, as there would be no

⁴⁶ So far the top management positions of the CYDF have all been held by former Youth League cadres like Xu Yongguang, who have retained their status as Youth League employees. This means that although the Youth League no longer pays their salaries, if the CYDF ceases to exist, the Youth League will be under obligation to find other jobs for them.

⁴⁷ Interview with Xu Yongguang, 8 November 2001.

more new department heads.⁴⁸

From the CYDF's experience we can see that Chinese NGOs indeed face many restrictions on their autonomous development. However, the CYDF case shows that far from passive victims of state stricture, NGOs can be skilful operators who adapt themselves well to this environment. They can find ways to overcome the restrictions on their autonomy and even use the state's resources for their own purposes. But perhaps the CYDF is a unique case? What about other officially-organised NGOs? Have they been equally able to enjoy significant de facto autonomy and to "grow their own wings"? The following section looks at the experience of some other officially-organised NGOs.

Other Cases of Officially-organised NGOs

We start with the most "official" of all NGOs, the mass organisations.⁴⁹ While studying associations in China, Unger and Chan discovered a strategy which mass organisations had been using to gain more freedom from state oversight. The strategy was to sponsor other NGOs to do things that were inconvenient for the mass organisations to do themselves. It is worth quoting here two examples which Unger and Chan came across:

The All-China Federation of Industry and Commerce is currently engaged, as a deliberate strategy, in establishing other associations that will come under its umbrella. With the Federation as intermediary, these new organisations will be one degree further removed from direct government intervention, both local and state. In June 1993, as just one example, it sponsored the establishment of a national Private Enterprise Research Association. The inaugural convention in Taiyuan, Shanxi, was financed by wealthy Shanxi entrepreneurs and brought together

⁴⁸ Interview with Xu Yongguang, 8 November 2001.

⁴⁹ As noted earlier (Chapter 1, footnote 12), conventionally mass organisations are covered by studies of Chinese NGOs. That is why in this section I include mass organizations in my discussion. In terms of their functions, the status they enjoy, and the way they operate, mass organisations would in fact be more accurately described as state agencies than as NGOs.

wealthy businesspeople and Federation officials from throughout the country, along with some sympathetic central government officials. Under the Federation's auspices, in the guise of this "research" association, new direct cross-provincial organisational linkages among the businesspeople are being cemented, overleaping regional governmental administrations (Unger and Chan 1996: 116).

In a similar vein the Shanghai municipal trade union federation has sought to establish a financially independent research association, with the intent that it would lobby for workers' rights to an extent that the union federation as a government-aligned organ cannot. We were told by Shanghai union leaders in mid-1993 that the explicit strategy is to create an intervening layer of sponsorship so as to buffer the new association from the municipal and national governments' writ (Unger and Chan 1996: 117).

Some subsidiary organisations sponsored by mass organisations have acted with little restraint until the situation got out of hand. For example, a subsidiary of the China Science and Technology Association, China Scientific and Technological Development Foundation, turned itself into an illicit bank by accepting deposits and making out loans, until it lost millions of *yuan*. Its cashier was arrested while trying to flee the country after embezzling over eight million *yuan*. A person who carried out political activities considered potentially subversive by the government was found to be using an NGO for his cause. When the authorities investigated the case, they expected to find the NGO an unregistered, hence illegal, organisation, so that the person could be found guilty on that ground, but the organisation turned out to be a legitimate NGO as it was a subsidiary organisation of the China Federation of Literary and Art Circles. The person was able to make the Federation sponsor his NGO because he enjoyed good personal relations with a deputy president of the Federation.⁵⁰

Mass organisations are not the only officially-organised NGOs that have engaged in sponsoring subsidiary NGOs. The practice has been widespread among other

⁵⁰ Cases of lax government supervision of NGOs resulting in big problems cited by the director of the Popular Organisation Management Bureau (POMB), Ministry of Civil Affairs, in a lecture at Tsinghua University, Beijing, on 10 January 2000.

officially-organised NGOs as well, a phenomenon described by Civil Affairs officials as “big social organisations approving small social organisations” (*da shetuan pi xiao shetuan*). Some NGOs that were unable to register as independent organisations because they failed to satisfy some of the registration prerequisites had followed the strategy of “hanging under” (*guakao*) registered NGOs as second-level organisations. Some second-level NGOs went on to sponsor third-level NGOs, until in extreme cases fifth-level NGOs had been found existing (Chen 1997: 25). The host NGOs usually charge a “management fee” for providing the sponsorship. Once they have collected the fees, however, many host organisations are not interested in monitoring the activities of the NGOs they sponsor, leaving them to enjoy complete operational freedom.⁵¹ To plug this loophole in its NGO management regime, the new government regulation of 1998 stipulated that NGOs’ subsidiaries would also need to be approved by both their professional management units and Civil Affairs departments. A 1999 document jointly issued by the Party’s Central Committee and the State Council on strengthening the management of NGOs further ordered a clean-up of all existing subsidiaries of NGOs.⁵² However, when I interviewed the director of a national-level officially-organised NGO in 2000, he revealed that he was still allowing a few second-level NGOs under his organisation to operate, even though the ministry which was the professional management unit of his organisation did not approve them. As this director said: “After all we are former officials of the ministry, so we are not afraid of being punished by the ministry. Besides, I think these NGOs are doing good things. As long as they are doing good things, I am not afraid of providing protection for them.”⁵³

Officially-organised NGOs can sometimes be so unafraid of their professional

⁵¹ Interview with a Chinese NGO researcher, 17 June 2002.

⁵² The 1999 document was for internal circulation within the Party and the government only, so its full content is not in the public domain, but I have heard some of its specific stipulations from government officials on various occasions.

⁵³ Interview, 7 March 2000.

management units that they even try to fire them. An interesting case concerns the China Flowers and Plants Association, which was an NGO under the Ministry of Agriculture. The association was very successful in achieving financial self-sufficiency and in fact had a net income of around six million *yuan* each year, part of which it seems that the Ministry of Agriculture took away. The association wanted to break away from the Ministry and have the Central Afforestation (Greening) Committee serve as its professional management unit instead. For that purpose it obtained the approval of a Vice Premier of the State Council. Unwilling to lose this profitable subsidiary, the Ministry of Agriculture protested to the Premier. The ruling of the Premier obviously balanced all the different interests as well as saved everybody's face: the association would be allowed to go to the Afforestation Committee first. Then, after two months, its professional management unit should be changed again into the Ministry of Forestry.⁵⁴

The story of the China Flowers and Plants Association demonstrates that professional management units are not always able to control the NGOs nominally under their supervision. In this case, at least the professional management unit had tried to control the NGO. In other cases, possibly because they can derive no concrete benefit, professional management units show no appetite for controlling the NGOs under their sponsorship and indeed neglect their supervisory duties. In one example, the China Life Science Society sponsored some *qigong* practices that nearly resulted in *Falun Gong*⁵⁵ style troubles for the government. When the central government investigated the Society afterwards, its professional management unit, the National Environment Protection Agency (NEPA), and the Ministry of Civil

⁵⁴ Lecture by the director of the POMB, 10 January 2000.

⁵⁵ *Falun Gong* is a *qigong* related sect that took the government by surprise when 10,000 of its followers surrounded the headquarters of the state apparatus in central Beijing for 13 hours on 25 April 1999 to protest against some criticism of its practice in the media. The government subsequently launched a nationwide crackdown on *Falun Gong* and eventually banned it as "an evil cult." The *Falun Gong* incident reminded the government that it had not maintained effective control over the activities of non-government organisations, hence its effort to tighten the registration and supervision of NGOs after the incident.

Affairs (MCA) both tried to shirk responsibility. The NEPA pointed out that it had sent a letter to the MCA the year before stating that it no longer wished to be the Society's professional management unit, but it never received a reply from the MCA. The MCA responded that according to current NGO regulations, as long as no new sponsor had been officially approved, the existing professional management unit must assume full responsibility for an NGO's activities. Otherwise, it argued, government agencies would all shift the blame onto others once the NGOs under their supervision had made trouble.⁵⁶

This case is apparently not unique. In a 1999 speech, a vice minister of civil affairs acknowledged that weak government oversight of NGOs had often been the result of NGOs' professional management units and civil affairs departments trying to pass the buck to each other rather than working together.⁵⁷ Maintaining effective control over NGOs has in fact been a constant challenge for the state. The many cases of officially-organised NGOs "violating law and discipline" (*weifa weiji*) which are discovered every time the state launches a "clean up and rectification" (*qingli zhengdun*) campaign to improve order in the sector prove that many officially-organised NGOs have been able to enjoy remarkable autonomy. The following is an amusing example: the China Cadre Education Association, an NGO under the Party's Central Academy, was found to have engaged in illegal fund-raising. The members of the association were all veteran cadres who took part in the Red Army's Long March in 1934-1935. They sent a document on a red letterhead (*hongtou wenjian*)⁵⁸ to Heilongjiang Province in which they asked for five million *yuan* to build a Long March memorial and claimed that their action had been approved by Jiang Zemin, the leader of the Party, himself. In fact, what happened was that members of the association were present at a function to commemorate the

⁵⁶ Lecture by the director of the POMB, 10 January 2000.

⁵⁷ "The Concluding Speech by the Vice Minister of Civil Affairs Xu Ruixing at the Meeting on Strengthening the Management of Popular Organizations, 8 December 1999".

⁵⁸ Red letterheads are used for official documents and indicate that they contain direct orders or information from the government.

Long March which was attended by Mr. Jiang. At one point, when Mr. Jiang was moving around the crowd to greet people, he stopped to shake hands with a member of the association. The person seized the opportunity to say something like: "Mr. General Secretary, we are going to build a memorial to commemorate the Long March." Not knowing what the person was talking about and with no time to find out, Mr. Jiang merely nodded politely and said "good, good" before moving on. On the basis of this brief encounter between Mr. Jiang and its member, however, the association subsequently claimed that Mr. Jiang had been personally informed of the project and had given it his blessing.⁵⁹

The China Cadre Education Association appears to be a typical example of the so-called "retired officials reemployment project" (*laoganbu zaijiu ye gongcheng*), a sarcastic reference to the phenomenon of NGOs being created to allow retired officials to continue to enjoy some influence as well as extra income. Sometimes incumbent officials set up NGOs shortly before they are due to retire, so that they can move to leadership positions in the NGOs afterwards. Some of these NGOs are mainly used for the personal gains of the retired officials. For example, they hold annual meetings in tourist attractions so that they can enjoy a free holiday. They also use these NGOs to reimburse their expenses on foreign trips. Relying on their seniority, some of these former officials even refuse to allow civil affairs departments to exercise their supervisory authority over the NGOs they control, causing the departments a big headache.⁶⁰

Sometimes retired officials may not be involved in NGOs directly, but may use their influence to protect unregistered NGOs or to help NGOs that do not meet the requirements to register. Needless to say, retired officials are not the only ones who practise favouritism. Incumbent officials also use their influence and authority to

⁵⁹ Lecture by the director of the POMB, 10 January 2000.

⁶⁰ Lecture by the director of the POMB, 10 January 2000.

shield NGOs which enjoy special relations with them (Chen 1997). As the director of the Ministry of Civil Affairs' Popular Organisation Management Bureau (POMB) complained, these officials irresponsibly intervene on behalf of problematic NGOs to enable them to be set up, but later, when these NGOs get into trouble, they try to shift the blame onto others.⁶¹ The problem of officials ignoring the rules while helping their friends has been so widespread that the 1999 directive jointly issued by the Party's Central Committee and the State Council specifically warned all Party and government officials to abide by laws and regulations and not to interfere in the state's management of NGOs. The 1999 document also made it clear that in future if NGOs were caught engaging in illegal activities, not only would their managers be punished, but their professional management units would be held responsible as well.⁶² The threat to punish NGOs' professional management units is itself a proof that the state has not been able to subject NGOs to effective control even though it has installed the dual management system which on paper appears to leave NGOs with very limited autonomy.

Reasons for the De Facto Autonomy of Officially-organised NGOs

From the various cases mentioned above we can see that how much de facto autonomy NGOs can enjoy is directly related to the state's ability to enforce its policies in this area, which can be undermined by many factors. The aforementioned cases reveal a few factors: first, the ability of individual officials to interfere in the implementation of government regulations on behalf of the NGOs they patronise, which has led Civil Affairs officials to lament that in NGO management "rule of men" (*renzhi*) had been more prevalent than "rule of law" (*fazhi*) (Wu and Chen 1996: 36); second, NGOs' financial independence. When NGOs do not need government funding but contribute to the coffers of their

⁶¹ Lecture, 10 January 2000.

⁶² Lecture by the director of the POMB, 10 January 2000.

supervisory agencies instead, they are usually in a good position to negotiate more autonomy for themselves. Third, whether NGOs' professional management units take their supervisory responsibilities seriously. If a government agency neither stands to gain nor to lose from the operation of the NGO under its supervision, it may feel no incentive to carefully monitor the NGO's activities. Finally, the special relationship between many officially-organised NGOs and their supervisory agencies. Many officially-organised NGOs were created by the very state agencies which serve as their professional management units while their directors were former officials in the agencies. Consequently they are often trusted and given a free hand rather than tightly controlled by the agencies. This is a point which seems to have been missed by researchers on Chinese NGOs up to now. Compared with popular NGOs, officially-organised NGOs tend to possess better bureaucratic connections, higher status, and superior knowledge of the way the state machinery operates. As a result, they are usually in a better position to manipulate rules and regulations in order to enjoy more autonomy. They are also less afraid of defying the authority of government agencies than popular NGOs. Xu Yongguang once described the CYDF as an NGO "of high birth" (Fang and Wang 2001: 421). It should not be very surprising if such NGOs are more likely to be their own masters than NGOs of lower birth.

To examine further the reasons for the de facto autonomy of officially-organised NGOs it is worth returning to the case of the CYDF. At the moment, what mainly determines the autonomy of an NGO is its relationship with its professional management unit, as the latter is the linchpin of the current NGO management regime. We saw earlier that the CYDF has been given a rather free hand by its professional management unit, the Communist Youth League's Central Committee. Why has the Central Committee been so indulgent? The explanation begins with the leader of the CYDF, Xu Yongguang. He was director of the Central Committee's Organisation Department before leaving to set up the CYDF. It was a key position in

the Youth League as the Organisation Department is in charge of personnel appointments. Xu Yongguang was also one of the longest-serving cadres of the Central Committee, having worked there since 1978. Because of his long association with the Central Committee, Xu Yongguang is both “trusted and respected” by it.⁶³ Furthermore, his deputies are also former Youth League cadres. This is an important reason why the Central Committee has adopted a hands-off approach towards the CYDF.

The CYDF’s considerable autonomy is also based on its financial independence. When the CYDF was first set up, government regulations required that foundations should have an initial registered fund of at least 100,000 *yuan*, so the Youth League’s Central Committee gave the CYDF 100,000 *yuan*, plus another 10,000 *yuan* for operational costs. Since then the CYDF has survived on its own. As of June 30, 1999, it had raised a total of 1.78 billion *yuan* under Project Hope,⁶⁴ which makes the financial contribution from the Youth League negligible. The importance of financial independence in deciding the relative autonomy of an organisation is not just demonstrated by the relationship between the CYDF and the Central Committee, it can also be seen from the relationship between provincial Project Hope Fund offices and provincial Youth League committees. The fundraising record of provincial Project Hope Fund offices varies considerably from one place to another. In the provinces where they are more successful, the provincial Youth League committees have had a difficult time bringing them to heel. As a CYDF person put it: “When the Youth League committees cannot hold the purse strings, they cannot hold much else either.” (Guo, Yang and Ying 1999: 285). In contrast, in the provinces where the Project Hope Fund offices have been less successful in fundraising, “probably the salaries of their staff are still dependent on the Youth League committees”, consequently these organisations have not been able to ignore

⁶³ Interview with Xu Yongguang, 8 November 2001.

⁶⁴ From the CYDF’s fact sheets.

the command of the Youth League committees (Guo, Yang and Ying 1999: 285).

As it achieved its enormous fundraising success, the CYDF made sure that the Youth League would share the reward of that success. During its first year of existence, the CYDF funded various activities organised by both the Central Committee and grassroots Youth League organisations. In its second year, the CYDF received a donation of over 10,000 sets of audio-visual equipment from the Philips Company, which it gave to the Youth League's local branches as well as Youth League committees in all the central government ministries. Presenting these gifts to Youth League committees in the central government proved to be a particularly clever move, as it endeared the CYDF to some very useful friends who were able to render it highly valuable service later. For example, these Youth League committees helped to mobilise support for Project Hope and the CYDF within their own ministries, including asking their ministers to write inscriptions for the CYDF (Kang 1997: 116-118). In subsequent years, as Project Hope got into full steam, the CYDF distributed the money it raised through the Youth League's organisational network. Even though ensuring the money was used to build schools, purchase teaching aids, and pay the school fees for poor students in poverty-stricken areas means a lot of hard work, the Youth League's local branches all appreciated the job as it involved spending money after all, which meant more power and influence to them. In addition to letting the Youth League distribute Project Hope funds⁶⁵, the CYDF also continued to support Youth League projects. For example, after raising the money to equip 10,000 rural primary schools with a "Project Hope Library", the CYDF decided that in choosing the beneficiaries it would give priority to its own Project Hope schools as well as schools targeted by the Central Committee's project "Servicing Ten Thousand Villages" (Kang 1997: 190).

⁶⁵ As mentioned earlier, the CYDF benefited enormously from this arrangement as well. Since it does not have a nation-wide organisational network of its own, the CYDF needs the help of the Youth League to run an operation that extends all over the country.

The benefit which the Youth League has derived from the success of Project Hope is not confined to economic gains. Equally important are the political gains. In the first few years, despite the huge fame which Project Hope rapidly acquired, Xu Yongguang deliberately kept a low profile for the CYDF, always pushing the Youth League into the limelight instead, so much so that most people thought Project Hope was run by the Youth League, very few people had actually heard about the CYDF (Kang 1997; Guo, Yang and Ying 1999). Project Hope greatly enhanced the public image of the Youth League. It also enabled Youth League cadres to present more achievements to their superiors. As a provincial Youth League cadre said in an interview:

When the general secretary of the provincial Youth League committee goes to see the general secretary of the provincial Party committee, the general secretary of the Party committee is pleased whenever Project Hope is brought up says: "You have done a good job with Project Hope." So the general secretary of the Youth League committee feels honoured. When the general secretary of the Party committee tries to name the achievements of the Youth League, the only thing he can think of is Project Hope. He does not remember any other work which the Youth League has done (Sun *et al* 1999: 120).

More achievements have meant better chances of promotion for Youth League cadres. Research shows that many Youth League cadres who were associated with successful Project Hope operations have been promoted to high positions in the Party and the government after leaving the Youth League (Sun *et al* 1999: 120-121; Guo, Yang and Ying 1999: 28-29). Youth League cadres do not stay with the League for life, as it is after all a youth organisation, so sooner or later they are reassigned jobs in the Party or the government. Exactly what kind of job a person can have upon leaving the Youth League depends very much on the individual's track record as a Youth League cadre, therefore Project Hope has provided a big boost to the careers of many Youth League cadres.

As we have seen, the Youth League trusts the CYDF because of the personnel connections. The CYDF costs it nothing while continuously brings it huge economic and political benefit. Individual Youth League cadres have also been rewarded for supporting the CYDF's work. Under the circumstance, there is no reason why the Youth League should not let the CYDF have as much autonomy as possible. With the Youth League firmly on its side, the CYDF also successfully foiled potential challenge to its autonomy from other quarters, especially the education and propaganda departments of the Party and the government.

The Ministry of Education was upset first by the CYDF's fundraising techniques then the fame of Project Hope. To mobilise public donations to Project Hope, the CYDF graphically portrayed the poverty and educational deprivation suffered by many rural children, which cast a bad light on the work of the Ministry of Education. Whenever the education departments release their statistics, they always show high school attendance and retention rates. When the CYDF goes to the press, on the other hand, it always emphasizes the large number of children who are unable to attend school. In other words, the CYDF's publicity materials often contradict the claims of education departments, which have resulted in many frictions between the two. Officials in the Party's Propaganda Department have also been offended by the CYDF's fundraising campaigns⁶⁶, as the problems it exposed not only embarrassed education departments, they could by extension cause embarrassment to the entire government. On one National Teachers' Day, the Central Television Station showed a documentary film which it had made jointly with the CYDF about the educational condition in poor regions of the country. A high-ranking official saw the film and thought the impression it created was that "teachers are miserable while students are helpless." Consequently he sent some subordinates to the Youth League's Central Committee to "have an exchange of views" and to give them a presentation on the government's achievements in promoting basic education in

⁶⁶ Interview with Xu Yongguang, 8 November 2001.

recent years. CYDF staff sarcastically refer to this kind of incident as being “given a lesson” (Guo, Yang and Ying 1999: 30). In later years, as the government became more and more open about the tremendous development challenges still facing the country, the CYDF’s elaboration of poverty and educational deprivation was no longer a big offence to the Ministry of Education, but Project Hope became so famous that it completely overshadowed the work of education departments. Education officials felt unfairly upstaged since the government’s annual education budget was more than 160 billion *yuan* whereas the money raised by the CYDF was only about 0.1 billion *yuan* each year. Yet everybody talked about the achievements of Project Hope as if the important work was all done by it (Guo, Yang and Ying 1999; Sun *et al* 1999).

In the face of the pressure on it to stop playing up the “dark side” of the country from such powerful state agencies as the Ministry of Education and the Propaganda Department of the Party, it is hard to imagine that the CYDF would have been able to have its own way if the Youth League had not stood firmly behind it. The support that a patron like the Youth League can lend its protégé is not limited to its own authority. With the help of the Youth League’s connections, the CYDF managed to get many top state officials to write inscriptions for Project Hope.⁶⁷ When the paramount leader Deng Xiaoping also wrote an inscription for the CYDF (the title “Project Hope” in his calligraphy), the CYDF had acquired a powerful shield of protection against potential enemies. The CYDF eventually registered Project Hope as a trademark with the State Trademark Bureau, using Deng Xiaoping’s calligraphy as the logo. As Xu Yongguang said: “Once we had Deng Xiaoping’s inscription, those people who wanted to make trouble for us would have to think

⁶⁷ In China, it is customary for organisations or individuals to approach government officials for their hand-written inscriptions which are displayed as expressions of support or approval. It is also customary for shops, restaurants, etc. to use the calligraphy of government officials or distinguished scholars for their signboards instead of block letters. Similarly, newspapers and journals ask leaders to hand-write their titles which they use as their mastheads.

twice.”⁶⁸ This is a good demonstration of the advantage of officially-organised NGOs. They are created by state institutions and are placed under the constant supervision of those institutions, but if they handle the relationship with their supervisory agencies skilfully, the close links with the supervisory agencies need not stand in the way of their autonomy and can even help to increase it.

3.2 Popular NGOs

If officially-organised NGOs can find ways to enjoy *de facto* autonomy, e.g., by using personal relations, by achieving financial independence, by finding powerful patrons, and by offering their supervisory agencies various benefits in exchange for more freedom, then popular NGOs can use the same methods to overcome the constraints on their autonomy as well. What is not certain, however, is whether they inevitably enjoy more autonomy than officially-organised NGOs, as many have assumed, simply because they did not come into existence in a top-down fashion and are not as closely linked to state agencies as officially-organised NGOs. If the overall environment for Chinese NGOs is a restrictive one, as the conventional wisdom has it, then it would seem a bit naïve to believe that certain NGOs can have greater autonomy simply because they are more genuinely non-governmental. As a matter of fact, it would not be illogical to assume the opposite: that the state is more on its guard against these NGOs on account of their being more genuinely non-governmental, hence it intrudes more frequently.

There have been cases of popular NGOs being co-opted by the state so that they lose their original spontaneous and bottom-up character. One example concerns some women’s organisations. Since the mid-1980s, popular women intellectuals’ associations have been formed in many cities and provinces, but the mass organisation All China Women’s Federation soon became involved and these

⁶⁸ Interview, 8 November 2001.

associations began to lose their autonomy. In the words of a women intellectuals' association interviewee:

The Women's Federation was always conscientious, drew up the constitution, sent representatives and wanted to shape the [new] federations in its own image. The original federations were spontaneous. The Women's Federation gave a hand. Then gradually the federations lost their former activism. Before they could organise their own activities with their own money. But now they have to wait for the help of the Women's Federation (Howell 1996b: 138).

In another example, a constitutional research society sought financial support from the local People's Congress and the government-controlled Law Society. After giving the society some money, the leaders of the People's Congress and the Law Society joined it and virtually took over it. Its original founders lost control of the society's activities and had to abandon the organisation (Raab 1997: 20).

Co-optation is not the only means at the state's disposal for controlling popular NGOs. The fate of popular literary societies in Xiaoshan City discovered by Wang, Zhe, and Sun demonstrates some other means. Before 1988, literary societies mushroomed in Xiaoshan. At the peak, their number reached between 50 to 60. They also established contacts with popular literary societies in other parts of the country, exchanging their publications and manuscripts. In 1988, however, the government decided to tighten its control of literature and art organisations. Subsequently the police paid several visits to the work units of the leaders of the literary societies, making them feel that they were under a lot of pressure. As a result, many of the societies suspended their activities or disbanded. Some societies did survive into 1989, when the government introduced the dual management system for NGOs which required them to find a professional management unit. As mentioned earlier, an NGO's professional management unit must be an organisation with official responsibility in the NGO's field of activity. Therefore the literary societies could only appeal to the local chapter of the China Federation of

Literary and Art Circles, a mass organisation, to act as their sponsor. However, the Federation was already sponsoring eight NGOs which it created itself, so it refused to take on the popular literary societies. Without a professional management unit, NGOs are not allowed to register. Consequently the last surviving popular literary societies in Xiaoshan also had to disband, with the exception of only one organisation which was composed of retired local officials and teachers. It eventually managed to persuade the Federation to sponsor it, but it was forced to make some changes first. Like the other societies, this particular society also used to have contacts with similar groups in other places. It even had over a dozen members who lived in other cities. To be allowed to register, however, it had to get rid of those members and limit the participation to local residents (Wang, Zhe, and Sun 1993: 230-231). In the space of a few years, therefore, the number of popular literary societies in Xiaoshan was reduced from over 50 to just one, and the remaining one had had to cut its contact with similar organisations elsewhere in order to survive.

While state interference through coercion is a serious threat to the autonomy of popular NGOs, more often it is constricted by NGOs' self-censorship. Unlike officially-organised NGOs, who acquire their sponsoring units by birth, popular NGOs need to find government agencies willing to act as their professional management units by themselves or at least find registered NGOs who are willing to let them "hang under" as second-level organisations, otherwise they cannot exist lawfully. When they do manage to find sponsors, it is crucial that they maintain good relationship with their sponsors, which require the NGOs to behave themselves so as not to cause any trouble for their sponsors. Apart from such considerations, there is always the fear that if they do anything which the government does not want them to do, they will be banned outright. In an interview, the director of one of the most active and outspoken environmental NGOs in China contrasted his cautious approach with that of the environmental activist Dai Qing,

whose sharp criticism of a big dam project only resulted in her being completely deprived of a voice within China (Raab 1997: 27). On another occasion, a representative of the same NGO summarised the goal of her organisation as first of all to support the government to do the things it was able to do, i.e., not making any impossible demands on the government. Only secondly was the organisation's goal to maintain its independence so that it could voice different opinions.⁶⁹ Before making any move, Chinese NGOs always try to guess what the government's reaction would be. However, there seems to be a big difference between the strategies of officially-organised NGOs and popular NGOs. When the CYDF knew that its planned activities were politically sensitive and would not please the government, for example, it often decided to achieve *fait accompli* first and deal with the consequences later. Speaking of a particular CYDF fundraising initiative in Hong Kong which resulted in the central government's representative office in Hong Kong sending a scathing report to Beijing, Xu Yongguang said: "The higher authorities gave us a dressing down, reproaching us for not seeking permission to do it first. We thought that if we asked for permission we would not be given it, so of course we did not ask for permission first."⁷⁰ This attitude stands in stark contrast with that of popular NGOs, who apply self-censorship not only to their activities, but also to their everyday management decisions. The fear is that if the government does not like an NGO on political grounds, it might find fault with, say, some financial decisions the NGO makes, then punish the NGO using that excuse.⁷¹

It appears that the closer an NGO is to the grassroots, the more likely that it fears incurring the displeasure of the state. Some popular NGOs have been set up by elite members of the society such as academics, lawyers, or journalists who have some good connections with the state bureaucracy based on work or personal relations,

⁶⁹ Interview, 18 November 1999.

⁷⁰ Interview, 8 November 2001.

⁷¹ Interview, 18 November 1999. According to Saich (2000: 133), a 1997 Public Security Bureau Circular recommended some administrative measures which could be used to block unwelcome NGOs, one of which was to pull them up on financial regulations.

whereas others are formed by ordinary citizens without such connections. The latter category of NGOs appear to be the least able to maintain their autonomy owing to their fear of punishment from the state for disregarding any of its rules. This situation is vividly demonstrated by the experience of a parents' organisation which I encountered during my field research.

The organisation was formed by some parents of autistic children who organised regular activities amongst themselves for years. They called themselves a "club", although it appeared to be a full-blown formal organisation. For example, the club had a constitution. Its members elected an executive council once every four years and they paid annual membership fees which were used to publish a newsletter, among other things. The club organised a wide range of activities, e.g., inviting specialists from other cities to give training and lectures to its members; conducting surveys of the needs of families with autistic children; drawing media attention to the lack of social service for autistic children. In fact, it was the best-organised grassroots autonomous organisation I came across in China. Since 1996, the club had been trying to register as an independent organisation. Obviously it had not been easy for it to gain approval from the government. When representatives of the club first went to see government officials, the latter considered them troublemakers and refused to see them. With perseverance and the right tactics, the club eventually gained the sympathy of relevant government officials. In 1998, the local Civil Affairs Bureau finally decided to allow the club to register. However, before the registration went ahead, the *Falun Gong* incident took place. Afterwards the government froze the registration of new NGOs and the club was told by civil affairs officials that no new organisation of its kind would be approved in the next 5 to 10 years.⁷²

As the government launched a national-wide campaign to straighten out the NGO sector after the *Falun Gong* incident, the members of the club became afraid of

⁷² Interview, 25 March 2000.

carrying on their activities without a legitimate status, therefore the club was left with one choice, i.e., to become the subsidiary of a registered organisation. The city where the club was located has an officially-organised NGO called the Mental Health Association. Its leader agreed to let the parents' club "hang under" it. However, there were serious concerns among the parents that once the club became a subsidiary of the Mental Health Association, it would lose its autonomy, and its freedom to organise activities would be restricted. The fear seemed to be well-founded. As one parent related to me:

Last time we met with the general secretary of the Association he said: "In the past some parents insisted on remaining independent. They were going too far." Then I mentioned that we wanted to invite certain experts from other cities to come here to give us some training. The general secretary immediately reacted by saying: "Once you have joined our association, we will take care of all these things. You parents can just sit back and act as our advisers."⁷³

Members of the club split up into two camps: those who favoured affiliation with the Mental Health Association, because this seemed to be the only legitimate means for them to continue working for the interests of autistic children and their families; and those who were against affiliation with the Association, thinking that they could only carry out effective work by being an independent organisation. Eventually parents who favoured affiliation with the Association joined it as individual members of its newly-formed Youth and Children Branch. The rest of the parents, a minority, became "dispersed", and the club ceased operation. The parents who joined the Association had hoped that some of them would be allowed to serve on the executive council of the Youth and Children Branch, so that they could have some influence on its decision-making, but it turned out that the Association did not reserve a single place on the council for them. When I spoke to some parents who joined the Association four months afterwards, they remained disappointed about

⁷³ Interview, 27 March 2000.

the situation.⁷⁴

The club offers a good example of popular NGOs losing their autonomy or even their own identity because of their fear of state retribution for operating outside its orbit. Sometimes popular NGOs also forgo their autonomy voluntarily in order to better promote the interests of its members. A classic example involves the Xiaoshan Self-Employed Labourers' Association. The Association was established in 1983 by self-employed business people in the city. At the inaugural meeting, representatives elected a nine-member board made up entirely of self-employed labourers. As a popular organisation, however, the Association did not carry any weight with government departments, so it was unable to influence the government to attend to the needs of its members. When the next election came up three years later, therefore, the Association appealed to the government to give it some official status. Consequently two officials from the local Industry and Commerce Bureau were elected to the board. One of them was elected chairperson of the Association. The other person was made general secretary, i.e. the chief executive of the Association. Meanwhile, the Association itself was formally placed under the sponsorship of the Industry and Commerce Bureau as a semi-official organisation (Wang, Zhe and Sun 1993: 39-40; White, Howell and Shang 1996: 114).

Conclusion

This chapter has presented various examples to show that officially-organised NGOs in China can enjoy a great deal of de facto autonomy whereas popular NGOs can face many constraints on their autonomy. These examples are intended to challenge two currently dominant views: first, lacking autonomy is a big issue for Chinese NGOs; second, popular NGOs are more autonomous than officially-organised NGOs. While these views do not hold water in the face of

⁷⁴ Interview, 16 July 2000.

empirical evidence, it does not mean that their opposites are true. Chinese NGOs are not enjoying unlimited freedom from government intervention, nor can one say that officially-organised NGOs in general are more autonomous than popular NGOs. What is clear is that in the same institutional environment some NGOs have fared much better than others, whether in maintaining their autonomy, in mobilising public support, or in achieving organisational sustainability and development, and these include both officially-organised and popular NGOs. What lessons can be learned from the success stories? What particular qualities or skills are responsible for the outstanding performance of these NGOs? These questions are addressed in the next two chapters.

4. Chinese NGOs and the State: A Dependent Relationship

In existing research and discussions, no distinction has been made between the autonomy and the independence of Chinese NGOs. Although these two words have similar meanings and are often used interchangeably, differentiating one from the other is crucial for understanding the nature and behaviour of Chinese NGOs. This thesis treats autonomy and independence as two analytically distinct concepts, for the following reasons: First, I argue that many Chinese NGOs enjoy a good deal of autonomy but remain heavily dependent on the state for their survival, legitimacy, and operation.⁷⁵ Second, so far the interest in NGO autonomy seems to have made analysts pay more attention to the state than to NGOs by directing their investigation towards the state's attempt to restrict NGOs' freedom and use them for its own purposes. Analysing NGOs' independence (or rather their lack of it), on the other hand, may compel the researcher to focus more on the needs, goals, and strategies of NGOs.

In the previous chapter, I have tried to demonstrate that many Chinese NGOs are able to enjoy a high degree of de facto autonomy. In this chapter I shall describe NGO's multiple dependence on the state. Many Chinese researchers have noted that Chinese NGOs have been drawing various forms of support from the state. Based on their detailed studies of the CYDF, for example, researchers have pointed out that NGOs exploit both state-owned and society-owned resources for their own organisational development, and they use both administrative and socialised methods to mobilise donations. Extant studies, however, all take for granted that

⁷⁵ In the *Oxford English Dictionary* "autonomy" is defined as follows: "of a state, institution, etc.: the right of self-government, of making its own laws and administering its own affairs." The various meanings of "independent" include "not depending on something else for its existence, validity, efficiency, operation, or some other attribute"; "not contingent on or conditioned by anything else"; "not dependent or having to rely on another for support or supplies." Clearly an organisation can be self-governing but at the same time dependent on other organisations for the various things cited in the definition of "independent".

the overall trend of NGO development in China will show a continuous diminution of the role of the state and a steady rise in the significance of social forces. As researchers see it, at present bottom-up NGOs are already surviving on their own with little help from the state. The current "dual management system" places them under the supervision of state organs, but these organisations have a "natural tendency" (Kang 1999b: 111) to seek full autonomy and detachment from the state. Whenever possible, therefore, they will try to fulfil their natural inclination by breaking away from the state's influence. The top-down NGOs, for their part, will be under growing pressure to make themselves more relevant to the needs of society, as their survival will also increasingly depend on how much support and approval they can receive from society.

The assumption that Chinese NGOs will increasingly align themselves to society rather than the state reminds one of the claims which have been made about private businesses in China. Many analysts had thought that the private sector would be a major driving force for civil society in China. According to their reasoning, as economic reform progresses, the power of the private sector will continue to grow at the expense of the state. Their possession of independent economic resources will allow private entrepreneurs to emerge as an autonomous social class. Since their fortune is tied to the market, whose healthy long-term development needs the protection of democratic political institutions, the private business class will have a strong interest in promoting political reforms, and will join hands with other social forces to struggle against the authoritarian state in order to bring about democratic political changes. In other words, economic reform will inevitably lead to political liberalisation, and those at the cutting edge of economic reform will also play a leading part in political reform.

Unfortunately, such assumptions have not been substantiated by various empirical studies into private business-state relations in China. These studies find that the

development of private businesses has not led to the emergence of civil society but has only created new forms of societal dependence on the state. Instead of forging horizontal alliances amongst themselves and with other social groups, studies reveal that private entrepreneurs have sought to advance their interest by cultivating patron-client ties with government officials. They rely on such ties for both commercial advantage and political protection (see, e.g., Solinger 1992; Bruun 1993, 1995; Pearson 1999; Wank 1995b, 1999). Bureaucratic patronage is vital to the commercial success of private businesses since partial market reform has left much control over the allocation of resources and opportunities in the hands of officials. Without access to those resources and opportunities, private entrepreneurs would not have been able to conduct any business on a meaningful scale. Partial reform also leaves private businesses to operate in an environment in which many uncertainties remain, for example, with regard to the state's support for private property rights, limits to administrative interference in commercial activities, and the constancy of government policies. As a result, bureaucratic patronage is needed in order to reduce these uncertainties (Wank 1999).

The clientelist relationship between private businesses and government officials differs from the clientelism that existed in the pre-reform period. David Wank has termed the new variant "symbiotic clientelism" to distinguish it from the "dependent clientelism" under the command economy. The key difference lies in the degree of client dependence on patrons. With symbiotic clientelism the dependence is reduced as the entrepreneur-clients now have resources which they can offer officials in exchange for their patronage. Nevertheless the clientelist nature of the relationship is unquestionable, as "it involves an imbalance of power between official patrons and entrepreneurial clients, it involves the exercise of discretion by officials in allocating resources and opportunities, and it is embedded in personal ties" (Wank 1995b: 155).

Not only have private businesses developed a dependence on the state bureaucracy, but the dependence has intensified in more commercialized areas, further disappointing general expectations. As Wank explained:

[T]he salient feature of the social structure in more commercialized areas is not, as some have argued, the reduction of dependent patron-client ties, but the rise of symbiotic ones. In areas characterized by petty private business, the smaller scale of commercial activity may erode dependent patron-client ties without engendering new symbiotic forms. This is because for petty private business, resource requirements are fewer and more easily available without bureaucratic discretion, thereby obviating the need for patron-client ties. In contrast, in areas of greater commercial activity, the resource requirements linked to bureaucratic discretion are also greater, obliging entrepreneurs to cultivate official patrons. In other words, it seems that greater commercialization is more likely to transform the dependent-clientelist order into a symbiotic one (Wank 1995b: 180-181).

Similarly, access to foreign capital does not make entrepreneurs more independent of state power either:

While this reduced their dependence on officials for capital, the infusion of overseas capital led them to expand into business activities that *did* require bureaucratic support. Foreign capital enabled them to set up capitalist firms, which then needed bureaucratic support for access to business sites, direct foreign-trade opportunities, raw materials, and so on. In other words, access to foreign capital reduces dependence on the bureaucracy for one resource, but appears to generate a need for bureaucratic support in acquiring other resources (Wank 1995b: 181).

In short, empirical studies find that market reform has created a private sector with its own resources and distinct interests. However, the private sector has not emerged as an independent social force that seeks to challenge the state's domination over society, as surmised by civil society analysts. Rather, private businesses have entered into clientelist relationship with officials in order to safeguard and expand their gains from market reforms. Moreover, studies show that further marketization of the economy or the ability of private businesses to access foreign capital does not necessarily bring the immediate decline of

clientelism. If, as Solinger has suggested, China's transition from a planned to a market economy could be a *sui generis* process that is "potentially quite protracted" (Solinger 1992: 122), then the dependence of private businesses on the state could also be a protracted episode rather than a transient phenomenon.

There is good reason to believe that what is true for private businesses is also true for NGOs in China. It seems that many analogies can be drawn between the two types of organisation. After all, they all operate in the same institutional environment and are faced with similar constraints, even though they pursue different objectives. If private businesses need protection against bureaucratic harassment, arbitrary local sanctions, and fluctuations in central government policies, there is no reason why NGOs can do without the same protection. Similarly, when the state retains considerable control over the allocation of resources, both private businesses and NGOs need to cultivate the patronage of state agents in order to gain access to those resources on which their ability to carry out their activities depend.

For this reason, the effort by researchers to distinguish between top-down and bottom-up NGOs in China is largely misguided. Bottom-up NGOs, including a sub-category which is sometimes referred to as donor-organised NGOs (DONGOs), i.e. NGOs which are set up with donor funding, are analogous to private businesses that have access to foreign capital. As Wank points out, while the infusion of foreign capital removes the dependence of these businesses on the bureaucracy for one resource, it creates dependence for other resources. By the same token, the ability to generate their own funding does not make bottom-up NGOs independent of the state, as they then turn to the state for other support that is equally indispensable to their survival and operation. The degree of NGO's dependence on the state tends to have more to do with their size than with their origin (i.e., whether they are officially or popularly organised). Again, there is an analogy with private

businesses. As Wank (1999) has shown, petty private businesses may be able to keep their contacts with the bureaucracy to a minimum, since the small scale of their operations means that their resource requirements are few and easily met. In contrast, large-scale private businesses must build up extensive clientelist networks in order to be able to engage in the more lucrative commercial activities which also require more bureaucratic backing. In a similar vein, one can imagine a small grassroots NGO that limits its activities within the local community to lead a more or less separate existence from the state. However, it is inconceivable how an NGO running a cross-regional operation can do away with one sort of state support or another, regardless of whether it is an officially-organised or a popular organisation.

In this chapter I will again refer to the case of the CYDF, which provides an excellent example of the experience of top-down NGOs. For the most part, however, I will use the examples of bottom-up organisations (including DONGOs) to illustrate Chinese NGOs' dependence on the state. My reasons for preferring such examples are obvious: if it can be proven that NGOs created in the bottom-up fashion and sustained largely by non-governmental (including overseas) funding are not independent of the state, then it goes without saying that other types of NGOs must be equally if not more dependent on the state. Using the examples of popular NGOs also has an additional advantage. As I have suggested in several places, judging by the comments various people have made on popular NGOs, they are probably the most misunderstood category of Chinese NGOs. Many received views of popular NGOs have gone down unchallenged, not because they are founded on careful empirical research, but only because they sound intuitively correct. Therefore, the stories of bottom-up NGOs related here are also intended to present a more accurate picture of these organisations and their relationship with the state, and to refute some spurious notions which have gained wide circulation.

By NGO dependence on the “state” I refer to state in the broad sense. It covers both central and local state, both organisations (such as government agencies) and people (such as officials serving as agents of the state), both administrative organs and other state-owned institutions, e.g., the official newspapers of the government or the Party. NGOs may depend on certain components of the state for support but not others. For example, a particular NGO may survive on the patronage of local officials but may have no direct contact with the central government. I nevertheless speak of NGO’s dependence on the state rather than specifying the particular elements, since in this chapter I am only concerned to distinguish the state from society. It does not matter exactly what parts of the state are involved, as long as it is clear that they represent power, influence, knowledge, or resources that are outside the domain of society.

4.1 NGO Dependence on the State for Legitimacy and Protection

In Chapter 2 I mentioned Gao’s discussion of the different types of legitimacy of Chinese NGOs. He suggests that some NGOs have come into being by dint of their social legitimacy. However, social legitimacy alone only allows these NGOs to lead a precarious existence at best, therefore they would use all their ingenuity to try to gain administrative and political legitimacy as well. Possessing political legitimacy requires that NGOs conform to the official ideology and support the goals and policies of the state. In other words, the criteria of political legitimacy are set entirely by the state. Administrative legitimacy stems from association or contacts with the state bureaucracy, therefore it also derives from the state. Since to Chinese NGOs social legitimacy only means partial legitimacy, which cannot guarantee them a secure life, in Gao’s analysis they clearly depend on the state for full legitimacy.

Gao uses a folk society that worships a dragon tablet as an example of NGOs created on the basis of social legitimacy which then endeavour to gain

administrative and political legitimacy. However, from the story he has told, one might conclude that it has taken more than social legitimacy to bring the dragon tablet society into being. It would appear that from the very beginning the society has depended on some connection with the authority of the state for its existence. Since worshipping the dragon tablet represents “feudal superstition” which is banned by the state, its followers were afraid of carrying out their activities openly. The society was formally established and came into the open only after its two leaders, both of whom were members of the Community Party, said that they would take the blame should the government take action against the society. The main founder and also the first head of the society was a veteran of both the Eighth Route Army (*balujun*)⁷⁶ and the People’s Liberation Army who had retired from the army on a state pension. He famously said to the other founding members of the society who were still hesitating: “Go ahead. I will take the pressure if anything happens.” These words are still being frequently quoted by the locals and have been an inspiration to them ever since (Su *et al* 1999: 322, 325-326). Here we see that both the courage of the leader to initiate a potentially illegal organisation and his credibility in the eyes of his followers come ultimately from association with state power. The leader’s army service record and party membership have afforded him some sort of station which ordinary people do not have. It was such station, which was conferred by the state, which provided the necessary encouragement to the members of the society to formally launch it.

When the state nevertheless figures prominently in a story about NGOs’ social legitimacy, one gets a keen sense of how important the state is to NGOs. In fact, much of Gao’s discussion of NGO legitimacy boils down to their legitimacy in the eyes of the state. Chinese NGOs need first of all this kind of legitimacy, because otherwise they may be suppressed by the state at any moment. But Chinese NGOs

⁷⁶ The army led by the Communist Party during the war of resistance against Japan (1937-1944). It was renamed the People’s Liberation Army after the war.

also need legitimacy in the eyes of society. Often, such legitimacy depends on the state as well. Legitimacy in the eyes of society is not the same as what Gao calls social legitimacy. By social legitimacy Gao means roots of social support. He explained this concept using the example of folk societies which were formed on the basis of local tradition, shared values, and common interests. By legitimacy in the eyes of society I refer to the credibility and trustworthiness of NGOs in the eyes of their potential clients, donors, and the general public. Apparently no NGO can function properly if it is not perceived as a trustworthy and credible organisation by the public.

In their study of the CYDF Sun *et al* found that the organisation established its legitimacy in the eyes of society not on account of its non-governmental status but rather by displaying its numerous ties to the state. As a CYDF staffer said: "Under our system, to conduct a publicity campaign you need first of all to ask the leaders to write inscriptions for you, because common people believe in this. When they see that the leaders have given something the nod, they know that this thing is safe and legal" (Sun *et al* 1999: 55). When the CYDF sent out its first letter of appeal by mass mailing, it aroused considerable suspicion among the public, as there were many scams around at the time which all involved letters being sent to people to invite them to take part in certain projects. Some organisations and individuals who received the CYDF's letter actually contacted the Youth League or the police to ask them to find out if it was yet another hoax. At this point, the CYDF came up with the brilliant idea of printing an advertisement in the *People's Daily*, the official newspaper of the Party. CYDF staff described it as a "decisive move" which gained the CYDF tremendous confidence from the public: "Just imagine. Even the *People's Daily* has carried an advertisement for the CYDF and Project Hope, so there can be no doubt that it is not a sham...Afterwards we never heard of people writing to the police asking them to check out the CYDF again" (Sun *et al* 1999: 57).

Not only do the Chinese public need this kind of assurance before they can trust an NGO, foreign businesses also frequently base their decisions on whether to donate money to a local NGO or not on the NGO's relationship with the government. As CYDF staff related their experience:

Foreign businesses would also ask about the government's attitude towards our organisation. They would ask: "How does the Party Central Committee view this activity of yours? How does the government view it?" You tell them they all support it. In particular, you stress to them that Jiang Zemin has written an inscription for us. Deng Xiaoping has also written an inscription. These leaders have also personally donated money to us. Then these businesses will decide to work with you. Therefore, government support is very useful (Sun *et al* 1999: 274).

The CYDF's experience is fairly representative of that of the NGO sector as a whole. Since the concept of non-governmental organisation is still a novelty to most people, top-down and bottom-up NGOs alike emphasize their connections to the government or simply claim they *are* the government when they try to establish their credibility with the public. For example, when staff of the Yilong County Rural Development Association, an NGO running micro credit projects, went into villages, they would tell villagers that they came from the county government office that was responsible for implementing poverty alleviation projects (Deng 2001b). As the general secretary of the Association defended their approach: "If you go to the villages [as an NGO], ordinary people will not trust you. In China there is only the government. Ordinary people do not know there are other organisations beside the government" (Yang 2001a: 100-101). This view has been echoed by many other NGOs. A member of a legal counselling centre for women told me: "The reality in China is this: If you go out in the name of the Centre, people will simply ignore you. They only pay attention to you when you say you are from the Information Office of the government's Justice Bureau."⁷⁷ The director of an NGO that provides services for rural women told a researcher: "Without government backing...society won't

⁷⁷ Interview, 29 April 2000.

trust you" (Raab 1997: 45). This NGO publishes a magazine for rural women which is a subsidiary of *Chinese Women's News*, the official newspaper of the All China Women's Federation. When a rival publication tried to undermine the magazine, it did so by spreading a rumour that the magazine was a private venture without any links to the Women's Federation. The NGO's director apparently considered the rumour to be a serious threat to the reputation of her organisation, and took swift actions to rebut it (Raab 1997: 46).

The experience of the Prisoners' Children's Villages (PCVs) provides one of the most telling examples of NGOs' dependence on the state for legitimacy in the eyes of society. These villages were set up by an NGO called Shaanxi Province Returning to Society Research Association (SPRSRA). The SPRSRA's original purpose was to help ex-convicts to reintegrate into society, but most of its work has centred on running PCVs that provide residential care for the children of serving convicts who cannot be cared for by their families or relatives. Zhang Shuqin, the founder and general secretary of the SPRSRA, used to be a journalist working for a newspaper published by the Shaanxi Province Prison Bureau. The SPRSRA's directors and advisers include many incumbent and retired officials from the prison bureau as well as other relevant state organs, such as the public security bureau, the civil affairs bureau, and the people's procuratorate.⁷⁸ The SPRSRA identified children in need of help by contacting serving convicts through their prisons. Prison authorities informed their inmates that the PCVs could take care of their children. Those who wished to take advantage of the PCVs' services were then asked to sign a document entrusting the care and education of their children to the PCVs until their release from prison. Since the convicts were unable to check out the PCVs themselves, the fact that the PCVs were introduced by the prison authorities served to assure them that these organisations were closely linked to the state judicial system and were

⁷⁸ The names and titles of some of these officials are mentioned in a document of the association, "Summary of the Work of the Shaanxi Province Returning to Society Research Association", dated 17 October 1999.

therefore not a fraud. As a matter of fact, it is possible that the convicts do not even see a clear distinction between the PCVs and the government. Because of its close relations with the prison bureau, the SPRSRA had special access to prisons. It could even take convicts out of prisons to participate in its public relations and fundraising events. Although she had been working full-time for the SPRSRA since it was set up, Zhang Shuqin had retained her position as an employee of the prison bureau, which allowed her to continue to wear her police uniform. Often, she would deliberately put on her uniform when representing the PCVs in front of convicts and the general public. Wearing the uniform was particularly important when Zhang Shuqin went to pick up children who had been selected for the PCVs from their home villages. She and her PCV colleagues usually went to the local government first and asked cadres of the township government to accompany them to the villages in order to gain the trust of local people. Once a PCV worker went straight to a village, only to be driven out by the villagers, as he was taken for a child trafficker. Only when he returned the next day with local officials was he able to take the child away.⁷⁹

In addition to establishing their political legitimacy to the state, NGOs are also faced with the constant task of legitimizing their actions to individual government agencies or officials whose co-operation and support may be essential. Once again, the ultimate source of such legitimization is usually the state itself. For example, when the environmental NGO Friends of Nature criticizes local governments that pursue economic development strategies that damage the environment, it would justify its action by invoking central government policies which the local practices have violated.⁸⁰ The SPRSRA legitimizes its work with convicts' children to government agencies by declaring its aim to be "eliminating potential problems for

⁷⁹ The above information is based on various newspaper and magazine feature articles about Zhang Shuqin and her PCVs, a book on the PCVs (Chang 2000), and many conversations I had with Zhang Shuqin while working for her as a volunteer in December 1999 and January 2000.

⁸⁰ Presentation by the director of Friends of Nature at an international conference in Beijing on 30 October 1999.

the government”,⁸¹ and it always stresses the endorsement of its activities by higher-level officials when it approaches lower-level government agencies for assistance. While studying the Help Centre for Special Children, which is the extension of the PCV initiative in Beijing,⁸² I was able to observe the Centre’s staff making phone calls to various government offices. When contacting an agency for the first time, they often implied that they were making the call at the behest of some other government agencies or officials. For example, when Zhang Shuqin contacted a director of the prison bureau to see if the bureau would be willing to sponsor the planned PCV in Beijing, she claimed that certain high officials in the municipal Party committee who were responsible for public security and legal affairs – in other words the superiors of this bureau director – told her to call him. She also made a request to the municipal government office responsible for law and order related work that they lend her a police car. As Zhang Shuqin explained its value: “When you arrive in a police car, it is totally different from arriving in a taxi. As mere representatives of a popular organisation, you may have a hard time just to get past the doorkeepers and messengers in government agencies.”⁸³ Similarly, a government official explained the indispensable “co-ordination work” which his office provided for a popular women’s NGO thus: “Since township governments are not familiar with them, if they go to the townships themselves, township governments will not receive them. Therefore before they go out it is necessary for us to speak to township governments first, then the lower levels will receive

⁸¹ This aim has been written into various documents of the SPRSRA, for example, “Summary of the Work of the Shaanxi Province Returning to Society Research Association, 9 August 1999”.

⁸² Zhang Shuqin wanted to replicate the PCVs to other regions of China, so in July 1999 she moved from Shaanxi to Beijing. Her plan was to set up a demonstration PCV in Beijing first, then gradually open up more PCVs in other places. When I went to study Zhāng Shuqin's work in Beijing, a large part of her effort concentrated on getting the relevant government agencies in Beijing to support her initiative. Since government regulations forbid NGOs to establish regional branches, Zhang Shuqin needed to register a separate organisation in Beijing rather than set it up as a branch of the Shaanxi PCVs. While trying to obtain the necessary government approval for a PCV in Beijing, Zhang Shuqin had opened a small office in Beijing and called it the Help Centre for Special Children. It was hosted by the China Charities Federation.

⁸³ Conversation, 5 January 2000.

them.”⁸⁴

Legitimacy alone cannot guarantee Chinese NGOs a carefree existence. Even organisations that have fully established their legitimacy in the eyes of both the state and society are still vulnerable to obstruction or predation by individual government agencies or officials. They need protection against such hindrances, and the protection can only come from the state itself. Deng Xiaoping’s inscription, which symbolised direct support from the paramount leader of the state, protected the CYDF against attacks from certain state agencies and officials who were offended by some of its activities. This type of protection is widely used by Chinese NGOs, who often hang inscriptions by high-ranking officials or pictures taken with them on their walls as well as print these on their publicity materials. The founder and director of a children’s NGO was once granted a reception by a vice-premier who also wrote an inscription for her. Afterwards she printed the inscription and the picture of herself shaking hands with the vice-premier on every issue of the NGO’s newsletter. Since the vice-premier appeared to be very supportive of this director’s work, a rumour spread in the city where the NGO was located that she was the vice-premier’s nominally adopted daughter (*gannü’er*),⁸⁵ a rumour which she deliberately avoided denying. The director said she used these things to scare off “the little devils”, meaning lower level officials who might make trouble for her. While the director’s connection with the vice-premier was just a rumour, she did find herself some nominally adoptive parents in Beijing who were retired senior officials. She asked them to inquire about the NGO whenever they met officials from her part of the country and to ask them to render it assistance if necessary. As the director put it: “If these officials are repeatedly asked to support my organisation when they go to Beijing, they will conclude that I have powerful

⁸⁴ Interview, 29 April 2000.

⁸⁵ A custom in China whereby people “adopt” sons and daughters but don’t necessarily take any responsibility for them or live together with them. It is somewhat similar to the custom of having godparents. The difference is that one can be nominally adopted at any stage of one’s life. It is not unusual for adults to become nominally adopted children of others.

connections, so at least they will refrain from creating troubles for me.”⁸⁶

This director initially set up her NGO in a different city. At first she received strong support from the local government, but then a major incident completely damaged her relationship with the local government, which resulted in her moving the NGO to another city. The incident involved a big charity concert to raise money for the NGO which was organised by the municipal women’s federation, civil affairs bureau, and television station. After the concert, the organising committee, on which the NGO was not represented, claimed that the money raised was not enough to cover the cost of organising the concert. It claimed there was a total deficit of over 80,000 *yuan*. Furthermore, it asked the NGO to make up the deficit. The NGO suspected there was foul play, since during the concert many businesses and individuals made large cash or in kind donations, which rendered the story of a deficit implausible. Some local journalists investigated the incident, then published articles in local newspapers questioning the organising committee’s story. The newspapers were all owned by either the local government or the local Party Committee. They subsequently pressured the journalists to retract their articles. The organisers of the concert, on the other hand, made no attempt to give more explanations as to how they ran into a deficit. Nor did they publish their accounts. The whole matter might have remained unsettled if the director had not taken part in some activities in Beijing a few months later, during which she met the vice-premier who was later rumoured to be her nominally adoptive father. She took the opportunity to tell the vice-premier about the charity concert and showed him the articles written by the journalists. The vice-premier was outraged and personally wrote instructions to concerned central government agencies ordering them to carry out a thorough investigation and punish the wrongdoers. In the event, a team from Beijing composed of officials from the Party’s Central Commission for Discipline Inspection, the Ministry of Supervision, and the Ministry of Culture went

⁸⁶ Informal interview, 19 April 2000.

to the city and investigated the case. The team found that the agencies responsible for organising the concert had used it to benefit themselves. In addition to pocketing some of the donated money and goods, the agencies also paid big per diems to their staff who worked on the concert, gave lavish banquets to the performers, and purchased equipment for personal use for members of the organising committee. These expenses all contributed to the high cost of the concert. After the investigation by the Beijing team, the agencies were ordered to hand over all the money and goods they had embezzled to the NGO. Many local officials implicated in the scandal were subjected to disciplinary action. The president of the women's federation was dismissed from her post.⁸⁷

If the director in this case had not got the attention and support of the vice-premier, it was not certain whether she would have seen justice done her organisation in the end. As she said, officials tended to shield each other. Besides, they were often caught in dense local networks of personal ties. For example, the husband of the women's federation president was a high-ranking official in the municipal Party Committee.⁸⁸ From these officials' point of view, it was not wise to take the side of an outsider like herself against their colleagues and friends. In any case, an investigation by the central government was launched only after the vice-premier took a personal interest in the matter. In this case, the NGO obviously depended on the central government to protect it from abuse by corrupt local officials. In another case which I am about to relate, an NGO was mistreated by a real estate company with which it had commercial transactions rather than by corrupt officials. All the same, it had to rely on the intervention of the government to protect its rights.

⁸⁷ Information about the charity concert scandal is based on my informal interviews with the director of the NGO in April 2000 and various newspaper articles around the time of the event which give detailed accounts of the concert, the investigation, and the cleanup measures taken by the government after the investigation.

⁸⁸ This is according to the director. I have not been able to double-check this information, but it sounds highly probable. Many women's federation leaders have husbands who are high-ranking officials in the government or the Party.

The NGO, the Guangzhou-based Huiling Service Organisation for Mentally Disabled People (hereunder Huiling), purchased some apartments which it intended to use as a residential home for mentally disabled youth. When the real estate company realised that mentally disabled people were going to live in those apartments, it feared that it would deter potential buyers from purchasing the other apartments in the same block. Consequently it tried to cancel the sale and refused to hand over the apartments to Huiling. Since Huiling called the planned residential home “a training centre for mentally disabled youth”, the company used it as an excuse for its backtracking. It said the apartments were meant to be used as family dwellings, not training centres. Huiling was changing the purpose for which they were built, therefore it was justified in pulling out of the deal.

To Huiling, the company’s excuse was untenable, because the apartments were purchased in the name of the training centre, therefore the purpose for which they would be used should be clear to the company when it signed the contract. The company did not have any problem with making a sale to a training centre at the time and had already been paid in full, so it had no right to bring in this issue later. Huiling believed that the company’s decision to cancel the sale was in fact based on its discrimination against disabled people. Therefore it took some mentally disabled youth and their parents to the company’s headquarters to protest. It also asked the media to cover the event. Since Guangzhou is very close to Hong Kong, some journalists from Hong Kong also followed the story and reported it in Hong Kong newspapers as well as a news programme on television.

Despite the media reports that criticised the real estate company, initially Huiling was unable to make the company change its position. Since the legal system in China is not always effective in dealing with such cases, Huiling decided to turn to the government for help.⁸⁹ The initial reaction from the government agency which

⁸⁹ The NGO’s director planned to take the case to court as a last resort if she failed to receive help

Huiling approached was not very encouraging. Some officials were even angry at Huiling for exposing the case to Hong Kong media, accusing it of attempting to tarnish the image of Guangzhou. They were not keen to help Huiling, saying that the case was a purely commercial dispute, therefore the government should not get involved. Huiling then mobilised its entire social network to try to make the government intervene in the dispute on its behalf. Some parents of the disabled youth whom Huiling was trying to help had personal connections with representatives to the municipal or provincial People's Congress and Political Consultative Conference. They asked these representatives to contact the Guangzhou municipal government about the case. A vice president of the Provincial Political Consultative Conference wrote a personal letter to the mayor of Guangzhou asking him to come to Huiling's aid. At this juncture, by sheer good luck Huiling's director also had a chance meeting with the mayor, which gave her the precious opportunity of presenting her case directly to the mayor.⁹⁰ Afterwards the mayor ordered a government agency to help bring a solution to the dispute. With the mediation of this agency, Huiling and the real estate company eventually reached an agreement whereby the company returned to Huiling the 720,000 *yuan* it had received for the apartments plus another 580,000 *yuan* as compensation for the cancellation of the sale. Huiling later used the money to purchase a property elsewhere to open the residential home.⁹¹

from the government in resolving the dispute with the company (Interview, 5 March 2000). Since there is no clear separation of power between the judicial and executive branches of the government in China, administrative agencies can often exert strong influence on the decisions of the court as well as on the enforcement of court rulings, which is one reason why people usually try to enlist the help of administrative agencies to settle disputes first.

⁹⁰ In China, ordinary citizens rarely get the chance of speaking directly to a high-ranking government official such as the mayor of a big city about their problems. The government at all levels have Letters and Visits Offices (*xinfang bangongshi*) that deal with citizens' complaints or requests for assistance, but one has far better chances of having one's problems solved if one can make a high-ranking official take a direct interest in those problems.

⁹¹ This narrative of the whole event combines information from four sources: 1) interview with Huiling's director on 5 March 2000; 2) interview with a parent on 28 March 2000; 3) the report of the government agency that mediated between Huiling and the real estate company on the final settlement of the dispute, dated 11 December 1993; and 4) local press coverage of the event.

4.2 NGO Dependence on the State for Resources

It is widely known that in China many employees of state-owned institutions have been able to attend to second jobs during normal working hours while continuing to receive their full salary and benefits from the state. For example, as Saich describes the situation of researchers at the Chinese Academy of Social Sciences (CASS):

[They] only have to report for work two mornings a week and publication requirements are minimal. Their housing has been subsidized by the work-unit as are their medical expenses, basic salary and other costs. Thus, costs are minimal should they wish to go into business and they can use state-subsidized offices and facilities to pursue entrepreneurial goals. Should the company fail, they can simply walk away and wait to start again (Saich 2001: 207).

While Saich was talking about what would happen should these researchers decide to go into business, the same situation applies should they wish to set up NGOs instead. A large percentage of popular NGOs, including some of the most celebrated “genuine NGOs” in China, were created by academics who have remained in state employment but have sufficient free time to pursue parallel careers. They have won the epithet of “amphibious people” (*liangqiren*). The consensus in NGO circles is that to remain “amphibious” is the most advantageous arrangement,⁹² since amphibious people can have the best of both worlds.

Popular NGOs in China often complain that unlike officially-organised NGOs or NGOs in other countries, they receive no funding from the state. They tend to highlight to outsiders the hardships they have to bear while working under such conditions, but neglect to acknowledge the hidden subsidies from the state in such forms as the salaries of their staff who remain government employees. Once one scrutinizes the history of popular NGOs in China, however, there is rarely an

⁹² Talk by a Chinese researcher on women’s NGOs in China at Tsinghua University on 25 December 1999.

organisation that has not relied on personnel paid by the state to operate it, at least in its early days. For example, the Jinglun Family Centre, an NGO that provides sex education for adolescents, was founded by a CASS researcher, Ms Chen Yiyun. As she spoke of the first phase of her organisation's existence: "All the initial members of Jinglun were government employees, such as CASS researchers and doctors [from state-owned medical colleges or hospitals]. We depended on both government resources and international funding. Government resources included salary, housing, other benefits, such as health care, which the members received from the state. Government resources also included free classrooms for our activities, the government's networks, and volunteers [mobilised through government networks]."⁹³

It is not just academics who have been able to pursue an NGO career while holding on to their state jobs. All the popular NGOs which I studied intensively were founded by non-academics. Like their academic counterparts, these founders also kept their state jobs and the concomitant pay and social security coverage for years while they devoted most of their time and energy to the NGOs. For example, since 1995, Zhang Shuqin had spent her time almost entirely on the SPRSRA and the PCVs under its aegis, but she continued to receive her salary from the Shaanxi provincial Prison Bureau, where she remained an employee. It was not until sometime in 1999, after she had moved to Beijing to start setting up a PCV there, that the Shaanxi Prison Bureau finally suspended her pay. In another case, the founder of a women's NGO is a section chief in a local government bureau. She has continued to serve in that capacity while running the NGO and has been drawing her salary from the bureau rather than the NGO. A few other staff members of the NGO are also employees of the bureau and like the founder continue to be paid by the bureau. In addition, the NGO has been able to use some of the founder's bureau

⁹³ Interview, 16 November 1999.

colleagues as volunteers.⁹⁴ In a final example, the founder of a private orphanage used to be a middle-school teacher. When she decided to set up the orphanage, her work unit relieved her of all her teaching duties so that she could concentrate on her charity work. Meanwhile, the work unit carried on paying her salary and bonuses.⁹⁵

The importance of staying on the government payroll for NGO practitioners can hardly be exaggerated. Since most popular NGOs find it difficult to raise money for staff salaries and administrative cost at the beginning, their founders and initial staff would not have been able to enter NGO work if they were not supported by the income from their state jobs. Furthermore, the continued connection of these amphibious people to their state work units means that they usually have access to other government resources as well. For example, the above-mentioned women's NGO was allowed to use an unoccupied office of the local government bureau free of charge. The bureau also allowed the NGO's staff to use its vehicles to travel to remote rural areas to carry out their work.⁹⁶ While this kind of support cost the bureau very little, it was a big help to the NGO, especially in the first couple of years when it did not possess a vehicle of its own.

Not only can popular NGOs access government resources through the connections of their staff, they can also do so through the connections of their clients. In the early days of one of my case studies, the Zhiling special education school for mentally disabled children, many parents mobilised the resources of their own work units for the school. As a founder of Zhiling recalled, once, when the school was due to move to a new location, it asked the parents to borrow vehicles and drivers from their work units to help transport the school's possessions. On the day of the move, so many vehicles turned up that they filled up an entire street.⁹⁷ Parents also obtained

⁹⁴ Interview, 24 April 2000.

⁹⁵ Interview, 21 April 2000.

⁹⁶ Interviews on 17 April 2000 and 26 April 2000.

⁹⁷ Interview, 5 March 2000.

free equipment from their work units for the school. One parent was an electrician employed at a state-owned organisation. He installed the electric power system for Zhiling using equipment which he took from his work unit. As a result, the system did not cost the school a single penny.⁹⁸

Chinese NGOs have drawn on state-owned resources in so many ways that it is impossible to produce an exhaustive list of all the different ways in which they do so. So far I have discussed some common ways for popular NGOs to tap into state-owned resources. In addition, my case studies show that each individual NGO has also manifested its resource dependence on the state in its specific ways. In the case of the Prisoners' Children's Village (PCV) in Xincheng District, Xi'an City, through the intervention of the district government, the children were able to attend a local state school even though they did not have local resident status. Furthermore, the school waived all fees for them. Similarly, the district Health Bureau agreed to provide free medical treatment and examination for all the children (Chang 2000: 121). Since the PCV was home to about 40 children, the remission of educational and medical charges for them relieved the PCV of an enormous financial burden.⁹⁹

The aforementioned private orphanage that was founded by a middle-school teacher also relied heavily on state-controlled resources. To give just one example, to generate income for the orphanage, the founder set up a couple of businesses, including a tea plantation. The middle school where she worked was a subsidiary unit of a giant state-owned enterprise, an iron and steel company that employed over 100,000 people. While her immediate employer was the middle school, she was ultimately an employee of the iron and steel company. To support this woman's

⁹⁸ Interview, 26 May 2000.

⁹⁹ The majority of the children in the PCV were from rural areas, therefore they were not eligible for public health services which were only available to the urban population. If the district government had not extended its assistance, the PCV would have had to pay the full cost of any medical treatment the children might need, which would be very expensive. The same situation applies to the school fees. Since the children were not local residents of Xi'an, local schools could have charged each of them a big fee for a place.

orphanage, the company purchased its tea from her plantation. Given the enormous size of the company, its orders were always for large quantities, which ensured handsome profits for the plantation.¹⁰⁰

In a final example of popular NGOs taking advantage of state-controlled resources, a private residential home for disabled children was located near a military camp, which prompted its director to exploit the manpower of the army. The Chinese army has a long-running policy of encouraging its members to build up good relations with civilians by contributing to the material and cultural life of the local communities where they are stationed. Knowing this tradition of the army, the director asked the army camp to supply volunteers for her residential home. The camp granted her request and sent soldiers to lead physical exercises and training for the children every morning.¹⁰¹ Later, the director decided to move the residential home to a new location. She found some premises that had been unoccupied for a long time, which left them in a poor condition. The premises included a very large garden that had become covered with weeds and garbage. The cleaning bill would have cost the NGO a fortune. Fortunately, the premises were again in the vicinity of a military base, so the director approached the base for volunteers again. The base sent dozens of soldiers to help clean up the place, which saved the NGO both time and money.¹⁰²

Thus far I have given examples of how Chinese NGOs benefit from the material and human resources controlled by the state. Next I discuss how they make use of the symbolic resources of the state. While many NGOs are in fact subsidised by the state, typically in the form of staff salary and free office space, most of them receive very limited, if any, project funding from the state,¹⁰³ therefore they need to raise such

¹⁰⁰ Informal interview, 22 April 2000.

¹⁰¹ Interview, 23 March 2000.

¹⁰² Informal interview, 1 September 2000.

¹⁰³ For a statistical analysis of the income structure of Chinese NGOs see Deng 2001a.

funds themselves. Although their project funding does not come from the government budget, NGOs rely heavily on their formal and informal ties to the government to raise money. In other words, when they do not draw directly on the economic resources of the state, NGOs capitalise on the state's symbolic resources, which are converted into economic resources for them. Given their better connections to the government, officially-organised NGOs are generally in a more advantageous position than popular NGOs to exploit the symbolic resources of the state. The CYDF's experience in mobilising corporate donations provides a typical example of how such exploitation takes place.

As mentioned in the previous chapter, in its first decade the CYDF raised a total of 1.78 billion *yuan* under Project Hope, whereas the direct allocation it received from the state was only 110,000 *yuan*. Of the total amount the CYDF raised, the majority was in corporate rather than individual donations. Most businesses considered donations to Project Hope a form of advertising that was cheaper and more effective than commercial advertising. In the words of a CYDF staffer: "Our fundraising department has become an advertising agency" (Sun *et al* 1999: 162). The most important reward which the CYDF could offer corporate donors was donation ceremonies which were attended by top state officials and guaranteed coverage by major news media. Organising such ceremonies soon became the main task of the CYDF's fundraising department. This service became so standardised that all a corporate donor had to do was to sign a detailed agreement with the CYDF that specified the amount it was going to donate. Depending on the amount, the CYDF would promise to invite state officials of a certain rank to the ceremony and bring in a certain number of media units to cover the event. Once an agreement had been signed, the corporate donor could leave everything to the CYDF to organise. The donor just needed to get the cheque ready, so that its representative could hand it over to the CYDF, then shake hands with state leaders in front of media cameras at the ceremony. Initially the CYDF depended on the Youth League to secure the

presence of top-level officials at these donation ceremonies. Later, because it had organised so many ceremonies, it became very familiar with all the government offices that handled the public engagements of top officials, so it could approach those offices directly without bothering the Youth League any more (Sun *et al* 1999: 162-163).

In their book, Sun *et al* provided an example of the efficacy of the kind of advertising which the CYDF and the provincial Youth Development Foundations (YDFs) offered corporate donors. A newly-founded, little-known private company approached a provincial YDF for help to raise its profile. The YDF suggested that the company donate a vehicle to it. In return, the YDF organised a donation ceremony for the company which received live coverage by the local media. In addition, the YDF managed to invite a deputy secretary general of the provincial Party Committee to the ceremony who personally received the key to the vehicle from the owner of the company. The company also agreed to make an annual donation of 40,000 *yuan* to the YDF. In return, the YDF organised an event for the company every year which were all covered by the media. To thank the media for their support, the YDF also arranged for some journalists to receive commendation and cash award from the Propaganda Department of the provincial Party Committee and the provincial Youth League Committee. Although the commendation was given in the name of these two organisations, the cash award the journalists received was provided by the private company. Afterwards, the local media became even more supportive in giving publicity to the company's philanthropic activities. With the assistance of the YDF in raising its public image, the private company grew from a tiny operation with a capitalization of only 300,000 *yuan* into a big business with over 100 million *yuan* in assets within 10 years. The YDF had in actual effect functioned as the company's advertising department (Sun *et al* 1999: 164-165).

Most corporate donors prefer giving money to big, well-known officially-organised NGOs rather than small, obscure popular NGOs, because not only can organisations like the CYDF offer businesses more publicity for their money, they can also introduce them to high officials whom they might be able to approach later for assistance.¹⁰⁴ Organisations like the CYDF can even arrange for big corporate donors to meet a member of the Standing Committee of the Party's Politburo,¹⁰⁵ the supreme decision-making body of the state. Little wonder, then, that popular NGOs often complain that corporate donations are motivated primarily by "political considerations", consequently they only end up in the bank accounts of high-profile GONGOs.¹⁰⁶ Nonetheless, popular NGOs with good connections can also exploit the symbolic resources of the state to their own advantage, just like their GONGO brothers. One popular NGO I studied enjoyed the patronage of a retired senior official who still played an active role in a big GONGO. This allowed him to go on frequent business trips to foreign countries. Because of his previous positions in the central government, this official had many contacts in Western countries. The popular NGO was able to persuade a business company to let it use one of its properties for free. In exchange, the NGO's patron agreed to search for foreign investors for the company next time he went on a business trip abroad.¹⁰⁷

When NGOs exploit the symbolic resources of the state, such as the influence and connections of high officials or the propagandistic power of state-owned media, they are offering their donors access to these resources in exchange for economic resources. Such exchanges take place on a voluntary basis, consequently they fall under the rubric of the so-called "socialised" fundraising methods. As mentioned in Chapter 2, Chinese researchers have contrasted socialised methods with administrative methods. In the latter case, NGOs rely on the government to use its

¹⁰⁴ Big foreign businesses, for example, often use philanthropic activities in China both for publicity and networking purposes. See Wang 2001.

¹⁰⁵ Interview, 8 November 2001.

¹⁰⁶ Interview, 16 November 1999.

¹⁰⁷ Interview, 10 November 1999.

administrative authority to do things for them. The CYDF has been widely praised by Chinese researchers for consciously pursuing a socialised mode of operation instead of depending on administrative methods, which distinguished it from many other officially-organised NGOs. However, even the CYDF cannot afford to discard administrative methods completely. The study by Sun *et al* has offered some examples of the CYDF's administrative fundraising methods. When such methods are put to work, NGOs are no longer merely exploiting the symbolic resources of the state. They are depending directly on the political power of the state and its administrative system to procure economic resources for them.

As Sun *et al* related, although the CYDF constantly urged provincial YDFs¹⁰⁸ to reduce their dependence on administrative fundraising methods, many provincial YDFs complained that, unlike administrative methods, socialised methods did not always deliver results. When the CYDF launched a national-wide fundraising campaign called "Volunteers in Action" in 1998, provincial YDFs initially conducted their local campaigns according to the CYDF's plan, which was to recruit volunteers who would try to persuade their friends, colleagues, or work units to donate money to Project Hope. Obviously this was intended as a non-administrative operation. However, local YDFs soon discovered that such purely socialised methods could not raise much money. As one provincial YDF told Sun *et al*, they initially recruited six volunteers on a trial basis. After one month, only one of them managed to raise any money at all—a paltry 100 *yuan*. The YDF also found a volunteer who was the principal of a business school. Thinking that he would have no difficulty persuading at least a few people from the school to become Project Hope donors, the principal committed himself to raise a minimum of 500 *yuan*. In the end, he failed to raise a single penny, and gave the YDF 500 *yuan* from his own pocket (Sun *et al* 1999: 208-209).

¹⁰⁸ As explained before (Chapter 3, footnote 44), not all provincial-level organisations are named Youth Development Foundations (YDFs), but to simplify matters I use "YDF" to refer to all of them.

Seeing that socialised methods were ineffective, some provincial YDFs went back to the old method of mobilisation through the state's organisational system, in particular the work unit. According to one provincial YDF:

This time volunteers are supposed to persuade others to donate money on a purely voluntary basis. In fact, this is still unrealistic in China. Later we changed our strategy. We made the Party Secretaries of various enterprises our volunteers, so the number one leaders of these enterprises were our volunteers, then we appointed liaison persons for these volunteers...we made the Youth League Secretaries of these enterprises their liaison persons. So how do you suppose these volunteers persuaded others to donate money to Project Hope? This is still organisational behaviour. Genuine volunteers are those whom I just mentioned: individuals who phoned our office to say they wanted to work for Project Hope. What will be his effect [in fundraising]? There will be no effect. (Sun *et al* 1999: 126).

Exactly how are donations raised within work units? As the secretary of the Youth League Committee in a large state-owned enterprise said:

Recently our workers have been asked to donate money to various causes. The labour union, various departments came one after another to ask for donations in cash or in kind. ...Our enterprise is not making a lot of profit this year [which has affected workers' pay], so our workers cannot afford to keep giving away money. Some workers are very unhappy about this, but they must hand in a donation whether they like it or not (Sun *et al* 1999: 127).

Clearly, within work units charitable donations are often mobilised through administrative command, which leaves the employees no choice whether to participate or not. Sometimes work units even deduct money directly from their employees' pay cheques. As the general secretary of a provincial YDF told researchers, she recently made an unsuccessful fundraising trip to a city where government employees had had money deducted from their salaries every month to go to various government-supported charitable causes, until everybody grew resentful. The municipal leaders told her straightaway that they would not support

the new Project Hope fundraising scheme she was promoting (Sun *et al* 1999: 138).

In one provincial YDF, reflecting on the disappointing results of their socialised fundraising methods, a staff member told researchers:

Where Project Hope fundraising has been successful, it is not because volunteers are in action, it is because the orders of the Party and the government are taking effect. For example, in W City, to launch the “Volunteers in Action” campaign, the General Secretary of the municipal Party Committee and the Mayor all made personal donations and attended a big rally to launch the campaign. At the rally, the director of the Propaganda Department of the Party Committee delivered the mobilisation speech. Party Committee secretaries at county and district levels all went into action, so the whole campaign became organisational behaviour. Their volunteers were Party leaders, so naturally they achieved good results (Sun *et al* 1999: 133).

In the end, although researchers have made much of the clever deployment of socialised fundraising methods by the CYDF, which they praise as a model for other Chinese NGOs, especially officially-organised NGOs, they also recognise that the success of Project Hope is founded on the combination of *both* administrative and socialised methods. As Sun *et al* (1999: 294) concluded in their study, if the CYDF had relied solely on socialised methods, it would probably have disappeared, or would at best be on its last legs by now. Therefore, although the CYDF has not received any direct funding from the government save for the 110,000 *yuan* start-up cost, it nonetheless presents a good example of Chinese NGOs’ resource dependence on the state.

4.3 NGO Dependence on the State for Project Implementation

If the state apparatus has played an important role in the fundraising for Project Hope, then its importance has been even more pronounced in the implementation of Project Hope. As mentioned in Chapter 3, the CYDF has used the Youth League’s

nation-wide organisational network to dispense Project Hope funds. On the one hand, this arrangement benefits local Youth League organisations, as they get the chance to spend the money raised by the CYDF. On the other hand, the CYDF benefits directly from this arrangement as well, since it does not have the organisational capacity to implement Project Hope itself. Although there are YDFs at the provincial level, because of the government regulations that prohibit NGOs to set up regional branches, the provincial YDFs are all independent organisations rather than branches of the CYDF. In fact, some provincial YDFs have a closer relationship with provincial Youth League Committees than with the CYDF. Even if provincial YDFs could function as branches of the CYDF, it still would not enable the CYDF to implement Project Hope itself, since there are very few independent Project Hope Offices below the provincial level. In most places, Project Hope related work at sub-provincial levels is simply carried out by the local Youth League branches. If the CYDF were to perform the concrete tasks of project implementation itself, including identifying individual students eligible for sponsorship, ensuring that the money is delivered to each and every one of them at the beginning of every term, supervising the construction of new schools, and monitoring the construction expenditures, it would need to have an organisational presence down to the village level. Since it does not have such a presence, the CYDF has no choice but to use the Youth League's network.

In addition to grassroots Youth League organisations, the CYDF has also relied on government education departments at local levels to implement Project Hope. As noted before, at the central government level the CYDF has had rather strained relations with the Ministry of Education. However, at the local level it has enjoyed excellent co-operation from education departments. Unlike the ministry, local education departments do not need to be concerned about who gets the limelight for improving basic education in the country. Their primary concern is their achievements in providing education for their local areas, which are measured by

such pointers as school attendance rate and the number of new schools that have been built. Therefore, local education departments can only benefit from the implementation of Project Hope in their localities. Consequently they are all happy to offer their assistance.

To the CYDF, the involvement of local education departments is often as indispensable as that of local Youth League branches. The Youth League has organisations at county and township levels all over the country. They have assumed the main responsibility for implementing Project Hope. However, in some places the Youth League has no effective organisation at the village level. In such places, the co-operation of education departments becomes crucial, as village schools are then asked to help identify students in need of financial assistance and to help maintain the contact between Project Hope and these students. In some places, Youth League organisations may also be understaffed below the county level. In these places, the CYDF relies on education departments to take charge of any work that is carried out below the county level. Even where the Youth League is fully functional down to the village level, the participation of the education department is still very important, since after new schools are built with Project Hope funds they need to be assigned teachers, allocated budgets, and supervised and inspected regularly. These matters all need to be taken care of by the education department (Kang 1997).

While other NGOs may not have the CYDF's ready access to the Youth League's network and local government education departments, they rely on similar arrangements with the state administrative system to implement their projects. The reason that NGOs need the assistance of the state to carry out their operations is obvious: Although the Chinese state in the reform era can no longer be called "totalitarian", it is still the only institution with a fully-developed organisational network that extends into every grassroots community in the country; and its

administrative system remains highly efficient in mobilising popular participation. At the same time, the state has prevented NGOs from developing their own organisational networks by forbidding them to establish branches outside the sites where they are registered. Under the circumstances, NGOs have no alternative but to turn to state organisations for help with project implementation.

From a book commissioned by the China Foundation for Poverty Alleviation (CFPA) which documents the poverty alleviation work of over a dozen Chinese NGOs, it is evident that in many cases local governments have taken the main responsibility for implementing projects, whereas the NGOs' role has been to provide funding and technical support. This situation is unavoidable when, as is often the case, the NGO is based in Beijing or the provincial capital city, while the poverty alleviation projects are located in rural areas many miles away from the cities. For example, the Yunnan Reproductive Health Research Association (YRHRA) based in Kunming, the capital city of Yunnan Province, has a micro credit and health promotion project for rural women in Luoping County. The day-to-day management of the project is in fact entrusted to the Louping county women's federation, as members of the YRHRA all live in Kunming and cannot spend a lot of time in Luoping. Initially YRHRA representatives would go to Luoping every time new loans were handed out; later they did not even find their presence on such occasions to be necessary. At the time the YRHRA was interviewed about the Luoping project, it appeared that more than a year had passed since its members' last visit to Luoping (Yang 2001b).

Among the NGOs featured in the CFPA book, a few are physically closer to their projects than the YRHRA. These are typically county-level NGOs that carry out projects in the same county where they are located. Not surprisingly, these NGOs are more directly involved in project implementation. Nevertheless, they show a strong dependence on government structures at the township and village levels for their operations. As the general secretary of the Yilong County Rural Development

Association (YCRDA) describes the process whereby they select townships to participate in their micro credit scheme:

We will check the township's geographic condition, and we need to see if the township government is enthusiastic about the project...We work this way: If the government and Party committee of the township are supportive of the scheme, then we send our staff to the villages to explain directly to the peasants how the scheme works...We ask the township government to gather together all the village cadres and tell them about the project. The village cadres then go back to their villages to pass on the information to the peasants. If the peasants say they are willing to participate in the project and the village cadres are also willing to support it, then we send our staff down there. The village cadres will help us convene a general meeting of the peasants and we will tell them about the project (Yang 2001a: 88).

The YCRDA's need for assistance from township and village administrations is inevitable, as Yilong county has a total population of almost a million, which is divided into 69 townships and 844 villages, whereas the YCRDA only has 40 staff (Yang 2001a). It is impossible for the YCRDA to run everything itself without the support of the highly effective government administrative system at grassroots levels. Another county-level NGO featured in the CFPA book, the Linqi County Poverty Alleviation and Economic Development Association, has only 20 staff members. It has implemented over 30 projects since 1987, largely through the assistance of county government bureaux and township governments. Again, this is not surprising, given the limited human resources of the Association against the large size of even a single township. For example, a rabbit raising project of the Association was implemented in only one township, but this township had a population of 22,000. The project involved a vast amount of administrative work, from selecting suitable households to participate in the scheme, purchasing the breeding stock and delivering them to those households, to providing the households with the necessary training and ongoing technical support, and helping them to market the rabbits when they were ready for sale. The township government was the natural and indeed the only candidate for this job (Lu 2001).

While the examples just cited demonstrate how NGOs often work through the government in rural areas, other examples suggest that the government's assistance is also indispensable to NGOs operating in urban areas. A case in point is the "Green Community" initiative which the popular NGO Global Village of Beijing (GVB) has implemented in an urban community (*shequ*) in Beijing. As the first step, the GVB obtained the support of a district government to experiment with waste recycling in one of its communities. At the suggestion of the GVB, a project leading committee was formed at the district level whose members included the directors of the relevant district government agencies, in particular the General Sanitation Bureau and the Environmental Protection Bureau. The district government then issued the order to implement the project to the Street Office¹⁰⁹ in charge of the selected community. The Street Office in turn ordered the community's Neighbourhood Committee to organise the recycling. As a GVB member said: "The government's administrative system is very well-organised. To get things done it is very important to have the government sending orders down its hierarchy. The Neighbourhood Committee would not have undertaken the work if it was not ordered to do so by the Street Office."¹¹⁰ When this GVB worker visited urban communities in other cities to promote the Green Community initiative, she found that Neighbourhood Committees were usually uninterested in such schemes. This is hardly surprising. Neighbourhood Committees in China are often saddled with a large number of tasks by higher levels, from mediating civil and domestic disputes, maintaining public safety and security within their communities, to providing social welfare services to elderly and disabled residents. Government officials have estimated that Neighbourhood Committees typically have 40 to 100 legal obligations

¹⁰⁹ Districts are divided into sub-districts which are administered by Street Offices. Sub-districts are further divided into a number of "communities" (*shequ*), at which level there are Neighbourhood Committees. While defined as "mass self-managing organisations at the grassroots level" by the Constitution, neighbourhood committees have in reality served as branches of street offices, and can therefore be considered the lowest level of urban administration.

¹¹⁰ Interviews, 6 December 2001 and 22 November 2002.

or responsibilities, yet they are only provided with enough money for staff salaries, office space, and utilities by Street Offices (Derleth and Koldyk 2002). As a result, as the GVB worker observed, neighbourhood committees had no incentive to take on extra work, such as organising garbage recycling, unless they were ordered by higher levels.

The government's involvement in the GVB project in Beijing was by no means limited to instructing the Neighbourhood Committee to assist the GVB with its effort. In mobilising the participation of community residents in the recycling scheme, the GVB has relied on government support every step along the way. At first, residents complained that the bins used for recycling were difficult to operate, as the lids must be lifted by hand. They preferred to have pedal-operated bins. The GVB contacted the district General Sanitation Bureau about this complaint; the Bureau changed the bins the following day. Next, residents suggested that a glass-fronted notice-board should be erected in the community to serve as a vehicle for disseminating environmental protection information. The GVB brought this matter to the attention of the district Spiritual Civilisation Office, also a member of the project leading committee, and the Office gave the community 25,000 *yuan* to install the notice-board.

As residents were urged by the GVB to join the recycling scheme in order to help protecting the environment, they also started to complain that the immediate environment of their own community was itself suffering from serious pollution. In particular, they complained about the noise made by the air-blower of a supermarket located in the community and the oily smoke emitting constantly from the kitchen of a restaurant. If the GVB failed to address these complaints of the residents about the environment of their own community, it would have a hard time arousing their enthusiasm for other environmental protection activities which, after all, would bring them no direct benefit. Once again, through the project

leading committee the GVB was able to make the head of the district take immediate action on the two complaints. A solution was quickly identified and implemented by the relevant government agencies. More recently, residents have also asked that a wall behind the glass-fronted notice-board be demolished. Since the wall is owned by the Sanitation Bureau, its consent is necessary, and at the time of my interview the GVB was in the process of contacting the Bureau to obtain its approval.¹¹¹

Unlike the poverty alleviation projects mentioned earlier, the Green Community initiative needed government support not only because the GVB lacked the organisational capacity to implement the project itself, but also because in the process of mobilising community participation the GVB needed to respond to various requests from the residents. Addressing the immediate concerns of the residents was crucial to drawing their participation in wider environmental protection schemes and the GVB needed the government's assistance to do so, since it had neither the administrative authority nor the resources necessary for addressing those concerns.

NGOs in other sectors often face a similar situation. When I conducted a review of the role of NGOs in HIV/AIDS prevention and care programmes in China in 2002,¹¹² it was clear that without the support of government agencies NGOs would find it very difficult to work with the key target groups of these programmes, such as injecting drug users (IDUs) and commercial sex workers (CSWs). To begin with, drug use and commercial sex work are illegal. The police have the duty to arrest any CSW or IDU they come across. Therefore, to attract the participation of IDUs and CSWs in HIV/AIDS prevention activities, such as training, needle exchange, or condom promotion, at the very least NGOs need to guarantee that they will not be

¹¹¹ Interview, 22 November 2002.

¹¹² As part of the review I carried out a number of interviews in Beijing, Yunnan, and Sichuan in October and November 2002 with NGO staff, managers of HIV/AIDS programmes, and the beneficiaries of these programmes. The following information is based on these interviews.

facing waiting police cars when they come to take part in these activities. To do so NGOs must obtain the agreement of police departments that they will wink at their activities with IDUs and CSWs.

Often, NGOs would need more active support from the government than its mere acquiescence to draw the participation of IDUs and CSWs. For example, when working with CSWs, it is essential for NGOs to gain the co-operation of establishment owners. However, these owners often ignore approaches by NGO workers. Consequently, it is necessary for NGOs to bring government officials with them, as establishment owners dare not ignore requests for co-operation from government agencies, which can close down their businesses if they do not co-operate. In HIV/AIDS prevention projects with IDUs and CSWs, a commonly used method is peer education. To give IDUs and CSWs incentives to work as peer educators, the government's assistance is again required. For example, some NGO projects made arrangements with government health departments to allow their peer educators to receive subsidised medical treatment at public clinics. Other projects obtained the police's agreement that they would not arrest any IDU or CSW who worked as their peer educators. In projects focusing on care for people living with HIV/AIDS (PLWHA), NGOs are equally dependent on government interventions. At present, once their conditions are exposed, PLWHA usually face strong discrimination from their local communities, and it is often necessary for the government to use its authority to persuade communities not to ostracize their HIV-infected members. When NGOs try to help PLWHA to improve their economic situation, for example, by starting some small businesses, once again the support of local governments is vital. Such support can take any form from simplifying or waiving the registration requirements for these businesses, exempting them from taxation, to helping persuading local communities to patronize these businesses.

So far I have only discussed NGO dependence on the government in implementing

projects which can be roughly classified as service delivery. A similar picture emerges when one looks at NGOs that engage in advocacy work. The director of a highly successful popular NGO that provides legal aid to socio-economically disadvantaged people knows some high-ranking officials who have agreed to serve as the NGO's advisers. As a researcher explains the way the NGO operates, when defending cases that have a poor chance of being adequately settled in court, the director appeals for help from his government friends, whose intervention will in most situations lead to an amicable solution. The researcher observes: "While not necessarily conducive to [bringing about] greater effectiveness of China's legal system, this method yields the most instant results" (Raab 1997: 46, footnote 115).

Similar factors are accountable for the success of another legal aid and legal research centre. This centre's two directors are renowned law professors who serve as advisers to the Supreme People's Court and the Supreme People's Procuratorate. Some of their former students already hold high positions in those two institutions. Because of the connections and influence of its directors, the centre has excellent access to the judicial authorities and has been invited by the government to take part in drafting important new laws.¹¹³

The same pattern can be observed in other policy arenas. To the extent that NGOs can have some influence on policy making, it is usually owing to their special connections to the government rather than any other attributes or qualities they might possess. For example, when I asked the executive vice president of the China Association of STD/AIDS Prevention and Control (CASAPC), Professor Dai, how could NGOs like the CASAPC influence government policies on HIV/AIDS, Professor Dai explained that he was the director of the Disease Control Department of the Ministry of Health for 11 years before moving to the CASAPC and was still a key member of the Ministry's expert panel on HIV/AIDS. He was often invited to

¹¹³ Interview, 18 November 1999.

ministerial-level meetings where specific policies were decided. Professor Dai then asked rhetorically: "If I am able to have some inputs into government policies, is this because I am a member of the CASAPC, or because I am a member of the expert panel, or because I am the former director of the Disease Control Department?"¹¹⁴

The fact that effective advocacy depends on good connections in the government is well appreciated by Chinese NGOs. The director of a popular NGO told international consultants that in 10-20 years' time she wanted to see her organisation having "more communication" with the government on the issues it was interested in. When asked how she intended to achieve this goal, the director replied that she would invite more professionals who were able to attend government meetings and conferences to join the NGO's board of directors. She would ask these people not to quit their jobs in government institutions in order to work for the NGO, but to endeavour to become more deeply embedded in government institutions. "To penetrate deeper and more extensively into the government structure", as the director put it. This way they would be more useful to the NGO.¹¹⁵

4.4 NGO Dependence on the State for Knowledge and Information

One of the main discoveries of my review of NGOs' role in HIV/AIDS programmes is that the effectiveness of NGOs can be seriously constrained if they fail to gain access to information held by government institutions. For example, an NGO project aimed at providing psychological counselling to PLWHA encountered tremendous difficulty in achieving its objective, because the project workers could not locate PLWHA. Widespread discrimination against PLWHA had made them go to great lengths to conceal their identities. Government institutions such as Disease

¹¹⁴ Interview, 8 October 2002.

¹¹⁵ Interview with the director by international consultants on 16 November 1999. I acted as the interpreter for the interview.

Control Centres had detailed information on PLWHA. To contact PLWHA, therefore, the project must gain the cooperation of these centres first. In this case, however, for their own institutional reasons some centres chose to withhold the information on the whereabouts of PLWHA from the project, which resulted in its failure to find the people it was designed to help.

The information involved in this case is obviously of a special nature and is out of the public domain. It is therefore to be expected that NGOs would need the help of government institutions in order to gain access to such information. However, other cases show that NGOs are also dependent on the government for ordinary information which is not restricted in any way. In such cases, although the information is not kept secret, NGOs often lack the capacity to collect the information themselves, therefore they would still be crippled if the government did not supply them with the information. When Zhang Shuqin tried to set up a Prisoners' Children's Village (PCV) in Beijing, one of the main challenges she faced initially was to find prisoners' children who needed residential care. Zhang Shuqin and her colleagues could no doubt acquire the information they needed by visiting every neighbourhood in Beijing in person to search for such children. However, with only two people working for her and a large number of other pressing tasks in hand, Zhang Shuqin had neither the time nor the resources to search the city for prisoners' children herself. With its highly developed administrative system, the government could easily find out how many such children existed and where they lived. In fact, the municipal Justice Bureau initially agreed to compile a list of prisoners' children in Beijing for Zhang Shuqin. It asked each district justice bureau to carry out a survey of such children in their own districts. However, after the districts had done the work and submitted their reports to the municipal Justice Bureau, certain officials in the municipal government who opposed the PCV idea told the Bureau not to give the information to Zhang Shuqin. Her repeated efforts to make the government surrender the information all failed, Zhang Shuqin was left in

an awkward situation. Luckily, a young woman in a government office sympathized with Zhang Shuqin and gave her a tip in private. Following her advice, Zhang Shuqin approached district justice bureaux directly and tricked them into giving her the reports they submitted to the municipal bureau.¹¹⁶

Apart from NGOs' lack of information collecting capacity, their dependence on the state for information is largely a result of the government's lack of transparency and the reluctance of officials to keep ordinary citizens informed of government policies. As scholars point out, in China many government policies and regulations are communicated in the form of government documents instead of laws. Unlike laws, documents are not required to be open to the public. In fact, they are usually kept semi-secret. Ordinary people are often denied access even to documents containing policies which directly affect their daily lives (Shi 1997: 12). There are several reasons for officials' reluctance to publicize government policies and regulations. In addition to the cost involved in printing and disseminating such formation (Li and Xu 2001), officials' monopolization of documents increases their power, as it allows them to interpret policies according to their own preferences without being challenged by the public (Shi 1997).

The experience of the parent of a disabled child in a government office is fairly representative of the reception which ordinary citizens might expect from officials when they ask for information on government policies. This parent heard that a new policy had been put in force that entitled disabled people to more government subsidies, so he went to a government agency to inquire about it. After he asked a few questions, the official who spoke with him grew impatient and said: "If you think there is such a policy, then why don't you show me the document?" This effectively put the parent off. He left none the wiser about social welfare

¹¹⁶ Informal interview, 6 November 2001.

entitlements of disabled people.¹¹⁷ An incident I witnessed personally while interviewing an official presents another poignant example of the difficulty for ordinary citizens to obtain information from government agencies. During the interview, which was in a provincial Civil Affairs Bureau, a couple who wanted to adopt a child came into the office to ask for information on adoption law and procedures. Apparently they had been to some sub-provincial level government agencies already. Those agencies could not provide them with the relevant information and had advised them to come to the provincial bureau. Instead of giving them any information, the official told them to go to the civil affairs bureau at the city level, which was the administrative level immediately below the province. After the couple left, the official explained to me that he could have furnished the couple with the information they were looking for, but he did not do so because government agencies at lower levels should take care of such inquiries instead of referring people to the provincial bureau. The official complained that lower levels often did not do their jobs properly and tried to pass the buck to the provincial bureau instead, and the provincial bureau must hold its ground and not take on any work which should be the responsibility of lower levels.¹¹⁸

Operating in such an environment, Chinese NGOs are often dependent on special relations with government agencies or officials simply to keep abreast of government policies. For example, Friends of Nature relies on its contacts in the National Environmental Protection Agency to inform them of government environmental policies so that they can avoid open clashes with the government (Raab 1997). Perhaps even more frequently, NGOs rely on their friends in the government to inform them of government practices, which can be even more elusive than policies, as no written information on such practices may exist. For example, the founder of a popular NGO in a southern city had tried for a couple of

¹¹⁷ Informal interview with the parent on 20 February 2000.

¹¹⁸ My interview with the official took place on 22 May 2000.

years to set up a similar organisation in Beijing, but local policies in Beijing stipulated that nobody who was not a Beijing permanent resident could serve as the legal representative (*faren daibiao*) of Beijing-based NGOs. This NGO director had cultivated the friendship of a Beijing official who kept her informed of new developments on this front. I was once invited to lunch with the NGO director and her official friend.¹¹⁹ In the course of the lunch, the official told the NGO director that the Beijing municipal government might now be willing to take a more flexible approach towards this issue. Recently, a Beijing-based NGO that wished to change its legal representative had proposed a replacement who did not possess permanent Beijing resident status. The NGO had submitted the candidate's information to the government for approval. The official said that he would keep the NGO director informed of the government's decision on this matter. If it gave its approval in this case, the NGO director could then ask the government to allow her to be the legal representative of her Beijing NGO, citing this precedent to support her application.

The experience of the Shaanxi Province Returning to Society Research Association (SPRSRA) provides a happy example of NGOs benefiting from inside information on government practices. In 1999, the Communist Party's Central Supervisory Committee on the Construction of Spiritual Civilization gave the SPRSRA 600,000 *yuan* to upgrade the facilities of its three PCVs in Shaanxi. This has given a strong boost to the image of the PCVs, and Zhang Shuqin often mentions it to government agencies and potential donors to demonstrate the legitimacy of her work. As Zhang Shuqin said of the grant: "This is not about money. This is about government approval. It sends out the message that we are backed up by the government." When I asked Zhang Shuqin how she managed to get the money from the Committee, she told me that she simply sent a letter to Ding Guangen, the chairperson of the Committee. This surprised me greatly on three accounts. First, senior central state officials like Mr. Ding rarely reply to letters from members of the

¹¹⁹ 22 August 2000.

public. In fact, most such letters do not even reach these officials. Besides, state funds are not allocated this way. One simply would not expect a central state agency to give money directly to a local NGO. Finally, the Committee seems to be a central Party organ that is responsible for providing policy guidance to Party and government units on spiritual civilization related work. It does not seem to be an agency with a budget to fund individual projects. Putting all these facts together, few people would have thought it anything but a total waste of time to write a letter to Ding Guangen to ask for money, so why did Zhang Shuqin do it and obtained such a good result? The answer was that she received inside information from somebody who knew Mr. Ding's habits and the Committee's finances well. This friend told Zhang Shuqin that, unlike other senior state officials, Mr. Ding usually read letters from the public rather than leaving them to his secretaries to deal with. He enjoyed being able to give out money and had recently procured some funds for his Committee to spend. This friend suggested to Zhang Shuqin that she write to Mr. Ding. Within a week, Mr. Ding had awarded the PCVs 600,000 *yuan*.¹²⁰

NGOs not only need good knowledge of government policies and practices, they also need to know how to interact with the state bureaucracy with which they inevitably come into frequent contact. If they are not skilled in dealing with the bureaucratic system, they are likely to get into constant trouble, and their activities can be hampered at every step. Even though many NGO staff are amphibious people, as mentioned before, and are therefore not ignorant of the conduct of government affairs, during my fieldwork I found that NGOs usually had a circle of informal advisers who were well versed in the way the government and its officials operated. Not surprisingly, these advisers were mostly incumbent or retired government officials who were friends of NGO staffers or who supported the goals of the NGOs and were therefore willing to lend their assistance. NGOs relied heavily on the advice of these friends to manage their relationships, particularly

¹²⁰ Conversations with Zhang Shuqin in January 2000.

those with the government. Sometimes NGOs might also receive advice from people in the government who were not their friends but who sympathised with their causes, as in the aforementioned case of the young woman suggesting a way of obtaining the information on prisoners' children in Beijing to Zhang Shuqin.

The issues on which NGOs need the advice of their official friends are extremely wide-ranging. One NGO director was invited to a conference in Hong Kong, but she did not realise that applications for the necessary documents for travelling to Hong Kong would take a few weeks to be approved. By the time she submitted the application, there was not enough time left for her to obtain the documents. However, some officials suggested an alternative route that involved declaring the purpose of her visit to be conducting business affairs instead of attending a conference. Since the processing of such applications took less time, it enabled her to receive the travel documents in time for the conference.¹²¹ NGOs also frequently rely on their advisers to edit their reports and applications and to coach them on how to present themselves to the government and the public. The SPRSRA summarises its work in the slogan "Eliminating potential problems for the government, taking on social responsibility of our own accord". As Zhang Shuqin revealed to me, she was taught these words by a former vice governor who was a supporter of her PCV initiative.¹²² It seemed that many of Zhang Shuqin's important applications had benefited from the skilful editing of her advisers. For example, the letter she submitted to the China Charities Federation, an officially-organised NGO, asking it to host her activities in Beijing, had been edited by a retired senior Beijing official.

NGOs may even need advice on how to bribe officials. An NGO needed to build an extension to its premises, for which it must obtain the approval of the Bureau of

¹²¹ Informal interview, 21 July 2000.

¹²² Interview, 3 January 2000.

Land Administration. The section chief who reviewed the NGO's application refused to give his approval. The NGO managed to bring the matter to the attention of a director of the Bureau, who asked the section chief to approve the extension. However, the section chief spoke to another director who was at odds with this director and made him back up his original decision. The NGO sought the help of an adviser, who told it to give the section chief a bribe and advised the NGO on the appropriate amount as well as the appropriate way to offer the bribe. Acting on the advice, the NGO successfully brought the section chief around.¹²³

While NGOs most frequently rely on the guidance of their advisers to deal with government agencies and officials, they also draw on the knowledge and information of these advisers in managing other important relationships, such as those with the business community. I once witnessed a meeting between an NGO director and a government official during which they discussed how to raise funds for the NGO from Chinese entrepreneurs. The official told the NGO director that she possessed a list of rural entrepreneurs who were willing to pay a good price for a meeting with top state officials. The official offered to share the list with the NGO director. She then went through the names of some top officials whom she thought the NGO could approach to see if they were willing to be its board members or advisers. Once the NGO succeeded in getting these officials on board, it would easily make the entrepreneurs open their purses by arranging for them to meet these officials in exchange for a big donation to the NGO.¹²⁴

Over a dinner I had with an NGO director and a government official who was a close friend of hers,¹²⁵ I also found out how advisers might help NGOs deal with problems they had with local communities. The NGO wished to extend a school it had built, but the area surrounding the school was the graveyard of a local village.

¹²³ Informal interview, 19 April 2000.

¹²⁴ I witnessed the meeting in January 2000.

¹²⁵ This happened in April 2000.

To extend the school, the graves must be removed first; but as can be expected, the villagers strongly objected to the idea. The official had been helping the NGO director to persuade the local government to order the villagers to move the graves. In the mean time, he also suggested to the NGO director that she continue to work directly on the villagers by spreading a rumour that the area had bad *fengshui*, which was why the villagers were so poor. To improve their luck, therefore, the villagers must move the graves of their ancestors to a place with better *fengshui*.

Conclusion

For the sake of the analysis I have broken up Chinese NGO's dependence on the state into four thematic areas and discussed them separately. In reality, it is often impossible to separate the different types of support which NGOs draw from the state. For example, when an NGO receives some funding from the state, not only has it gained resources from the state, it has also gained legitimacy that will facilitate the NGO's future attempts to win cooperation and support from government agencies and the public. Similarly, when an NGO relies on local governments to implement its projects, not only does it benefit from the organisational and human resources of the local governments, it also simultaneously benefits from the information and knowledge possessed by the local governments of their local situation. In reality, Chinese NGO's dependence on the state is usually comprehensive rather than confined to one of the four areas discussed in this chapter.¹²⁶

More than two decades after the inauguration of market-oriented reforms, the state

¹²⁶ Although my analysis in this chapter has been based on qualitative research, it is fully corroborated by existing quantitative data. When the Tsinghua University NGO Research Centre conducted a questionnaire survey of Beijing-based NGOs in 1999, 87.5% of the NGOs said that they needed support from the government both in carrying out their activities and in pursuing their organisational development. Only 4.8% of the NGOs said that they did not need the government's support. See Deng 2000: 34-35.

still has a dominant presence in economic and social spheres. It has retained extensive control over the allocation of resources and opportunities. It is this basic situation that has given rise to Chinese NGOs' dependence on the state, just as it has created the dependent relationship between private businesses and the state. In this context, skilful NGOs, just like skilful private businesses, are the ones that have managed to draw as much support and supply from the state as possible while maximising their autonomy from the state at the same time. Exactly what kinds of skills do these NGOs possess? This is the topic of the next chapter.

5. The Skills of Chinese NGOs

In recent years, the international development community has shown a strong interest in supporting capacity building for Chinese NGOs. The eagerness of donor agencies to give money to this cause has contributed to an outburst of NGO capacity building programmes. Not only have international organisations started to run such programmes in China, but an increasing number of Chinese organisations are also offering training courses for NGOs. One thing the various training programmes have in common is that they all rely heavily on materials that have been designed and used in other countries, and they are all keen to invite experts from outside mainland China, such as Europe, America, Hong Kong, and Taiwan, to give the training. Observers of the Chinese NGO sector generally share the view that the sector is still “in its infancy”,¹²⁷ and its capacity building needs are vast. Assessments of such needs have generated long lists that include everything from strategic planning, programme management, staff training, public relations and image-building, to fundraising and communication skills, and the ability to mobilise volunteers.¹²⁸ Under the circumstances, those who are concerned to build up the capacity of Chinese NGOs have naturally sought to improve these organisations by introducing them to the latest international NGO management theories and practices.

While there is no doubt that learning how foreign NGOs are managed and listening to international experts can do Chinese NGOs a lot of good, the usefulness of current training programmes has been diminished by their failure to tailor their curricula to the specific needs of Chinese NGOs. Chinese NGOs’ lack of capacity is indeed only too obvious, especially if one uses well-managed NGOs in countries

¹²⁷ Such vocabulary is most enthusiastically embraced by Chinese NGO practitioners themselves, who often use similes such as “child”, “infant”, or even “embryo” to emphasize the underdeveloped state of the NGO sector and to call for more support from the government and international donors to foster its growth.

where the sector is long established as one's frame of reference. However, current analyses of the capacity building needs of Chinese NGOs have failed to recognise that many of them already possess advanced skills which may be very different from those taught by standard NGO training programmes but which are crucial to their survival and development in the Chinese context. Instead of viewing NGO capacity as consisting of a universally applicable set of skills and use it as the yardstick for measuring the performance of Chinese NGOs, analysts and organisers of capacity building programmes would do well to first examine the skills Chinese NGOs have. A good understanding of these skills would probably help them to design capacity building programmes that are more relevant to the needs of Chinese NGOs.

Current capacity building programmes could also benefit from a better understanding of the root causes of the poor management of many Chinese NGOs. I suggested in Chapter 2 that NGO research in China has suffered from a managerial approach that neglects political analysis. Partly as a result of this deficiency in NGO research, many people attribute the governance problems afflicting Chinese NGOs to their lack of management skills, therefore management training has been seized upon as a solution to the problems. In fact, many ostensible management issues with Chinese NGOs, such as the lack of clearly defined goals and objectives, the lack of rational governance structures, poor financial management, inadequate human resource development, and so forth, have little to do with the capacity or skills of these organisations. The explanation needs to be sought elsewhere, for instance, in the motives behind the establishment of these organisations and the purposes they serve. Often, NGOs are badly managed because those who are in charge have little incentive to change the situation. Instead, they may have every reason to maintain the status quo.

¹²⁸ See, e.g., Young and Woo 2000; Deng 2001a; Kang 2002.

Finally, NGO capacity building programmes can only be of limited efficacy if they just focus on NGOs themselves while ignoring the institutional environment for these organisations. Once the management of NGOs is no longer considered in isolation but examined in the context of the specific institutional environment of present-day China, then certain management practices that clearly qualify as “bad” or “irrational” under normal circumstances may actually make very good sense. In other words, there may well be rational justifications for certain “irrational” management practices of Chinese NGOs. One can argue that instead of proving that Chinese NGOs lack skills, such practices indicate that these organisations possess good skills that allow them to adapt to the specific environment in which they operate.

In the first two sections of this chapter I discuss the skills which Chinese NGOs have. I focus on their skills in two particular areas. Section 1 examines how NGOs manage their relationship with the state, arguably the most important of all their relationships, while Section 2 looks at the methods they use to mobilise public support and raise money. In the third section I explore some of the root causes of the poor management of Chinese NGOs. In the final section I use some examples to suggest that the skills of NGOs should be understood in relation to their specific institutional contexts rather than left to standard capacity building programmes to define.

5.1 Managing Relationship with the State

The previous three chapters have already offered some examples of the skilful handling of their relationship with the state by NGOs. Chapter 2 introduced some cases of NGOs manoeuvring to gain or claim political legitimacy, defined as political acceptability in the eyes of the state. Chapters 3 and 4 discussed how NGOs managed to evade government control and supervision while at the same time

making use of the power, authority, and resources of the state for their own purposes. As has been mentioned, a common strategy adopted by NGOs to achieve their desired relationship with the state is to find patrons and allies in the government to provide them with the necessary protection and access. While sometimes outright bribery may be involved in NGOs' attempt to win friends in the government,¹²⁹ usually they would resort to more subtle means.

One method often used by popular NGOs to develop good relationship with government officials is to invite them to go on study tours to foreign countries or to attend international conferences outside China. The donor community has been very keen to provide Chinese NGOs with international exposure, which is considered an important and effective means of NGO capacity building. Donors pay for these trips while NGOs assemble the delegations. Often, NGOs would invite some government officials to be members of the delegation. Since the opportunity to go on a foreign trip is still a highly coveted prize in China, such invitations would greatly endear the NGOs to the officials. During these trips, members of the delegation inevitably spend a lot of time together, not just during day-time but also in the evenings and over weekends, when they go sightseeing or shopping together. This often ends in the development of warm friendships between the NGO staff and the officials on the delegation. Often, after these trips, the officials become good friends of the NGO staff and can now be counted on for various favours.¹³⁰

Although a less grand treat than foreign trips, free trips within China can also go a long way towards winning NGOs official friends. When I interviewed a senior manager of an international NGO that had been the main donor of a local NGO, the manager complained that the local NGO often requested them to fund the trips of

¹²⁹ For example, in the case of the NGO that sought permission from the Bureau of Land Administration to build an extension to its premises (see Chapter 4).

¹³⁰ Interviews with several NGOs that are located in different cities and work in different sectors. Also drawing on my personal experience of several such study tours.

officials from its sponsoring agency. Just the day before, said the manager, he had received a phone call from the local NGO asking if the INGO could pay for a trip of the director of the agency to Beijing. The manager felt that these so-called study visits or conference trips had simply been used as gifts by the local NGO.¹³¹

Another method frequently used by NGOs to gain allies in the government is to invite officials to serve as their board members, directors, or advisors. NGOs do not really expect the officials to do any concrete work, but the titles allow NGOs to pay them salaries and offer them other benefits. For example, NGOs may pay the officials' mobile phone bills for them or reimbursement them for any taxi receipts they can produce. I once interviewed the director of a popular NGO whose relationship with the official whom she initially appointed the president of her NGO had turned sour. The director complained that since the official's retirement he had not been of much help to the NGO but had tried to take control of it. Since he had more free time on his hands now, he had asked to be informed of every detail of the NGO's operation. The director paid the official a monthly salary that was much higher than that of the other staff. She also reimbursed him for various expenses, even though he did little actual work. Furthermore, his salary must be delivered to his home every month, as she could not possibly ask him to come to the NGO's office himself to collect the money. The NGO director felt that the official was no longer an asset but had become a liability, so she had managed to get rid of him.¹³²

Not only do NGOs make friends with individual officials by offering them economic benefits, they also use this method to establish good relationship with government agencies. A good example can be found in the book by Guo, Yang and Ying. It shows how a provincial YDF improved its relationship with the provincial education commission. Initially, the education commission resented the YDF's

¹³¹ Interview, 9 May 2000.

¹³² Informal interview, 21 July 2000.

success, just as the Ministry of Education resented the CYDF's success. Later, the education commission was given the responsibility of building some new schools in a poor area using not the government's education budget but its own institutional resources.¹³³ The education commission turned to the YDF for help, as the latter controlled Project Hope funds which were raised precisely for the purpose of supporting basic education in poor areas. The YDF obliged and disbursed funds for three new primary schools in the name of the education commission. Afterwards the strained relations between the two organisations thawed noticeably (Guo, Yang and Ying 1999: 31).

I heard a similar story from a member of the aforementioned NGO that frequently asked its INGO donor to pay for the trips of officials from its sponsoring agency. When I asked about one of the NGO's main projects, the person told me that the project was originally the government agency's idea, since it was the official responsibility of the agency to organise such activities. However, the agency did not have sufficient funds to carry out the project, so the NGO sought and obtained funding from the INGO to implement the project in collaboration with the agency, which meant the agency would get credit for the project without having to pay for it.¹³⁴

Some popular NGOs have been able to establish good relationship with government agencies by applying for funding from international donors, then spending the money together with these agencies. A Chinese NGO practitioner I interviewed described this phenomenon as "NGO-government collusion."¹³⁵ Given the enthusiasm of many international donors for funding Chinese NGOs, especially

¹³³ The state's poverty alleviation strategy in China has involved pairing up individual government agencies with poor localities. The government agencies are asked to use their own institutional resources to help their assigned localities as opposed to using funds from the government budget they happen to control. Many agencies mobilise the resources by using such methods as asking each of its employees to make a personal donation to the cause.

¹³⁴ Interview, 28 April 2000.

¹³⁵ Interview, 7 November 2001.

the ones perceived as “genuine NGOs” as opposed to GONGOs, it is often easier for NGOs to obtain certain small-scale project funding from donors than government agencies.¹³⁶ It should be pointed out that this kind of collaboration with government agencies suits the NGOs too. As mentioned in Chapter 4, few NGOs have the capacity to implement even medium-sized projects themselves, so they depend on the government for project implementation anyway. Therefore, they are usually happy to leave most of the actual work to their government collaborators. A common perception among Chinese NGO researchers and practitioners is that when international donors fund an NGO project, they usually do not pay much attention to the process of project implementation as long as the NGO delivers results,¹³⁷ which leaves ample scope for “NGO-government collusion.”

In addition to economic benefits, NGOs have also managed to win the goodwill of government officials and agencies by offering them political benefits. Although the NGOs I encountered during my fieldwork had varying degrees of affinity to the government, without exception their managers showed shrewd judgement of the potential political advantage to government agencies or officials of supporting their organisations. They appeared to be highly adept at catering to the political needs of government agencies and officials in exchange for concrete assistance to their organisations. For example, a popular NGO persuaded a district government to help it establish an institution for disadvantaged children. It made a deputy chief of the district government the Director of the institution, although the institution’s day-to-day operation was in fact under the charge of the NGO’s manager. The NGO had carried out a tremendously successful publicity campaign from the day it was founded. Its earlier projects had received much praise from both the provincial and the central government. As a result, the institution it set up with the help of the district government was guaranteed on-going positive media coverage as well as

¹³⁶ It is a different matter with large-scale projects, which can only be implemented by the government.

¹³⁷ Interviews, 7 November 2001, 12 November 2001, and 28 June 2000.

visits by high-ranking provincial and central-government officials. Whenever the media or higher-level officials came to the institution to witness its achievements, the NGO manager would make sure that the district government and in particular the deputy chief, who had been the most staunch supporter of the NGO in the district government, would receive sufficient credit for the success of the institution. The NGO manager considered the deputy chief to be the kind of person who sought the spotlight and longed for opportunities to present his good work to senior officials, so she had taken care to “satisfy these needs of his.”¹³⁸ In return, she had been able to count on his unreserved commitment to the institution and through him various material assistance from the district government.

Some popular NGOs I studied have even sought government support by directly offering their political service to the government. One NGO director wrote an application for funding to a government bureau in which she enumerated as many as eight advantages to the bureau of supporting her organisation. One advantage was that the bureau could use the NGO to do certain things which would be inconvenient for it to do itself. Another advantage was that the NGO could serve as a bridge between the bureau and certain segments of society who were usually suspicious of the government and were therefore difficult for the bureau to reach directly. Finally, the NGO could also provide employment for retired bureau officials.¹³⁹

One of the most important forms of political assistance which NGOs can offer the government is their public endorsement of government projects that need to be evaluated by international bodies. The government has received some international

¹³⁸ Informal interview, 3 August 2000.

¹³⁹ Informal interview, 21 July 2000. The placement of retired officials was listed as an advantage because government agencies in China are often under pressure to look after their retired officials. As mentioned in Chapter 3, many officially-organized NGOs have been created mainly in order to place retired officials, and have been sarcastically called “retired officials reemployment projects”.

development assistance funds that demand NGO participation in the projects as a conditionality. Although NGOs often complain that they have no real involvement in these projects and are simply put there for show, they have nevertheless played the part expected of them: turning up at government-organised ceremonies and attaching their signatures to government-prepared documents to help present a facade of government-NGO partnership.¹⁴⁰ While a popular environmental NGO claimed that the purpose of its existence was to “criticise the government” and even to act as “the government’s opponent”, when the government proposed to stage a “Green Olympic” in its effort to win the bid to host the Olympic Games in Beijing in 2008, the NGO immediately put itself at the government’s disposal and joined wholeheartedly the government’s campaign to show how much it cared about the environment. It is said that around the time of the Olympic bid some NGO activists were so eager to offer their services to the government that their behaviour totally disgusted their peers.¹⁴¹

The government at all levels has been used to presenting the work of NGOs as its own achievements. For example, in its 1995 white paper on the progress of human rights in China, the State Council has described Project Hope as a project of the Chinese government to ensure its citizens’ right to education (Kang 1997: 250). Given Chinese NGOs’ comprehensive dependence on the state, the government is indeed justified to some extent in claiming credit for NGO projects. What is really interesting from the point of view of this study is that not only do NGOs fail to protest against the stealing of their honours by the government, but they often deliberately leave honours to the government.¹⁴² They even willingly assist the state

¹⁴⁰ Interviews, 10 November 2002. A particularly outspoken NGO manager I know once accused some key figures in the Chinese NGO community of being two-faced: They are effusive in their criticism of the government in meetings with foreigner donors but become rather quiet when there are government representatives present.

¹⁴¹ Interview, November 2002.

¹⁴² I learned about an internal discussion of a popular NGO from its director while I was studying the organisation. The director said that after the discussion they decided that they would “let the government have the praises.” She summarized their strategy in two sentences: “Using the [political] advantages to persuade the government to support us. Using the miserable

in using their projects for its own propaganda purposes.

A case in point is the Shaanxi Province Returning to Society Research Association (SPRSRA) and the Prisoners' Children's Villages (PCVs) it set up. A Vice Minister from the Ministry of Justice in Beijing attended the inauguration of the first PCV. In her speech the vice minister declared that the establishment of the PCV was "a forceful rebuttal to the attacks of some Western countries on the human rights situation in our country".¹⁴³ This speech seems to have set the tone for all subsequent presentations of the PCVs in the official media. An article in the *People's Daily* (27 May 2000: 6) even claimed that the PCVs represented pioneering work in international human rights history and showed that the Chinese people had led the world in protecting the human rights of prisoners' children. The SPRSRA, for its part, danced faithfully to the government's tune. For example, Mr. Guo, a peasant entrepreneur and village chief who was appointed a deputy director of the SPRSRA after he agreed to host the first PCV in his village, told the media that the reason the villagers were happy to support the PCV was because they had become rich thanks to the Party's reform and open policy. To show their gratitude to the Party, the villagers wanted to make contributions to their country and society by supporting the PCV. At the same time, they wanted to show the world that "Chinese peasants also attach great importance to human rights and they enjoy a broad range of human rights."¹⁴⁴

After the SPRSRA set up a second PCV in the provincial capital Xi'an, it asked the provincial Foreign Affairs Office to grant it the status of an "institution open to foreign visitors." Since then, the Xi'an PCV has received dozens of foreign delegations and has supplied the media with many quotations from these

condition [of our target group] to persuade the public to donate money to us."

¹⁴³ The Vice Minister's speech was quoted in over a dozen newspapers that reported the event, for example, *Democracy and Law*, 28 August 1996:1.

¹⁴⁴ Mr. Guo's comments were also reported in several newspapers, for example, *Workers' Daily*, 19 October 1996:3.

delegations that commend the human rights situation in China. According to one SPRSRA report, the head of a US press delegation said: "The Chinese people are truly remarkable. In our country there is also crime and there are also children living on the street, but nobody pays any attention." The head of a delegation from the European Parliament said: "The West says that China treats its children with cruelty, but we have seen that even prisoners' children are so healthy and lively. Therefore children who have parents must be leading even better lives." After giving a number of such quotations, the SPRSRA report concluded: "The PCV has become a window on human rights in China for foreigners and a powerful demonstration of our country's fulfilment of our obligation under the UN Convention on the Rights of the Child and our defence of human rights."¹⁴⁵

The China Green Shade Children's Village (CGSCV) provides another example of NGOs offering themselves to the state as propaganda tools. The CGSCV was a private orphanage founded by Ms. Hu Manli, who began by adopting two orphaned children of a deceased neighbour. Local newspapers covered the story, which resulted in many orphans and abandoned children being sent to Hu Manli for help.¹⁴⁶ Since she could not adopt all the orphans who arrived on her doorstep, with the support of the local government Hu Manli set up the CGSCV in 1992 to provide institutional care for orphans. It seems that Hu Manli named the orphanage "Green Shade" because a newspaper article once likened her to "a big tree that provides a stretch of green shade for unfortunate children." (*China Youth Daily*, 13 April 1991: 1) In her various public statements, however, Hu Manli always described herself as merely a small leaf on the big tree of the Party. In a 1991 speech, she said:

After the media reported my story, I received several hundred letters...Some

¹⁴⁵ "Summary of the Work of the Shaanxi Province Returning to Society Research Association" dated 17 August 1999.

¹⁴⁶ Because of the narrow coverage of the state welfare system in China, only a small number of orphaned children can gain admittance into the limited number of state welfare institutions.

people called me a “Chinese philanthropist” in their letters. I replied that I was not a philanthropist. Philanthropists in the West are very rich people. Their charity is simply window dressing or carried out in order to ease their conscience. I am just an ordinary schoolteacher. I could not have done these things if I was not living under the socialist system.

A newspaper article compares me to a big tree that provides a stretch of green shade for unfortunate children. In the course of helping these children, it has become my deepest conviction that I am not a big tree. The real big tree is the Party. I am just a leaf on that tree (*Wugang Workers' Newspaper*, 26 July 1991: 1).

The same message was repeated by Hu Manli in a newspaper article in 1994:

Through the experience of rearing orphans and setting up a child welfare institution in the past few years, I feel that the Party's loving care can be found everywhere in our great socialist motherland. The Party is a big tree. I am a leaf on that tree. I am confident that with the support of the Party and the entire society I will turn the Children's Village into a success, and let it help to make our society full of love and kindness and make children who have lost their parents remember forever the Party's loving-kindness (*Workers' Daily*, 9 March 1994: 2).

The skills of Chinese NGOs in dealing with the state are not only demonstrated at times when they cater to the latter's political needs in exchange for its support. They are also demonstrated at times when NGOs use political blackmail instead of political payoff to get what they want from the government. Once an NGO project such as the PCV or the CGSCV has been widely publicized and used to prove the flourishing of human rights in China or “the Party's loving-kindness”, the government's ability to control the NGO also becomes somewhat constrained. If the government shares the credit for these projects, then it must also share the blame if anything goes wrong. In any case, the government needs showcases and has a strong incentive to ensure that they do not fail. Knowing this mentality of the government, NGOs have used the high profile of their projects to fend off criticism and to force the government to provide them with continuous support. For example, under strong criticism from some local people, an NGO director who had achieved national fame and had been promoted as a role model by some central government

agencies simply told local authorities that they should protect good models, otherwise they might face serious consequences.¹⁴⁷ Even without national fame, NGOs can still gain considerable bargaining power over government agencies once the latter have tried to score political points by associating themselves with the NGOs' work. A popular NGO I studied was unhappy about the way it was treated by its sponsoring agency, therefore it persuaded another government organisation to be its sponsor. The new sponsor asked the NGO for a "management fee" in return for its sponsorship, but the NGO manager was determined to refuse the request. As the manager said, she had enabled the sponsor to gain a good reputation by presenting itself as the organisation behind the charitable deeds of her NGO. Therefore, if the sponsor insisted on charging her a management fee, she was "not going to be courteous anymore" and would give them a hard time.¹⁴⁸ Having portrayed itself in public as being very supportive of the NGO's effort to help disadvantaged people, it would indeed be awkward for the sponsor to withdraw its sponsorship using the non-payment of management fee as the reason.

NGOs without the status of a political showcase can still blackmail the government by threatening to stop the services they provide. This is especially true in the case of NGOs that provide welfare services for marginalised groups, such as orphans or disabled people. Many such NGOs serve people who fall outside the narrow scope of the state welfare system. For example, the PCVs provided institutional care for prisoners' children who had not received welfare provision from the state and who could not be cared for by their relatives. The CGSCV, similarly, took in orphaned children from rural areas whom state welfare homes could not accommodate. Once a large number of vulnerable people have been gathered in these private welfare institutions, however, should the institutions collapse, the government could not simply shut its eyes but would have to step in and make arrangements for their

¹⁴⁷ Materials supplied by the NGO director.

¹⁴⁸ Informal interview, 1 September 2000.

clients. Since these private institutions raise the bulk of their funds themselves, taking them over would impose heavy financial as well as administrative burden on the government. As a result, the government is often willing to provide the necessary assistance to these institutions to keep them open.

NGOs are quick to use the government's fear of their collapse to demand support and resist any attempt by the government to influence their management or services. Zhang Shuqin, for example, confessed that many local government organisations and officials did not approve of her management of the SPRSRA, but nobody dared to disband the SPRSRA or remove her as the SPRSRA's general secretary because of the large number of prisoners' children living in the PCVs. When criticized by unfriendly local officials, she would tell them: "As a matter of fact, I have wanted to quit this work for a long time. Why don't you take these children home with you?"¹⁴⁹ The manager of an NGO that provides institutional care for mentally disabled people employs the same tactics whenever the civil affairs bureau, which is responsible for ensuring standard in social welfare institutions, asks the NGO to make some changes to the way it provides its service. After another non-governmental welfare home for mentally disabled people in the same city went bankrupt, the civil affairs bureau bailed it out through a semi- government take-over, which turned out to be a costly operation. This has given the NGO manager a handle against the civil affairs. Whenever civil affairs tried to tell the NGO what to do, the manager would challenge it to take over her institution just as it did the other welfare home, so that it could have its own way.¹⁵⁰ This tactics has so far deterred the civil affairs from taking any action against the NGO despite its recalcitrance.

The constraint on the government's ability to fully control large private welfare

¹⁴⁹ Informal discussion, 5 January 2000.

¹⁵⁰ Based on various letters from the NGO manager to the civil affairs department.

institutions was most clearly conveyed in an interview I had with some officials in Lijiang, Yunnan Province, where Hu Manli, the founder of the CGSCV, set up another NGO called United Moms Charity Association (UMCA) in 1999. The UMCA ran a welfare home, a boarding school, and a vocational training school for orphans. Together they housed over 200 children. The three institutions were largely supported with overseas funding raised by Hu Manli. The officials I interviewed admitted frankly that without Hu Manli and the money she brought in they would not be able to maintain the institutions. As they said: "The bottom line is that we have no money, so even if we want to take charge of things we are not able to do so. Every time Hu Manli falls sick, we become very nervous."¹⁵¹

While NGOs may occasionally resort to blackmail to wring concessions from the government, this is mostly a defensive rather than offensive weapon. To gain active support from the government NGOs rely primarily on the strategies mentioned earlier, namely offering government agencies and officials various economic and political enticements. One reason why blackmail can only be of limited help to NGOs is that the government is comprised of diverse interests. To civil affairs departments, which are responsible for taking care of vulnerable members of society, such as orphans and disabled people, the closure of NGO welfare homes is a serious threat, as they will have to clear up the mess. However, to other government agencies with no responsibility for social welfare, the same threat may carry little weight. The skills of Chinese NGOs in dealing with the state are partly reflected in their superb understanding of the different interests within the government, and their ability to exploit the existence of these different interests.

Although NGOs recognise the crucial importance of good relations with government officials, as a veteran NGO manager said, if unfortunately one did offend some officials and turned them into one's enemies, it would not be the end of

¹⁵¹ Interview, 20 April 2000.

the world, since there was frequent turnover in the government. One only had to wait a couple of years until the incumbents were replaced by new ones, then one could start anew by making friends with the newcomers.¹⁵² Few NGOs I studied, however, had the patience to wait a couple of years if they encountered hostility from certain officials. Under these circumstances, they would usually search out other officials in the same agency who were more supportive of their cause and secure the assistance they needed from the agency through these officials. One NGO whose progress I followed for two years managed to obtain the necessary support from its sponsoring agency by putting its requests to the official who backed it while avoiding as much as possible sending its applications to another official who usually withheld his approval. When this strategy does not work, NGOs can also go around different agencies until they find one that is most willing to support its work. When Zhang Shuqin tried to replicate her PCV initiative in Beijing, the first thing she needed to do was to find a sponsoring agency in Beijing. She had discussions with several organisations, including the All China Women's Federation, the State Family Planning Commission and its subsidiary the China Population Welfare Fund, and the China Human Rights Research Society, until she found the organisation that was most receptive to her ideas, the China Charities Federation, and opened her office there.

Finally, NGOs can also move around different cities in search of a more supportive environment. Under increasing criticism from some local government agencies, the founder of one of my case studies simply relocated to another city. Hu Manli, who initially established the CGSCV in Wuhan City in central China, moved her entire orphanage to Fujian Province on the southeast coast when her relationship with the local government in Wuhan deteriorated. A few years later, she moved again to Lijiang, Yunnan Province in southwest China, where the local government invited her to set up institutions for orphans there and was prepared to mobilise its own

¹⁵² Informal interview, 18 April 2000.

administrative and financial resources to aid her effort.

NGOs take advantage of the different interests and attitudes towards their organisations within the state not only to get round less supportive agencies or officials, but also to gain stakes in government projects. For example, an NGO in the health sector was allowed to coordinate the first stage of a new HIV/AIDS prevention project funded with multilateral aid money, because the Ministry of Health and the State Pharmaceutical Administration were competing with each other to control the project. Each considered the work as falling under its jurisdiction and neither would consent to let the other one take the leading role. The NGO cashed in on the rivalry between the two agencies and won their approval to coordinate the initial activities.¹⁵³

5.2 Public Relations and Fundraising Skills

During my field research I was often struck by NGOs' skills in forging positive public images for themselves. One NGO manager told me that many critics of her organisation had accused it of financial irregularities and corruption. These accusations reached the ear of the chief of the Popular Organisation Management Division of the provincial Civil Affairs Bureau, the government office responsible for supervising NGOs. The division chief warned the manager that he intended to send people to audit the NGO's accounts. The manager then invited the division chief to visit the NGO's administrative office, a dark room furnished with dilapidated desks and chairs of different sizes and colours, all donations from different places. After he saw the poor condition of the office, the division chief was very moved and said to the NGO manager: "No matter what rumours I hear again in the future, I would not believe a single word of them any more." He then cancelled the request for a formal audit of the NGO's books. The NGO manager had

¹⁵³ Interview, 15 November 2002.

used this incident to stress to her staff the importance of always keeping a modest office. She also told them that the organisation should only pay its staff low salaries, in order to appear honest and clean, but could “compensate the staff in other ways”.¹⁵⁴ These other ways included buying a mobile phone for every staff member, buying cosmetics for them (justified on the ground that their skin was over-exposed to the elements as they had to go outdoors frequently on official business), reimbursing the staff for their various expenses (such as mobile phone bills and bus tickets to and from the office everyday), and allowing the staff to partake of some of the goods donated to the NGO by the public.

I found that many NGOs would take meticulous care to show themselves in a good light in front of visitors, especially important visitors, such as current and potential donors. When I arrived to study a non-governmental social welfare institution, it was expecting a visit by a group of foreign tourists the following day who were going to make a donation to it. Some staff members were organising the residents of the institution to give it a cleanup. However, they were stopped by the manager, who said the place would become dirty again if it was cleaned too early, so they should hold the cleanup until shortly before the arrival of the visitors. In another non-governmental institution, a residential home for mentally disabled people, I saw some written instructions from the manager to the staff before the visit by an INGO from which it hoped to receive funding and technical assistance. The instructions, which were extremely detailed, told the staff how to prepare the place in order to make a good impression on the visitors. For example, the staff were told to hang photographs showing the daily lives of the residents on the walls of each room, to put unlocked shelves containing books and toys in the communal living room, and to install a small kitchen. In short, the manager wrote: “The place should have as much a family atmosphere as possible.”

¹⁵⁴ Informal interview, 1 August 2000.

Not only did many NGOs I came across know how to look good, but they also knew how to talk in ways that would generate good feeling in others. An NGO director was invited to take part in a television programme in Beijing. The television station sent her a plane ticket, but the director asked the station if they could have it changed to a train ticket and let her keep the difference, saying that the money thus saved would allow the NGO to buy 20 sacks of flour, which could feed the people under its care for quite a few days.¹⁵⁵ This director also told me a story about how she impressed visitors from a foreign company that wanted to give some money to local charities and was referred to her organisation. The director took the visitors to lunch in a restaurant. When her guests were getting ready to order, she told them not to order too many dishes or anything expensive. This was in total violation of Chinese social etiquette, as hosts are supposed to put their best food on the table and to offer it in quantities that exceed the capacity of their guests, especially when the guests are foreigners. Chinese organisations often regale foreign visitors with lavish feasts that involve a lot of waste, usually paying for them with public funds. Many foreigners in fact feel uncomfortable about such feasts, thinking the waste is unjustifiable and distasteful. Nevertheless, most Chinese organisations continue to treat foreign visitors in this fashion. The NGO director in this case, however, deliberately went against the common practice. She explained to the visitors that she was going to pay for the lunch out of her own pocket rather than using the NGO's funds in order to save the organisation money. With her modest income, she could not afford to treat them to an expensive meal. According to the director, her uncommon and seemingly rude behaviour immediately won her guests over, who quickly decided that her organisation would be worthy of their support.¹⁵⁶

Other NGO directors I met were similarly skilled in using measured remarks and presentations to create favourable impressions. One director told journalists that she

¹⁵⁵ Interview, 10 November 1999.

¹⁵⁶ Informal interviews, July 2000.

spent every penny of her lifelong savings to set up her NGO. Her son, who was living in America, was so moved by her dedication that he sold his business there and sent the money to her to put into the organisation as well. This director also liked to tell a story about how her devotion to work forced her to neglect her duties to her family: While she was restoring a run-down premises where the NGO was to be housed, her mother fell very ill and eventually died. The other members of the family tried to break the news to her but could not reach her, because she was working around the clock on the premises and hardly went back to her flat to eat or sleep. When she eventually received the sad news, she flew home to attend her mother's funeral in the morning, then flew back in the afternoon to resume her work. As this director once spoke of the personal sacrifices she had made at a public forum: "Running an NGO means that you cannot see your mother before she dies and you cannot be a filial daughter to your father. Running an NGO means that you must be prepared to see your husband leave you. Running an NGO means that you will have to put aside all your human emotions and desires."¹⁵⁷

NGOs also know how to choose different words for different audiences. As mentioned earlier, Mr. Guo, who agreed to host the first PCV in his village, told the media that as a peasant who had become rich thanks to the Party's reform policy, he wanted to find ways to repay the Party and make contributions to society. Although this explanation of his motivation for supporting the PCV would please the government, the SPRSRA felt that it would not have much effect on the public and foreign donors from whom it wished to raise money. Therefore, Mr. Guo was asked to give another explanation for his actions to these latter audiences. He was advised to say that while he was in prison himself during the Cultural Revolution as a result of political prosecution, his wife and children were left uncared for. For years they suffered terrible discrimination and lived in great hardship. This unfortunate

¹⁵⁷ Interviews, 23 March 2000 and 30 July 2000. I have also consulted several newspaper feature articles about the director and the NGO she founded.

experience of his family in the past was what made him decide to help prisoners' children once his situation improved.¹⁵⁸

In trying to forge a favourable public image, big officially-organised NGOs usually have more means at their disposal than small popular NGOs. Given the existence of rampant corruption in the country, a major factor that deters many people from giving money to charities is the concern that their donations might be embezzled or misused. NGOs like the CYDF which raise the bulk of their funds from private citizens and businesses realize that their survival depends on winning the trust of the general public. Therefore, they have devised various strategies to persuade the public that their donations are used properly and efficiently. One strategy employed by the CYDF was to invite deputies to the National People's Congress and members of the People's Political Consultative Conference (PPCC) to supervise the use of Project Hope funds. Such supervision typically took the form of short inspection tours by members of these institutions to selected sites in the country. As a study commissioned by the CYDF itself describes this kind of supervision:

In truth, the CYDF's move to invite deputies to the People's Congress and members of the PPCC to supervise Project Hope was no more than a strategy to show the public that it attached great importance to external supervision. It was also an attempt to expand the influence of Project Hope. It was aimed at persuading the public of the transparency and trustworthiness of Project Hope, in order to attract more donations...

As far as the deputies to the People's Congress and the members of the PPCC who took part in the inspections were concerned, no department had explicitly given them the authority to supervise Project Hope or to impose sanctions. Most of them lacked a clear, strong sense that it was their responsibility to supervise Project Hope, and they were more used to carrying out "inspections" than "supervision".¹⁵⁹ Furthermore, they were easily "moved" by the CYDF's sincerity in inviting external

¹⁵⁸ Interview, 4 January 2000.

¹⁵⁹ Inspections typically take the form of quick tours which are formalistic and carried out according to prearranged programmes. The places being inspected are often given advance notice to prepare themselves, therefore inspections are usually not very effective for discovering the true situation of a project or uncovering problems. The point which the authors are making

supervision of Project Hope. Therefore, even if they did detect problems during the inspections, most of them adopted a "lenient" attitude. Their final reports tended to "report the good news but not the bad", or were "strong on praises but weak on criticisms." (Zhou and Chen 1999: 236)

In short, the authors of the study concluded that while external supervision of Project Hope by high-profile delegations from the People's Congress and the PPCC had generated a lot of publicity, "in fact it has very limited real impact. Its function is 'propaganda'. It is to help creating an image of the CYDF as being unafraid of societal supervision and having nothing to hide." (Zhou and Chen 1999: 269)

In the last couple of years, with more NGO corruption cases being uncovered, including the exposure of financial transgressions by the CYDF in 2002, several big officially-organised NGOs including the CYDF have jointly launched an initiative to promote "self-discipline" within the NGO sector. They propose to draw up and abide by a set of standards that are stricter than the laws and regulations currently enforced by the government to govern the behaviour of NGOs.¹⁶⁰ Once again, as a researcher and long-term advisor to some of these big NGOs confided to a small donor group at a briefing, the organisations behind the self-discipline campaign were by no means well-disciplined themselves. Their advocacy of self-discipline "is more a tool for pursuing certain self-serving goals."¹⁶¹ From the point of view of this study, the ability to stage such acts as inviting external supervision of Project Hope and advocating NGO self-discipline for propaganda purposes is a clear indication of the sophisticated PR capability of Chinese NGOs.

Expert management of public relations often necessitates making good use of the media. Many Chinese NGOs have demonstrated considerable skills in this respect, as can be seen from the following examples. The first example is taken from the

here is that inspections do not constitute proper supervision.

¹⁶⁰ See *China Youth Daily*, 25 March 2002 for some comments on the self-discipline proposal by some key advocates of the initiative.

¹⁶¹ 20 November 2002.

book by Sun *et al* on the CYDF's fundraising methods. As Sun *et al* observe, a key technique which the CYDF has used to "build up a momentum for Project Hope" is to create non-stop publicity, which serves to ensure that Project Hope would always stay in the public's view. An interviewee working in the CYDF's PR department told Sun *et al* how they achieved such sustained publicity using the example of a benefit performance for Project Hope in 1994:

I gained a lot from taking part in this event. I learned what spin was all about. A show is after all just a show. At most you can have it televised live and put out a news report about it afterwards. But those who organised the show were all PR veterans. The whole process leading up to the performance became a spin exercise. During the preparations for the performance, which singer had gone into the recording room, which singer carried on with the recording despite having caught a cold, [these were all turned into news]. Our budget was very tight. Some singers had one recording session, but the result was not satisfactory, so they needed to do it again, but we had run out of money, so what? The singers paid for the recording themselves....We continuously supplied such titbits to the media. The show was turned into a hot news item. So I say it was a "plot". When you plan an event, you must have a "plot" like this in order to attract everybody's attention (Sun *et al* 1999: 146).

All the major activities organised by the CYDF have been characterised by such a media strategy. While making sure the main activity receives intensive coverage, the CYDF also continuously creates related stories and feeds them to the media, so that public attention is captured for an extended period of time around the time of the main activity. The result of this media strategy has been very impressive. According to a survey conducted in 29 cities across the country, 93.9% of urban residents aged over 16 in China knew about Project Hope (Sun *et al* 1999: 148).

The ability to harness the media is by no means confined to big and resource-rich NGOs like the CYDF, which can easily enlist the service of top PR specialists.¹⁶² My second example of NGO's media management skills comes from a small popular

¹⁶² The CYDF was even able to pay a big sum to hire an American PR company to help it promoting itself overseas (Shen and Sun 1999: 14, footnote 26).

NGO, an old people's home in Tianjin City called Hetong Old Age Welfare Association (hereafter Hetong). At a 2002 forum on the interactions between NGOs and the media, Hetong's deputy director gave a speech on his organisation's experience in dealing with the media. The following are some excerpts of the speech:

Secondly...[we need] a passion for creating news...[I] know there is a concept called "planning news". In practice, we often discuss the issue of how to produce and plan news with our friends in media circles...For example, an old man or woman [living in our rest home] who usually cannot move suddenly moved today. Is this news? At the grassroots this may not seem a significant event, but if we take it to the media we can create a vivid little story about the rehabilitation of old people [in our rest home], and we have many such examples at Hetong Old Age Welfare Association.

Thirdly...I summarise this point in the phrase "interest driven"...Talks about NPO [non-profit organisation] doing noble things and being public-spirited are fine words, but at present the remuneration a journalist can receive from doing a report on an enterprise is different from what he/she can receive from writing an article about an NPO.¹⁶³ But NPOs have our own advantages...the media have slack seasons. News does not occur in large quantities every day from January to December, but the media needs news everyday. Therefore, I choose to approach the media during their slack seasons...In addition, we try as much as possible to give journalists some remuneration. Of course the remuneration we provide cannot match that offered by big enterprises, but we NPOs have our own strength. Organisations like ours tend to have a lot of contact with foreign organisations, so if we have opportunities to go abroad we invite journalists to come with us¹⁶⁴...

Fourthly...it is crucial to create our own media, our own channels of communication, and a comprehensive feedback system...We set up Hetong Old Age Welfare Association in 1995. By 1996 we had already started our own journal *Hetong*...Although the content of our journal consists of scissors-and-paste articles, at least we have gained a channel for making our own voice heard. Some media simply reprint materials from our journal as their own news stories (Fang 2002).

¹⁶³ The deputy director is referring to the well-known fact in China that journalists often expect payments for writing a positive story. Many enterprises have given money or other material rewards to journalists to produce such "paid news", which serve the function of advertisement but can be more effective as they are disguised as objective reports by "independent" journalists.

¹⁶⁴ Here the deputy director is talking about donor-funded foreign trips. As discussed in the previous section, NGOs often use such trips to build up good relations with government officials. Obviously they can also use such trips to win friends in press circles.

The speech by its deputy director provides ample evidence of the highly developed media skills of Hetong. While Hetong's knowledge of the working of the media is outstanding among small popular NGOs,¹⁶⁵ it is by no means unusual. Most organisations I studied attached great importance to the media as a powerful PR and fundraising tool, and they all seemed to have very good ideas as to how the media could be used most effectively. In recent years, media professionals in China have increasingly resorted to the technique of "stirring up emotions" (*shanqing*) to maximise the impact of their productions on the public. It means appealing to people's heart rather than their head. As a journalist whom I met in the office of an NGO said: "Stories that stir up people's emotions will be most effective in rallying public support for you."¹⁶⁶ The journalist was discussing with the NGO's director about a PR campaign for her organisation. This director appeared to be extremely good at providing journalists with dramatic stories that had powerful *shanqing* effect, such as graphic descriptions of the sufferings of vulnerable people before they came to her NGO, which were then contrasted with their happy life after they were taken under the NGO's wing. She was also able to supply the media with vivid stories to show how many hardships she had personally endured in order to pursue her cause. For example, one story goes that on a new year's eve the NGO had run out of money, so she went home to see if there was anything of value which she could sell, but her search yielded nothing. The television set had been sold long ago. The only thing left was a second-hand refrigerator bought from a flea market, obviously worthless. She wanted to sell her flat, but unfortunately she did not have full ownership of it...¹⁶⁷ As a result of this NGO director's ability to tell such moving stories, she became a favourite with the media. Her office was frequently visited by

¹⁶⁵ The deputy director mentioned in his speech that he had studied journalism by correspondence. Obviously not every small popular NGO has people trained in journalism working for them.

¹⁶⁶ November 1999.

¹⁶⁷ This story has been mentioned in several newspaper articles that are based on interviews with the director.

journalists. As another journalist I met in her office told me, the reason he enjoyed covering her work was because she was such a good narrator and understood so well what kind of materials journalists wanted that it required little work to write a story after an interview with her. All he needed to do was to type up the notes and it would be a good article already.¹⁶⁸

This NGO director was certainly not unique in following the strategy of giving *shanqing* interviews to the media. Earlier I mentioned another NGO director who told the media how she could not attend her mother on her death-bed because she was working day and night at the NGO's site. This is another example of a typical *shanqing* story. A third NGO director I met was described by a colleague of hers as being so good at this kind of presentation that she never failed to move her audience to tears. This colleague of hers appeared to be well versed in *shanqing* techniques himself, as he told me several such stories in praise of the director's selfless immersion in her work. For example, he said that the director worked so hard that at the end of every day she often had no strength left to pour herself a glass of water, but the moment she saw the NGO's beneficiaries she became full of vigour again. Because of serious problems with her back, she was not even able to lift a kettle from the ground, but when she saw suffering children she bent and lifted them into her arms as if her back problems had completely disappeared.¹⁶⁹ This director also had a photographer working for her who over several years supplied the media with many photos that vividly portrayed the director's devotion to the NGO's beneficiaries and their love and affection for her. These photos appeared to have played an important role in drawing popular support for the NGO.¹⁷⁰

One reason why NGOs often prefer to present their work in *shanqing* style is because they consider it to be most effective for fundraising purposes. As

¹⁶⁸ 3 January 2000.

¹⁶⁹ Informal interview, 18 April 2000.

¹⁷⁰ Informal interview, 22 April 2000.

mentioned above (footnote 142), one NGO I studied summarised its fundraising strategy in one sentence: "Using the miserable condition of our target group to persuade the public to donate money to us." Highlighting the suffering of their intended beneficiaries is a method that has been used by NGOs worldwide to arouse public sympathy. For example, images of starving children have often been used by western NGOs during appeals for donations to help famine victims in Africa. The point here is that such methods are already well known to many Chinese NGOs and have already been used by them to great effect. For example, in the early days of Project Hope, the CYDF funded a professional photographer to spend one year in poverty-stricken areas to photograph poor children suffering from educational deprivation. The carefully chosen images of children who were "dirty, thin, and clothed in rags, but innocent, good-looking, and loved to study" (Sun *et al* 1999: 149) made a tremendous impact on the public and moved many people into donating money to Project Hope. The CYDF's general secretary once said that a single such picture could often bring in enough money to build an entire new school (Kang 1997: 273).

Further evidence that many Chinese NGOs already possess sufficient imagination and ingenuity when it comes to fundraising can be found in the following discussion which I witnessed between the director of a small popular NGO and two journalists in November 1999. The journalists were from different media organisations but had both interviewed the director about the NGO's work. It seemed that they both became friendly with the director after the interviews and were interested in getting involved in the NGO's fundraising activities. Hereunder I refer to the director as D and the two journalists as JA and JB:

D: We can set up something like a supporters' club. People can join the club by donating as little as 5 *yuan* each month. This way we should be able to accumulate a good sum... We can design a "Kind-heart Contract" and ask movie and pop stars to sign such contracts which commit them to do a certain number of benefit performances for us every year. These stars often have bad reputations because

they demand exorbitant prices for their performances and engage in tax evasion, so joining our scheme will help to improve their public images.

...

JA: The Kind-heart Contract can be expanded. We can also sign contracts with ordinary people and businesses, not just with celebrities. Anybody can sign such a contract with us.

JB: Yes. And we can launch this campaign under the name "Kind-heart Contract Action".

JA: The contract can take different forms and can be set at different levels. For example, people can have the option of signing a contract for a fixed term, say one year. Or they can sign a contract to donate a fixed amount of money. They can choose from different amounts. The minimum amount can be set at a very low level in order to attract wide participation.

D: Yes. The contract can be very flexible. For example, law firms can sign a Kind-heart Contract to provide us with free legal service. Computer companies can set up a website for us for free. Television and radio stations can promise to do regular programmes about our children. They can also carry our advertisement for free. Magazines can sign contracts to donate one day's profit to us each year. We can also encourage women to donate their salaries on March 8, the International Women's Day, to us, and so on.

JB: If we give this thing a good spin these goals are all achievable.

...

D: We should sign the contract widely. We can also sign it with the police, who can promise to issue temporary local resident certificates to our people from other places. Enterprises can donate their products instead of money to us. We will take anything they produce, even toilet tissues. In future we can set up our own related businesses [to process and sell donated goods].

...

D: The media can also benefit from covering our Kind-heart Contract activities. The success of the media depends on how close you bring your stories to the lives of ordinary people. The media in China cannot thrive by criticising the government, like the media in Hong Kong.

...

D: We need to work on the celebrities gradually. We mustn't ask them for money immediately. If we ask them for money up-front, they are likely to get nervous. At the beginning, we will only ask them to do a benefit performance for us. Once we have developed a friendship with them, they will take out their purses voluntarily. The laid-off workers we hired initially only did the work in order to earn their salaries of a few hundred *yuan*, but through frequent contact they grew fond of the children, so they started to put in more than a few hundred *yuan*'s worth of effort. It will be the same with celebrities.

JB: We must launch the campaign within this month. Once we enter December the media will be focusing on celebrations for the new year and the new millenium. The emphasis will be on creating a joyous atmosphere. We can no longer make

people shed tears and give money to the unfortunate, so we must hurry up.

...

This discussion shows that NGOs can be very creative and determined in their effort to increase their resources. Moreover, it shows that their fundraising ideas are firmly grounded in the realities of Chinese society, even though many of the methods proposed in this particular discussion sound similar to those routinely used by NGOs in other countries. Often, however, one finds Chinese NGOs resorting to methods that are more specific to the Chinese context to raise money. The following are some examples of such methods.

A consumer rights NGO raises money by recommending products to consumers, for which they charge a large fee from the manufacturers. During the discussions following a talk by an official from the Popular Organisation Management Bureau (POMB) of the Ministry of Civil Affairs, the official tactfully expressed concern about the NGO's practice, saying that it had recommended such a wide range of products to consumers that it was bound to make mistakes sometimes regarding the quality of the products it recommended. Furthermore, from the way the organisation operated, one might get the impression that any manufacturer could have its product recommended as long as it was willing to pay. A representative of the NGO defended its practice by pointing out that another consumer rights organisation received even more money from manufacturers. He then said that when it was first set up the NGO had no money and few staff, so it had to survive somehow. Because of its successful fundraising, it now had more staff and funds, which meant it could be more effective in defending the rights of consumers.¹⁷¹

One popular NGO I interviewed had made money by investing in informal finance schemes that yielded extremely high returns. Such practices are illegal and are subjected to periodical crackdowns by the state, but they continue to exist.

Fortunately for this NGO it pulled out after earning a 24% interest on its deposit and before a major crackdown was launched.¹⁷² Many other organisations were not so lucky. Lured by the promise of high returns, a number of foundations invested their money in high-risk non-banking financial institutions in violation of government regulations and ended up losing millions of *yuan*.¹⁷³

It has been a common practice for Chinese NGOs to raise money by organising workshops, conferences, and training. They make a profit by charging fees from participants that exceed the cost of hosting the events. Several NGOs I interviewed said that workshops and training had been their main source of income, even though none of them was established as an organisation specialising in this kind of activity.¹⁷⁴ Apparently many NGOs have charged exorbitant fees without being able to deliver good conferences or training. A researcher with a central government policy research unit told me that among the letters of complaint the government received everyday a large number concerned profit-making workshops and training organised by NGOs. Along with workshops and training, many letters also pointed to a third common money-making scheme of NGOs, which was to organise the publication of edited volumes and promise people to include their writings in these volumes for a certain amount of money.¹⁷⁵

Many NGOs have also raised money by organising competitions and appraisals. A lawsuit involving a children's arts foundation throws some light on how this works. In 1999, the Foundation organised a national competition of children's paintings in collaboration with a travel agency. Several thousand families all over the country received notifications that their children's paintings had won the competition and would be displayed at an exhibition to be held in Beijing on December 31. These

¹⁷¹ April 2000.

¹⁷² Interview, 5 March 2000.

¹⁷³ Talk by an official from the POMB, Ministry of Civil Affairs, April 2000.

¹⁷⁴ Interviews, 21 March 2000, 22 November 2002, and 23 November 2002.

¹⁷⁵ Informal interview, 9 December 1999.

families were invited to bring their children to Beijing to receive their certificates and were asked to pay sundry fees towards that end. When these families arrived in Beijing on December 30, however, they were not met at the train station and taken to their hotels by the organisers as promised. Many of them remained stranded in the train station for hours. The next day, many families found that their children's paintings were in fact not included in the exhibition. This resulted in nearly a thousand parents forming an angry crowd that temporarily threatened public order. Afterwards a newspaper reported the incident and denounced the Foundation for swindling money out of innocent children. The Foundation laid the blame on the travel agency, claiming that the travel agency had usurped its name to invite all those families to Beijing, and it took the travel agency to court. Although the court ruled in favour of the Foundation, it would seem that the Foundation was hardly blameless in the matter. For example, the invitations which the travel agency sent out bore the official seal of the Foundation, which was supplied to the travel agency by the Foundation. In a memorandum from the Foundation to its professional management unit, the Ministry of Culture, entitled "Self-criticism", the Foundation admitted that it had learned about the travel agency's usurpation of its name at some point, but had neither informed the Ministry of the problem nor taken action to avert the disastrous consequences.¹⁷⁶

Whether the Foundation in this particular case was really innocent or not, a POMB official told me that a large number of NGOs had indeed been guilty of using competitions and product appraisals to fleece participants of their money. In the case of product appraisals, NGOs target enterprises rather than individuals. Products by different manufacturers are compared and appraised, then medals are awarded to those products that are judged to be of high quality. If enterprises are willing to pay a good price, their products can easily win medals, therefore this kind of appraisal is meaningless to those who know how it works. According to the

¹⁷⁶ The information on this case comes from an unpublished Ministry of Civil Affairs document.

official, many enterprises understand perfectly that the NGOs are merely trying to squeeze money out of them. Nevertheless, they are happy to participate in these appraisals, because they can use the medals to fool ordinary consumers who are unaware that they are of little value. Since both NGOs and enterprises have strong incentives to continue such appraisals, the government has been unable to put the lid on this practice even though it has tried to do so for quite some time.¹⁷⁷

5.3 Reasons for the “Bad Management” of NGOs

In this section I discuss two common problems of Chinese NGOs which have been widely regarded as management issues that need to be addressed by organisational capacity building programmes. I will attempt to show that these problems are often not caused by any deficiency in the skills and capabilities of NGOs. Their real causes become clear once we understand the motivation and incentives of the people and organisations that create and manage these NGOs.

Lacking Clearly Defined Goals and Poor Strategic Management

Raab mentioned that while carrying out an assignment to identify potential projects in China for a foreign foundation, she met some Chinese NGOs which declared themselves to be willing to undertake any project, even if it was only tangentially related to their stated missions (Raab 1997: 12, footnote 25). What Raab has witnessed is a fairly common phenomenon among Chinese NGOs, many of which will take on any project as long as it brings funding. This could indeed be considered a management problem, if it diverts NGOs from pursuing the goals they originally set for themselves, or if it impairs their long-term organisational development. However, many NGOs were not set up to fight for any particular cause in the first place, nor were the people who founded these organisations very

¹⁷⁷ Interview, 31 October 2001.

concerned about their long-term development. During my field research I came across many such organisations, which fall into several categories. In the following space I shall describe three of them.

The first category consists of NGOs set up by researchers employed in government research institutes or state-owned universities who use the NGOs to take on consultancy work. One researcher told me that the NGO he was involved in afforded him more freedom to undertake projects that were not related to the area of research he was paid to do in the government research institute. If he accepted such projects through the institute, it would appear that he was not attending to his proper duties. The NGO solved the problem for him.¹⁷⁸ Another advantage of registering an NGO for academics is that it makes it easier for them to publish their works. NGOs allow them to raise money to pay publishers, so that their papers which otherwise will never see print can be published. According to a member of a society of traditional Chinese philosophy I interviewed, the main attraction of the society to its members lies in the fact that it has been able to mobilize donations from some Taiwanese businessmen, which have been used to fund the publication of several edited volumes by its members.¹⁷⁹ NGOs also serve the purpose of giving government research institutes access to funds that are intended only for NGOs, for example, in the case of donor-funded projects that earmark some of the funds for NGO activities. In such cases, government research institutes can submit proposals in the name of the NGOs they have created, although in fact it is the institutes and their employees who will implement the projects.¹⁸⁰

NGOs in this first category are often just empty shells, since their members are all in full-time employment elsewhere. They only use the NGOs to facilitate certain pursuits of theirs from time to time. The second category of NGOs tends to have

¹⁷⁸ Informal interview, 9 December 1999.

¹⁷⁹ Interview, 27 November 2002.

¹⁸⁰ Informal interview, 11 October 2002.

more substance to them. They are typically NGOs established by government agencies which are not given a clear purpose by their creators. There are several reasons why this may be the case. One reason is that the agencies created these NGOs not because they envisaged any particular roles for them but because they were simply emulating agencies at higher levels. Whenever a government agency at a higher administrative level sets up a GONGO, usually the corresponding agencies at lower levels will follow suit and establish similar GONGOs of their own. For example, after the State Family Planning Commission created the China Family Planning Association, provincial, municipal, and county level family planning commissions also created their own family planning associations. Sometimes local GONGOs also anticipate their higher level counterparts. For example, Associations of Foreign-Invested Enterprises had been set up in three coastal cities that were among the first cities in China to open up to foreign investment before a national association was formed (White, Howell and Shang 1996). The first GONGOs, whether at the national or local level, usually have specific functions to fulfil, but this may not be the case with some of the copycat ones created later.

When local government agencies set up NGOs not because they feel a real need for such organisations but because they want to (or, in some cases, are told to) emulate their superiors, it is not surprising that these NGOs lack clear purposes. In fact, the agencies that created them may well have good reasons to prevent them from developing a distinct role for themselves, as the following examples from Foster's study of officially-organised NGOs in Yantai City demonstrate:

Several Yantai government agencies, emulating their superiors at the provincial and national levels, have set up associations for the explicit purpose of having them take over the function of promoting product quality and certifying compliance with quality standards. One bureau, for instance, created a Packaging Association and devolved to it responsibility for promoting and policing standards among Yantai manufacturers and shippers. However, bureau leaders had second thoughts when it became apparent that giving away one of the bureau's major functions could potentially affect its level of funding. The result was that the association was left

dormant. The Quality Management Association, created by the Technology Supervision Bureau in response to a request from the provincial level, was basically banished to dormancy from the beginning. Its stated purpose, to promote and certify the quality of Yantai-made products, virtually duplicated the function of the bureau itself. Bureau leaders saw little reason to transfer any real responsibilities to the association (Foster 2002: 57).

Another reason why some officially-organised NGOs lack well-defined goals and objectives is that government agencies created them mainly to place their supernumerary and retired personnel. Once this goal is achieved, the agencies are not very concerned whether these organisations have a clear direction to follow or not. Often the staff of these NGOs are not concerned about the lack of clarity about their missions either, since their salaries or pensions are paid by the government agencies. Therefore, even if the NGOs do nothing at all, it will not affect their personal incomes. To show why there is often little incentive for such organisations to identify clear objectives for themselves and to focus on achieving these objectives, I shall cite the example of a provincial children's NGO set up by the provincial Women's Federation.

The NGO defines its mission in very vague terms. Its goal is said to be "to share the government's burdens and to bring benefit to society." It has changed the direction of its work several times since its inception. Initially it built libraries and other cultural facilities for children. Then it moved into the area of health and nutrition. At the time I conducted my research, its focus was on disabled children. It seems that the NGO takes on projects mainly in response to various kinds of external stimulus rather than according to any clear plan of its own. One type of external stimulus is government policies and priorities. For example, the NGO's initial focus on building libraries followed directly a new provincial government policy which decreed that children's libraries and reading rooms should be established across the province. Another type of external stimulus which the NGO responds to is business opportunities. For example, a nutritionist developed a new rice powder for infants

and gave the formula to the NGO, thereupon it teamed up with a food products factory to produce and market the rice powder. At one time the NGO had a puppeteer on its board of directors who supplied it with some of his puppet designs. Consequently the NGO joined forces with a toy factory to produce puppets. The third type of external stimuli is short-term social demand for particular services. For example, in the late 1980's there was an acute shortage of kindergartens in some parts of the province. In response, the NGO offered consulting service for organisations or individuals who were interested in setting up kindergartens. It also organised training for kindergarten teachers.¹⁸¹

The NGO is staffed mostly by retired women's federation officials as well as retired officials from other relevant government agencies, such as the education commission. Since these retired officials all receive government pensions, they do not draw any salary from the NGO. The women's federation provided the NGO with a house to use as its office, for which no rent is charged. As a result, the NGO only needs a small overhead to keep it going. It raises money mainly through the influence and connections of the women's federation and its senior officials. In its first years, it was able to raise enough money to cover both its overhead and its project expenditures, but in mid 1990's its income started to dwindle. Thereupon the NGO sought and obtained from the government a small annual subsidy to cover its overhead. With its staff salaries and administrative expenses thus taken care of, the NGO's survival is not contingent upon how much money it raises, how many projects it implements, or how much impact its projects make. Its staff do not need to be concerned about the NGO's performance for other reasons, such as their own career advancement, either, since they are already retired. Therefore, they appear to be very relaxed about their work. As the NGO's deputy director said: "We just do what we can. As long as we organise a few activities each year, we are all right."¹⁸²

¹⁸¹ Based on documents provided by the NGO and interviews with its managers in May 2000.

¹⁸² Interview, 19 May 2000.

Whenever it finds some money, the NGO will do some work, otherwise it will lie dormant. Similarly, the staff go to the office if there is work to do, otherwise they stay at home. Under the circumstance, there appears to be no reason for the NGO to burden itself with any specific goals or targets.

The third category of NGOs that lack strategic planning includes some popular NGOs whose leaders are said to be more interested in personal gains than in the healthy development of their organisations. For example, the founder of one of the best-known popular NGOs in China has achieved national celebrity status since she set up the NGO in the mid 1990's. Although I did not interview the founder herself, many people I have spoken to, including researchers who have studied her organisation, other NGO practitioners, and above all some staff members of her organisation, all agree that the NGO has a serious problem with regard to strategic management. As a key member of the NGO told me, the reason for the haphazard manner in which the NGO had conducted its business was because the leader was more interested in achieving fame than in doing concrete work. Therefore, she was constantly launching new projects and giving interviews to the media about these new projects, in order that she could stay in the spotlight, but did not want to invest the necessary time and effort in seeing the projects through. The priority of the NGO was determined primarily by the leader's judgement as to what kind of project would attract attention at any given time rather than by any other considerations. In the analysis of this member of the NGO, unless the motivation of its leader was changed, the strategic management problem with the NGO could never be solved.¹⁸³

¹⁸³ Interview, November 2002. I have good reasons to believe that the person I interviewed is not in any way biased against the leader but gave an accurate description of the situation within the organisation, however, to maintain confidentiality I cannot reveal the reasons here. My interviewee's analysis of the problem with the NGO has also been corroborated by the comments of other people who know the NGO and its leader well.

Bad Financial Management

A Chinese researcher delivered a paper at a conference in which he criticized some popular NGOs for refusing to publish their accounts and called for tighter financial supervision of NGOs. Afterwards he was “beleaguered” by the popular NGOs that were present. The NGOs pointed out that on the one hand the Chinese government did not provide them with any funding; on the other hand, while foreign donors would give them money to implement projects, they would not fund their administrative expenses. The NGOs argued that to survive they had to find money somewhere to maintain themselves. Therefore, they had no choice but to use some of the project funding to cover their administrative cost. Since this breached the terms under which project funding was provided by donors, they had to engage in creative accounting to cover this up, hence their reluctance to subject their accounts to public scrutiny.¹⁸⁴

This anecdote highlights the fact that the chaotic financial affairs of many Chinese NGOs is not the result of their lack of accounting skills but their deliberate decision to muddle up their books. The popular NGOs that protested against the researcher’s recommendations of tighter financial control understood that publishing financial statements was good for their images and that it was wrong to divert project funds to administrative budgets, but they failed to do what was both right and good for their public images. In the case of these particular NGOs, it is possible that they engaged in improper financial practices for the benefit of the organisations as a whole rather than the individuals within them. As these NGOs would argue, given the difficult funding situation they faced, such practices helped to ensure the survival of the organisations, so that they could continue to do good things. However, my own experience as well as the experience of other observers of the Chinese NGO sector whom I have interviewed all suggest that frequently NGOs

¹⁸⁴ Conversation with the researcher, 17 June 2002.

abandon financial discipline not in order to keep the organisations alive but in order to benefit their individual members. During my field research I came across many such cases. The following are just a few examples.

One general secretary of an NGO I interviewed admitted that she was guilty of petty corruption by using the NGO's funds for her personal consumption. The things she had paid for with the NGO's money included books and magazines for herself, personal telephone calls, and occasional meals with her friends. This was facilitated by the fact that she alone controlled the NGO's funds. There was no monitoring by other members of the organisation. This person was also the member of another NGO whose general secretary had similarly used the NGO to benefit herself and her family. For example, a sponsor gave the NGO some money to hire a new staff member. The general secretary hired a new person but paid him a salary that was less than the amount provided by the sponsor and pocketed the difference herself. Her manoeuvre was made easier by the fact that the NGO's accountant was a relative of hers whom she had hired when he was out of a job.¹⁸⁵

One NGO director has used the money donated to her organisation by the public to set up several small businesses registered under her name. In one instance, she let a friend who had been discharged from public employment for corruption to manage the business. Unfortunately, according to the director, the businesses all failed after losing some of the initial investment. Nevertheless, she still hoped to launch new business adventures in the future. This director managed several projects in different locations. In one location, the project's finances were under rigorous supervision by the NGO's sponsoring agency. The agency refused to reimburse the director for some of the expenses she tried to claim, so she simply took the receipts to another project at a different location where she had full control over financial matters and got reimbursed there. Her expenses incurred at the first location which

¹⁸⁵ Interview, 23 November 2002.

were paid out of the budget of the project at the second location included, among other things, the salary of a housekeeper who worked for her at the first location.¹⁸⁶

In 2001, Hu Manli, the founder of two orphanages mentioned above, was sued by a US-based charity that had donated nearly three million *yuan* to her organisation, the United Moms Charity Association (UMCA) in Lijiang. The plaintiff charged that the UMCA had not used the donated funds according to its wishes and had produced false accounts. Shortly afterwards, investigations by a newspaper uncovered considerable evidence of financial misconduct by Hu Manli. For example, in 1998, the US-based charity asked Hu Manli to purchase a batch of clothes and give them to victims of a major flood in central China on its behalf. The clothes Hu Manli purchased were priced 55 *yuan* a piece, but her report to the charity claimed that the clothes cost 150 *yuan* a piece. In published accounts, Hu Manli quoted the figure of 250 *yuan* as the monthly cost of meals for each orphan at the boarding school in Lijiang, but the actual expenditure on meals was only 70 *yuan* per person per month (*Southern Weekend*, 13 December 2001:1). The newspapers' investigations also discovered that Hu Manli had purchased an expensive house in Lijiang and had sent her daughter to study in New Zealand. When questioned, she was unable to give convincing explanations as to how she could afford these things (*Southern Weekend*, 8 February 2002).

The examples I have just given all concern popular NGOs whose managers appear to have engaged in various forms of corruption. In such organisations, the chaotic state of their financial affairs is inevitably. Again, this is not owing to any lack of knowledge or skills on the part of the NGOs and their staff. It is bad financial management by design. Despite the misbehaviour of their managers, at least these NGOs have all provided some concrete services to their members or vulnerable

¹⁸⁶ The information is based on a number of interviews, both formal and informal, with the director over the course of several months in 2000.

social groups. Alongside these organisations, there are also some NGOs that are simply profit-making entities disguised as non-profit organisations. Those who created these organisations never intended to provide any service for any constituency. This fact is well known to government officials responsible for exercising oversight over the NGO sector. For example, the POMB official whom I interviewed said: "Many officially-organised NGOs at local levels are simply tools for local government agencies to create slush funds (*xiao jinku*). NGOs allow these agencies to set up bank accounts where they can put their off-the-book incomes. They use the NGOs to make money, through such methods as extorting donations from enterprises and collecting illegal fees."¹⁸⁷ More seriously, another POMB official wrote: "Some profit-oriented social organisations set up businesses that are active in the domain of the circulation [of money and commodities]. They have disturbed the normal economic order of the country." (Chen 1992: 22)

A recent book by Tsai on informal finance in China contains an apt example of profit-making "NGOs" with the potential to seriously disturb normal economic order. Mr. Zhang, a former employee of the People's Bank of China, opened an unsanctioned private bank in Henan Province which was disguised as a magazine reading club. Anybody could join the club, called the Henan Reading Here and Reading There Society (*Henansheng dulai duqu dushuhui*), by making a monthly deposit of five *yuan*, which was refundable at the end of one year with a bonus. Mr. Zhang used these deposits to trade futures and was able to attract many members by offering a higher rate of return on their deposits than state banks. The operation had apparently been very successful. As Tsai tells:

When I visited the reading club in the summer of 1996, half of the first floor had wide reading tables flanked by displays of magazines around the world. Large red banners hung from the ceiling with politico-inspirational slogans such as "Serving the People by Fostering Literacy" and "Promote Spiritual Civilization by Investing

¹⁸⁷ Interview, 31 October 2001.

in Our Reading Club.” In the other half of the room were rows of bank teller-type windows where people were lined up to make deposits....A uniformed security guard stood watch along the back side of the room that lead to a stairway. As he led us upstairs, Mr. Zhang explained that members now had the option of investing in increments of 10, 20, and even 1,000 *yuan*; 1,000-*yuan* investors were generally rewarded with a 15 to 20 percent “reading bonus” (*jiangdujin*)....When asked if he had ever experienced official interference in his unusual operation, Mr. Zhang said, “Of course not. My business promotes the spiritual civilization of the country, so the highest officials of the Henan provincial government support it....In fact, a number of cadres are members of the club as well.”

...the reading club earns a net income of approximately 100 million *yuan* per month and has an aggregate of 200 million *yuan* in debt outstanding with all the state banks except for the Bank of China and the China Construction Bank (Tsai 2002: 193-194).

Although the Henan Reading Here and Reading There Society is an extreme case, with organisations registered as NGOs whose real motive is profit, one can hardly expect to find clean and honest accounting systems that reflect their true financial situation. The existence of large numbers of such organisations serves as a good reminder that the financial management of Chinese NGOs can be a very complicated issue. While the problem regarding the lack of financial discipline among NGOs needs to be tackled, capacity building programme is often not the right answer.

5.4 The Rationality of the “Irrational” Management of NGOs

This section continues the discussion of the “bad management” of Chinese NGOs. While the previous section focused on “bad management” by design, the emphasis of this section is “bad management” by necessity. My first example of bad management by necessity concerns the irrational governance structure of NGOs. It has been a long-standing criticism of Chinese NGOs that their governing boards and top positions are often occupied by incumbent and retired government officials. The criticism of this state of affairs has come from all sides. Researchers and NGO

practitioners charge that this undermines the autonomy of NGOs, prevents them from developing independent identities and goals, and diminishes their usefulness as civil society actors. The government is concerned about this situation as well, not least because such arrangements have often created openings for corruption. Almost everybody agrees that incumbent and retired officials are often unable to devote sufficient time and energy to NGO work. Many of them are too used to bureaucratic style of administration to be able to adjust to the different requirements of NGO management. Consequently, NGOs dominated by incumbent and retired officials are often characterized by undemocratic, irrational management and decision-making.¹⁸⁸

To tackle the problem the central government has issued at least two specific directives since 1994 asking incumbent officials to resign from leadership positions in NGOs (General Office of the State Council 1994; General Office of the Communist Party Central Committee and General Office of the State Council 1998). With regard to retired officials, in 1997, at the recommendation of the Ministry of Civil Affairs, the central government laid down the rule that key management and decision-making positions in NGOs should not be held by people aged over 70 (General Office of the State Council 1997). Although the central government appears to be very serious about barring officials from running NGOs, it has nevertheless allowed that there may be "special circumstances in which it is indeed necessary [for incumbent officials] to hold concurrently leadership positions in social organisations" (General Office of the Communist Party Central Committee and General Office of the State Council 1998). Under these circumstances, incumbent

¹⁸⁸ Officials of the POMB, Ministry of Civil Affairs, complain that NGOs dominated by retired officials are particularly troublesome, as they are often bogged down in infighting. POMB officials have spent a lot of time mediating between different factions within these NGOs who fight each other for control. The director of the POMB said in a lecture in 2000 that in one such NGO there were constant frictions between the 70-year-olds and the 80-year-olds. Eventually the 80-year-olds convened a board meeting which passed a resolution to expel all the 70-year-olds. The 70-year-olds countered by convening another board meeting which decided to expel all the 80-year-olds.

officials can still be granted permission to serve in NGOs. Similarly, although as a general rule people over 70 are not allowed to lead NGOs, special permission can always be granted in individual cases.¹⁸⁹

Government directives did not specify why there might be special circumstances that called for flexible application of the rules. While there are probably multiple reasons for this, one important reason seems to be that many NGOs would be unable to function without making use of the power and influence of incumbent and retired officials, who are best placed to wield their power and influence on behalf of the NGOs if they hold important formal positions in them. The dependence of NGOs on official backing does not need to be further elaborated here, since it has been discussed in great detail in Chapter 4. Suffice it to say that although the appointment or election of officials to top positions in NGOs is often initiated by government agencies and the officials themselves, especially in the case of officially-organised NGOs, there are also many cases when it is pushed by NGOs. The book by White, Howell and Shang contains several examples of NGOs asking officials to assume leading positions in them. One such example has been mentioned in Chapter 2. In another example, a leader of the Chinese Association of Certified Public Accountants said that "his association invited senior officials retiring from the Ministry of Finance to take on leadership or honorary roles in the association because 'young people want these retired people to do this since it can raise the social status of the accountancy profession as well as the Association'." As White, Howell and Shang note: "This case mirrors the practice common to most associations of seeking to enhance their prestige by enlisting the participation of influential serving or former officials. These officials bring power with them as well as prestige and thus enhance an association's ability to influence the state on behalf of itself and its members." (1996: 122)

¹⁸⁹ Interview, 25 August 2000.

The study of White, Howell and Shang only covered business and professional associations. My own research shows that the practice of offering leading positions to officials is also common to other types of NGOs. One popular social service NGO I studied only had eight staff, but it had over 100 board members and over 50 deputy chairmen of the board, most of whom were incumbent and retired officials. The NGO's director complained that she had made a big mistake by inviting so many officials to join her organisation, which had caused many management problems. For instance, with over 100 board members it had been extremely difficult to achieve an attendance rate of 50% or above at board meetings. As a result, often no decision could be made. The officials were entrenched in their bureaucratic mentality, so they often blocked innovative ideas put forward by the director. Their philosophy was "the less trouble the better." The retired officials in particular had given the director a lot of headache. She charged that they "cannot raise any money, cannot do any work, and cannot even walk on their own legs", but they liked to issue orders and she even had to write their speeches for them. The director had concluded that the retired officials were not there to make any contribution but only to relive the experience of being able to order other people about.¹⁹⁰

Despite her grievance against officials, the director nevertheless continued to attach great importance to her organisation's official links and indeed continued to invite new officials to join her organisation. She admitted that although some of the retired officials had been a nuisance, their support at the beginning was vital for her. Without their backing she might not have been able to set up the NGO in the first place. In the end, as the director said: "If the government and its officials do not stand by you, then anybody can push you around."¹⁹¹ Therefore, she knew that having a pack of difficult-to-please officials sitting on the board of her NGO was a necessary compromise.

¹⁹⁰ Interviews, January 2000.

¹⁹¹ Interview, January 2000.

Another popular NGO faced a similar situation. Its governing board comprised officials from a number of agencies, all of which the NGO needed to draw support from every now and then. The NGO's manager complained that some of the officials treated the NGO as if it was part of the government bureaucracy. For instance, they asked that the manager submit written requests for permission before the NGO made any decision on even relatively minor issues. Furthermore, the requests must be written in a particular bureaucratic format, so that they read as if the NGO was asking the officials for instructions. After they had given their permission, in a typical bureaucratic fashion, these officials often told the manager to take the request to other agencies and officials for further approval, even though it was not really necessary. Such requirements from the officials had added to the administrative burden of the NGO, wasted the time and energy of its staff, and lowered its efficiency. The NGO also faced another problem from the officials on its governing board. Two officials from different agencies both thought that his/her agency had given the NGO the most support, consequently each wanted his/her agency to receive more credit for the NGO's achievements. In order not to offend either of them, the manager had had to resort to such measures as preparing different reports for the two officials. Even on occasions when she could show them the same report, she still needed to be careful as to whom she gave the report to first. Needless to say, attending to such delicate matters took time and prevented the manager from concentrating on real issues. Despite all the hassles, the manager acknowledged that having officials from all the relevant government agencies on the NGO's governing board had been "very useful." While they had given her some trouble, their support had probably saved her even more.¹⁹²

In addition to filling their leadership posts with government officials, Chinese NGOs are also frequently criticized for practising nepotism. Many NGO managers

¹⁹² Interviews, April 2000.

have the habit of hiring their relatives and trusted friends. This has led to the accusation that they run the NGOs like “family businesses”. There is no doubt that often such practice is indeed the result of managers treating the NGOs as their private properties and using them to benefit themselves. However, some NGO managers I interviewed argue that they are justified in entrusting important jobs to friends or relatives. Evidence suggests that sometimes there is indeed an element of necessity in such practices. For example, one NGO manager told me that she had only hired the children of her friends as cashiers, because, if the cashiers lost or stole any money, she could always ask their parents to make up the loss. She could not set her mind at ease if the NGO’s money was handled by total strangers. A cashier she once employed secretly lent the NGO’s money to her friends. She also stole some money when she left the NGO. By the time her misdeeds were discovered, over 40,000 *yuan* had been lost. Because the manager knew the parents of this cashier, she was able to get the money back from them.¹⁹³

The manager’s reason for hiring friends’ children as cashiers might seem farfetched if one did not take into account the fact that at present the judicial system in China is often unable to investigate and prosecute small-scale economic crimes like the one committed by this cashier. As a former board member of a now defunct Beijing NGO told me, after she discovered that the NGO’s manager had embezzled some of the NGO’s funds, she reported the crime to a district Public Security Bureau. The captain of the economic crime investigation team heard her story, then told her they did not have enough resources to investigate cases involving small amounts of money. The captain appeared to be very sincere when he told my informant that they had many cases involving huge sums of money on their hands. They did not even have enough manpower and funds to investigate those cases. The captain, who seemed to my informant to be genuinely snowed under and overwrought, said to her: “I am telling you the truth even if this costs me my job. I am really sorry, but

¹⁹³ Interview, 4 August 2000.

we are not able to help you.”¹⁹⁴

When NGOs cannot depend on formal institutions for protection, they have no choice but to invoke the help of informal institutions, such as personal networks and relationships of trust, to compensate for the inadequacy of formal institutions. While hiring friends and relatives is clearly a bad management practice whose long-term effect on NGOs can be particularly pernicious, it may be a necessary evil under certain circumstances. It is similar to another phenomenon I observed during my fieldwork: that many NGOs tend to hire cheap labour such as rural migrants and laid-off workers who are unskilled and inexperienced. The reason is simple: they cannot offer good salaries and benefits to their staff, so they are unable to attract skilled people. Therefore, what we see in such cases are perhaps best described as bad management by necessity.

Conclusion

In the previous chapter I suggested that there are similarities between Chinese NGOs and private businesses in their relationship with the state. In discussing NGO capacity and skills, perhaps we can also draw some lessons from the private sector. In the last few years a succession of corporate scandals around the world has attracted considerable public attention to the issue of corporate governance, but no one seems to think that bad corporate governance has been caused by lack of business administration skills which can be addressed by more MBA programmes. Rather, the general prescription for corporate maladies has been new governance rules and tighter regulation and supervision. With regard to NGO governance, my study suggests that many existing problems with Chinese NGOs are not caused by their lack of skills either. It seems that these problems need similar prescriptions to those offered to the private sector, such as better regulation and supervision.

¹⁹⁴ Interview, 13 October 2001.

International donors are zealously funding capacity building programmes for Chinese NGOs these days, but such programmes are unlikely to be very effective if they fail to understand the root causes of the poor performance of Chinese NGOs, and if they only focus on NGOs themselves without trying to improve their institutional environment. Above all, NGOs need skills that are suited to their specific environment. In this chapter, I have argued that many Chinese NGOs already possess sophisticated skills which are well suited to the Chinese context but which have not received enough attention from NGO researchers and analysts. Obviously some NGOs have better skills than others. The examples in this chapter are all taken from the more skilled NGOs. During my fieldwork, I also came across less skilled organisations that were unable to mobilize sufficient support either from the state or from other sources, such as the Chinese public or foreign donors. These NGOs are often unable to survive very long, let alone achieving organisational growth.

The skills and techniques that enable some Chinese NGOs to thrive, especially the techniques they use to establish advantageous relationships with the state and mobilize societal support, have direct implications for their performance in both service delivery and advocacy. No analysis of Chinese NGOs can be complete without at least some discussion about their performance, so this issue will be taken up in the next chapter.

6. The Limitations of Chinese NGOs

As I explained in Chapter 1, this thesis was originally planned as an assessment of the performance of social welfare NGOs in China. However, after starting the fieldwork, I quickly realized that not just social welfare NGOs, but the Chinese NGO sector in general, were still at such an early stage of their development that the majority of them were unlikely to measure up to even the most minimalist standard of good performance. However, the emergence of even the worst performing NGOs often represents progress, since they are providing services where none existed before. Therefore, rather than describing how badly youthful Chinese NGOs are performing, a more interesting and meaningful task for researchers is to find out what factors may have contributed to the poor performance of Chinese NGOs. In this chapter I attempt to address this question. Whereas one can easily identify a large number of factors that directly and indirectly affect the performance of Chinese NGOs, I focus on four of the most salient ones in this chapter.

6.1 State Policy and Capacity

Wary of the potential threat to its authority and rule posed by organisations such as the *Falun Gong*, the government has adopted the policy of forestalling the formation of NGOs which might challenge it politically, weaken its control over society, or constrict its autonomy in formulating economic and social policies. For example, a set of internal guidelines followed by civil affairs departments in considering applications to establish NGOs stipulate that no NGO set up by “specific social groups”, such as migrant labourers, laid-off workers, or ex-servicemen, should be allowed to exist.¹⁹⁵ Apparently the government fears that these often disgruntled social groups would cause it big trouble once they are able to organize themselves.

¹⁹⁵ These guidelines were referred to in some unpublished speeches by high-level Civil Affairs officials.

In a collection of Ministry of Civil Affairs documents, several reports by provincial governments highlighted their achievements in thwarting attempts by members of these social groups to form their own organisations. A report from Shanghai mentioned that some rural migrants from Jiangxi Province who were employed at a Shanghai factory had formed a union which sent a letter of petition to higher authorities demanding reduced working hours and increased pay and threatened further actions if their demands were ignored. The report said that the local government successfully persuaded the union to disband. A report from Shandong Province mentioned that several peasants had tried to organize a peasants' association whose stated purpose was to resist unreasonable levies by the local government. This organisation was swiftly banned by the civil affairs department (Popular Organisation Management Bureau of the Ministry of Civil Affairs 2000).

Not only does the government proscribe NGOs that are liable to make difficult demands on it or challenge its policies, it also wants to prevent *any* NGO from growing too big and powerful by developing an extended organisational network. This is demonstrated by two clauses in the current government regulations for NGO management and registration. The first clause prohibits NGOs from establishing regional branches. The second one bars any individual from serving as the legal representative of more than one NGO. The first clause means that national NGOs cannot set up any branch outside Beijing, while provincial and county level NGOs must confine their organisations to the provincial capital city or the county seat. NGOs carrying out the same activities can exist simultaneously at all the different administrative levels, but they must remain separate organisations, as in the case of the CYDF and provincial YDFs. As mentioned in previous chapters, because they are separate organisations, the CYDF cannot issue commands to provincial YDFs, even though it tried to gain some control over the operation of the latter. As a result, the CYDF has had to rely on the Youth League's nationwide organisational network to implement Project Hope. The clause concerning NGO's legal representative also

has the effect of restricting the organisational expansion of NGOs. Legal representative is the role usually assumed by the leader of an NGO. After successfully setting up and running a popular NGO that provides innovative social services, several founders I interviewed have tried to establish similar organisations in other cities, in order to make the services available to more people and to spread their ideas. However, because of the “no regional branch” rule, any extension of the original organisation in other locations must be registered as independent NGOs, which means the founders cannot be the legal representative, i.e. the leader, of both the original and the new organisations. In other words, the services they set up in different places could not be run as a unified operation under a single leadership, which made the scaling-up of the services more difficult.

The government’s regulation of the NGO sector has also been guided by a desire to improve efficiency and eliminate unproductive competition between NGOs. While these appear to be very sensible objectives, the means whereby the government tries to achieve them—one of the most heavily criticized clause in the current NGO regulations—has often amounted to further cramping of the living space for NGOs. This clause says that the government will not allow any new NGO to be established if in the same administrative area there is already an NGO doing similar work, hence there is no need for new NGOs. Because of this stipulation, not only have many popular NGOs been denied approval to be established, but some existing ones have also been forced to either disband or be incorporated into officially-organised NGOs. For example, since the Disabled Persons’ Federation (DPF), a semi-official organisation, already has local chapters in every city, popular NGOs formed by disabled people have not being allowed to register, even though many disabled people and their relatives are dissatisfied with the DPF and feel that it has done a poor job in representing their interests.¹⁹⁶ In one of my fieldwork cities,

¹⁹⁶ This view has been expressed by many disabled people and the relatives of disabled people whom I interviewed.

a popular membership NGO for disabled youth had existed alongside a similar NGO that was affiliated with the DPF for over 10 years, but after the central government ordered an overhaul of the NGO sector in 1998, the local civil affairs department refused to renew the popular NGO's registration and forced it to merge with the organisation affiliated with the DPF. At the time of my research the merger had just begun, but there were already worrying signs that the popular NGO's ability to promote the interests of its members would be constrained after the merger.¹⁹⁷

The tight regulation of NGOs by the state is just one side of the story. As many examples given in the previous chapters show, the state's desire to keep effective control over NGOs has not been matched by its capacity to enforce its policies. Researchers have observed that in this particular arena the familiar problem of the Centre in Beijing experiencing increasing difficulty in securing compliance with its policies from the localities has once again manifested itself. As Saich (1999: 140) wrote: "[L]ocal governments will approve social organisations or other non-state bodies that contribute to the local economy and well-being. This is irrespective of formal regulatory requirements." In fact, to pose the problem in terms of the Centre versus the localities simplifies the situation. The central government is not dealing with recalcitrant local governments as single entities on this issue. Rather, the challenge it faces is how to discipline myriad individual government agencies from the national all the way down to the lowest administrative level, which often put their narrow departmental interests before the overall strategic interest of the state. As the Ministry of Civil Affairs (MCA) official I interviewed said, many government units simply use the cover of NGOs to create agency slush funds and to make money through charging illegal fees or extorting donations from enterprises (see Chapter 5). Apparently, these agencies have every incentive to circumvent central government policies in order to protect their NGOs.

¹⁹⁷ Interview, 18 May 2000.

On the one hand individual government units often throw the reins to NGOs under their sponsorship, on the other hand Civil Affairs, the agency charged with policing NGO activities, is seriously constrained in its ability to perform this duty. The MCA's Popular Organisation Management Bureau only has 25 staff, who in addition to developing and coordinating NGO-related policies, drafting strategic plans for the sector, and providing guidance and advice to local civil affair departments, are also responsible for registering and conducting annual reviews of all national and cross-regional NGOs as well as foreign NGOs that operate in China. As one Chinese researcher said, the POMB staff probably do not have enough time to read the annual reports of all the NGOs they directly supervise, let alone effectively monitoring and reviewing their activities.¹⁹⁸ The situation at provincial and lower levels is similar or even worse. Many provincial civil affairs bureaux have just 5 or 6 staff working on NGO administration, who must exercise oversight over thousands of NGOs, including at least several hundred provincial-level NGOs which they directly supervise. Below the provincial level, many civil affairs bureaux have so limited human resources that they cannot dedicate a single full-time staff to NGO-related work. Therefore, as many civil affairs officials openly admit, and indeed complain, they are woefully ill-equipped for the NGO management duty which the state has laid on them.¹⁹⁹

Given its limited capacity, the state appears to have given priority to monitoring and controlling NGOs which it suspects on political and ideological grounds while worrying less about NGOs that are only guilty of economic misdeeds. The combined effect of the state's NGO policy and its limited policy enforcement

¹⁹⁸ MCA statistics show that at the end of 2002 there were 1,712 registered national and cross-regional social organisations that were directly supervised by the POMB. The MCA has not released the number of PNEUs and foreign NGOs that have been registered by the POMB. More statistical information is available from the MCA's website: www.mca.gov.cn.

¹⁹⁹ Interviews with civil affairs officials, 8 May 2000; 25 September 2000; and 31 October 2001. Many civil affairs documents also mention their lack of resources for NGO administration work.

capacity is that certain types of NGOs, particularly those that are likely to perform the political functions often ascribed to civil society organisations, such as challenging state policies, championing the rights of disadvantaged social groups, and promoting pluralism and diversity, have little space to pursue their activities, if they are able to come into being at all. Meanwhile, many NGOs that engage in economic corruption and malfeasance, in other words conducts that constitute the antithesis of civil society virtues, have been able to continue their operations unhindered.

The resultant NGO sector is characterized by the flourishing of NGOs that are well-connected to or even embedded in the state administrative system, which are predominantly (but not exclusively) officially-organized NGOs, and the underdevelopment of NGOs that lack powerful bureaucratic patrons, which are mostly small popular NGOs. The privileged position of the former type of NGOs, however, has often been used to serve illegitimate private interests, such as those of government agencies and their employees, rather than broad public interests. Meanwhile, popular NGOs that represent marginal interests and work for the welfare of underprivileged people tend to face many obstacles in their path, which have reduced their effectiveness.

The healthy development of the NGO sector has been further hampered by the government's inclination to keep stories of NGO corruption and mismanagement from the public. In some cases where high-profile NGOs were involved, it had stepped in to prevent the media from carrying negative reports about those NGOs. On the issue of NGO malpractice the state not only suffers from insufficient rule enforcement capacity, but is also torn by conflicting goals. On the one hand, it genuinely wishes to put a check on various shady activities of NGOs, since even when such activities benefit individual government agencies, they harm the interest of both society and the government as a whole. On the other hand, it also wishes to

encourage NGOs to play more active roles in certain areas from which itself has retreated in the process of reform, or areas where it believes NGOs can make unique contributions. For example, while in the planned economy era the state alone paid for the social welfare system in urban areas, now it wishes to mobilize societal inputs into the system to alleviate its financial burden. Following the success of the CYDF in raising money from the general public to support basic education in poor rural regions, many similar organisations have been set up by various state agencies that sought to imitate the CYDF. Officially-organized NGOs predating the CYDF which used to survive on government allocations also started to expand their funding bases by soliciting voluntary donations from businesses and private citizens.

To succeed in their fundraising efforts these organisations must gain the trust of the public in their honesty and competence. Once an organisation became caught up in scandals, its ability to mobilize public donations would be severely damaged. If many such organisations became caught up in scandals, then the public might lose confidence in *all* of them and stop giving money even to the ones which had not been found doing anything wrong. If the philanthropic impulse²⁰⁰ of the public thus dried up, it could upset the state's long-term plan of tapping societal resources to complement the government's social spending. Therefore, it is not surprising that the government has tried to hush up cases involving the misuse or mismanagement of donated funds by well-known NGOs. A couple of years ago, some serious financial problems were discovered at a big-name national foundation which resulted in a new director from outside the foundation being appointed to sort out the mess. When I asked the MCA official I interviewed about it, however, he denied that anything had gone wrong at the foundation. During the interview, this official spoke freely about the fairly frequent occurrence of NGOs "swindling people out of their money" or misusing donated funds, but when I asked for some specific

²⁰⁰ For an analysis of the "philanthropic impulse" in contemporary China see Shue 1998.

examples, he refused to name any organisation.²⁰¹ I explained to him that unlike other researchers who focused on how the government restricted the development of autonomous NGOs, I would like to know more about the bad behaviour of NGOs which might have justified some of the stringent government policies. Instead of appreciating my sympathy for the government's position, this official was visibly worried and almost pleaded with me not to dwell too much on the problems of NGOs. I was told that "the positive role of NGOs must be fully affirmed". Other MCA officials I approached were equally evasive about cases of NGO malpractice. One of the POMB's responsibilities is to "investigate and prosecute" the illegal activities of NGOs. I once spoke with a junior POMB staff who had sitting right on his desk some summaries of NGO corruption cases which the POMB had dealt with. I asked if he could pick just one of those cases – a relatively minor offence involving a little-known provincial NGO if he liked – and either show me the summary or tell me about it. Although this person apparently thought the information I requested was harmless, out of caution he decided to go and check with his superiors first. Returning from their office five minutes later, he told me that they had said no.

It was in this climate of secrecy surrounding NGO malfeasance that stories of the CYDF's financial problems were suppressed by the government. In February and March 2002, a Hong Kong newspaper carried several reports which accused the CYDF of illegally investing over 100 million *yuan* of Project Hope funds in real estate projects, stocks, and high-risk business ventures, many of which ended in heavy losses (*Mingpao*, 28 February 2002; 1 March 2002). The CYDF immediately issued a statement refuting the charges. Following this, a mainland Chinese newspaper *Southern Weekend* carried out its own investigation into the financial affairs of the CYDF. Based on the information they gathered, *Southern Weekend* journalists wrote a lengthy article which made even more serious and detailed allegations against the CYDF. The article cited a large number of CYDF's internal

²⁰¹ Interview, 31 October 2001.

documents which the newspaper had obtained as well as the testimonies of former accountants of the CYDF. When the newspaper was in the press, however, a phone call from the Party's Propaganda Department in Beijing came through which ordered the article to be removed. By then 300,000 copies of the newspaper had already been printed. These were ordered to be sealed up (*The Epoch Times*, 2 May 2002: 4). Some employees of the newspaper, however, put the article on the Internet, so eventually many people did see it.²⁰²

This was not the first time the government had tried to suppress bad news about the CYDF. Interestingly, when I interviewed Xu Yongguang, the CYDF's general secretary, in 2001, he also complained about the government's over-protection of the CYDF and Project Hope. During the implementation of Project Hope, some problems had apparently occurred regarding the selection of students for financial assistance. In one instance, the head teacher of a school in Shaanxi province had allowed the children of some local cadres to receive Project Hope aid rather than distributing the money strictly based on the recipients' financial needs. After it was discovered, the head teacher and the cadres were punished. The CYDF thought this case was rather typical, so it asked a prime-time television news programme, *Jiaodian Fangtan*, to do a report about it. As Xu Yongguang explained, they intended the exposure of the case by *Jiaodian Fangtan* to have a deterrent effect on grassroots cadres and organisations responsible for implementing Project Hope, because "it is not good if they do not face any pressure." However, *Jiaodian Fangtan* said they could not make such a programme, because the Party's Propaganda Department had warned media units not to produce any negative report about Project Hope. Xu Yongguang wisely saw that this kind of protection was not really helpful to Project Hope. In his words, with too much protection like this, Project Hope might "get out

²⁰² I have no way of verifying such details as 300,000 copies of the *Southern Weekend* being sealed up which was reported by *The Epoch Times*, a newspaper published outside mainland China. However, the story of the *Southern Weekend* article being censored is no doubt true. I obtained a copy of the article through a friend who downloaded it from the Internet.

of control."²⁰³

It is not just organisations like the CYDF which are models and showcases promoted by the central state that have been sheltered from public scrutiny and criticism. Small popular NGOs at local levels can also receive this kind of official protection on account of their complex ties and relations with local government agencies and officials. For example, as discussed in Chapter 5, local government agencies often fear the collapse of NGOs such as private welfare institutions, since they will have to take over the NGOs' charges once this happens. Therefore, it is in their interest to help sustain these NGOs, even if they are poorly managed and their services are below standard. To sustain such NGOs, it is naturally important that unsavoury facts about their failings are hidden from the public. Often there are other reasons for local governments to smooth over the problems of NGOs under their jurisdiction as well. As mentioned earlier, even popular NGOs in China are heavily dependent on the state and have numerous formal and informal ties with the state bureaucracy. When NGOs' patrons and friends in the government have very openly helped and supported them, the problems of the NGOs would reflect discredit on them too. Even more seriously, sometimes these patrons and friends may have had such close relationships with the NGOs that they are implicated in the NGOs' dubious deeds. Therefore, to protect the NGOs is also to protect themselves.

One can see all these factors at work in the following example involving a seriously mismanaged non-governmental residential home for disabled people which

²⁰³ Interview, November 2001. It should be pointed out that the corruption case which Xu Yongguang wanted exposed was a very minor incident that only involved school fees for a few students. It did not seem to be a significant problem given the scale of Project Hope. Also, the case concerned the allocation of Project Hope funds at the grassroots level for which the CYDF was not directly responsible, so it would not damage the reputation of the CYDF itself. In fact, it would probably boost public confidence in the CYDF since it would show that the CYDF was determined to have anybody who abused Project Hope funds punished as soon as they were discovered. The CYDF apparently did not appreciate it when its own problems were exposed by the media later.

eventually went bankrupt. The manager of this NGO had an old friend who was a middle-ranking cadre in the municipal Disabled Persons' Federation (DPF). With his help the NGO received the DPF's sponsorship which allowed it to register. The DPF cadre sat on the NGO's five-member board of directors. Through his influence, the NGO received subsidies from the DPF several times. Although the DPF had also given money to other NGOs in the disability field in the same city, the amount involved was much less than what had gone to this particular NGO. The DPF also helped this NGO in other ways. For example, it once used its connection to make a major national newspaper carry a half-page advertisement for the NGO for free. The manager had taken liberties with the NGO's funds from the very beginning. At one time she put 270,000 *yuan* of the NGO's money into a personal account and used it to speculate in shares. One of the NGO's board members had suspected foul play and urged an audit. Instead of supporting this board member's action, the DPF cadre helped the manager to cover up the problems, even usurping the name of a DPF subcommittee to sign a false IOU for her, so that she could claim that 25,000 *yuan* belonging to the NGO which she had misappropriated was lent to the DPF subcommittee. As the NGO's deputy manager later charged, there were indications that the DPF cadre had colluded with the manager to steal the NGO's funds, e.g., by submitting false expense accounts. That was why he spared no effort in protecting the manager which allowed her to continue her corrupt practices. He was motivated by more than his friendship with her.

While the manager was playing havoc with the NGO's finances the organisation as one of the first private welfare institutions for disabled people in its city and one sponsored by the municipal DPF continued to receive a lot of positive media coverage. The DPF apparently used the NGO as a showcase of its endeavor to promote the "socialization of social welfare", a national government policy aimed at encouraging private investment and NGO participation in the social welfare field. I personally witnessed a visit to this NGO by a deputy mayor of the city which was

arranged by the DPF.²⁰⁴ The purpose of the visit was for the deputy mayor to witness the latest service programmes for disabled people and the progress in socializing social welfare in the city.

When the NGO's board member who suspected wrongdoing eventually discovered some evidence, she formally reported it to the DPF and requested a thorough investigation into the NGO's financial affairs. Although the DPF did conduct an investigation which acknowledged various problems, it appeared to the board member to be intent on "reducing major issues to minor ones and minor ones to nothing". The DPF cadre was merely criticized internally and transferred to a different department. A senior official of the DPF told the board member that a shake-up at the NGO would disrupt its services, which would only hurt its clients. Therefore, in the interest of the clients, the DPF did not want the affair turned into a big scandal but preferred that the NGO muddle on. One could speculate that one of the reasons the DPF feared the disruption of the NGO's services must be that it was under pressure to take care of the NGO's clients should it cease operating. The NGO had committed itself to provide life-long care for some of the disabled people in residence and had received lump-sum payments from their families for this promised service. As the NGO's sponsor the DPF must provide for these disabled people if the NGO was unable to fulfil its obligations any more. Indeed, this was what happened when the NGO eventually went bankrupt.

After the NGO's debacle a newspaper under the sponsorship of the Ministry of Civil Affairs reported the story. The editorial following the story suggested that the DPF should bear most of the blame, since it failed to carry out effective supervision of the NGO, failed to rectify its problems at an early stage, and allowed the NGO to pass various assessments even when its finances were already in chaos, which resulted in more families being deceived into entrusting their disabled members

²⁰⁴ This took place in July 2000.

and money to the NGO. In response, the DPF complained to the MCA, with which it had a close working relationship. Subsequently the editor of the newspaper was summoned to the ministry and scolded for “setting fire to the house of our own people”. This incident further underscores the difficulties the media often face in monitoring and exposing the problems of NGOs under present circumstances.²⁰⁵

6.2 NGO Dependence on the State

Because they know that Chinese NGOs cannot operate without drawing various forms of crucial support from the state, many NGO practitioners and researchers in China have argued that the dependent relationship between Chinese NGOs and the state is not a curse but a blessing. During a session at an NGO conference in Beijing, one participant considered Chinese NGOs’ lack of independence a serious potential problem and likened these organisations to “mansions built on sand”. He was immediately challenged by another participant, who asked: “Is it necessarily a bad thing to be standing on sand? Why must we emulate NGOs in other countries?”²⁰⁶ A similar comment was made by a different person at another forum: “Developing countries and developed countries have very different situations. While foreigners consider certain characteristics of our NGOs to be weak points, we consider them our strong points.”²⁰⁷ Some foreign observers appear to sympathize with this point of view too. For example, Saich criticized analysts who emphasized the top-down control of Chinese NGOs by the state for failing to appreciate “the benefits the ‘subordinate’ organisations and their members derive”:

²⁰⁵ My information on this case comes from three sources: 1) interviews with the NGO’s board member who reported the NGO’s problems to the DPF; 2) various correspondences, reports, and files of the NGO, including audit reports; 3) the article in the Ministry of Civil Affairs-sponsored newspaper. The name of the newspaper is withheld to protect the identity of the people who were involved in this case. The story about the newspaper’s editor being scolded was supplied by the NGO’s board member, who heard it from the editor.

²⁰⁶ 31 October 1999.

²⁰⁷ Discussions at a seminar at Tsinghua University on 3 January 2000.

The discussion of social organisations reveals that they can have considerable impact on the policy-making process, indeed more than if they were to try to create an organisation with complete operational autonomy from the party-state....Those with close government links often play a more direct role in policy formulation than their counterparts in many other countries as they do not have to compete in social space with other NGOs for dominance and access to the government's ear on relevant policy issues (Saich 2000: 139).

There is no doubt that Chinese NGOs derive all sorts of benefit from their dependent relationship with the state. This point has been argued at length in Chapter 4. However, it would be a mistake to assume that their close government links give NGOs much influence on state policies and practices. NGOs may have a cozy relationship with the state, but they are not equal partners in this relationship. As the dependent party, NGOs' ability to impress their ideals on the government should not be exaggerated. Speaking at an international conference, Xu Yongguang cited "government support" as the first condition that must be met before any NGO initiative could succeed in China. As he explained, this meant that NGOs could only do two kinds of things: First, those things which the government wanted to do but had not got a chance to do itself. Second, those things which the government had not thought of doing, but if NGOs were to do them first it would not object (Xu 1999: 3). Xu Yongguang was repeating the same message he had conveyed in an earlier interview, in which he also added: "We must never do anything which the government would object to. If we insist on doing them, then there can only be one outcome, and that is failure." (Kang 1997: 387)

Xu Yongguang has neatly summarized the boundaries of legitimate NGO activism at the present time. This understanding of what they can do and what they mustn't do is widely shared among Chinese NGOs and has informed their every action.²⁰⁸ To the extent that NGOs have some access to the government's ear, it is only because they have stayed within the limits of what the government does not

²⁰⁸ For examples of NGOs conducting themselves based on such an understanding see Raab 1997.

disapprove. One might say that they can only influence the government where it is willing to be influenced, which hardly constitutes real influence. NGOs may be very comfortable with such an arrangement, but there is no question that their dependence on the state limits their usefulness as champions of interests and values that are different from those of the state.

Consider the example of an NGO active in the field of women's rights. It has collaborated with local radio and television stations to make programmes that educate women about their legal rights and the help and redress they can seek when their rights are violated. The programmes proved to be extremely effective in raising the awareness of these issues among not just women but also the local population at large. Despite the tremendous impact of the media, however, the NGO failed to fully harness its power in the service of its cause, because it was afraid of offending the government. The television programmes it produced featured typical cases in which women's rights had been trampled. The NGO was very circumspect in choosing the topics for these programmes. It covered stories such as extra-marital affairs resulting in husbands abandoning their wives and children, but avoided others which would show the local authorities in a bad light. For example, a policeman and his colleagues beat up a woman after she had a fight with his girlfriend. The woman sought justice but the local police force ignored her complaints. Although it tried to help the woman through its government connections, the NGO decided not to expose the case in the media, as it would antagonize the police department whose goodwill the NGO needed. At another time the NGO had intended to make a programme about a local women trafficker who had remained at large owing to the inaction of the judicial department. For understandable reasons, the judicial department objected to such a programme, so the NGO abandoned the plan. To the NGO, maintaining its good relationship with local authorities takes priority over bringing flagrant violations of women's rights to public attention, since without the support of the local authorities it would not be

able to operate at all.²⁰⁹

This NGO was also prevented from making full use of the media to fulfil its advocacy and educational functions by its desire to keep a low profile. The NGO's director was a typical "amphibious person" (see Chapter 4) who had remained a full-time government employee while running the organisation. The leaders of the agency where she worked had been very supportive of the NGO's activities and for this reason had considered the agency and themselves as deserving credit for the NGO's good work. The director was concerned that if she appeared too frequently in the media the leaders of the agency would resent the attention she received and withdraw their support. Consequently she turned down many invitations to be interviewed by journalists or to take part in media programmes. The local television station had suggested that the director host the aforementioned programmes to provide commentaries on the cases, but she refused. Her cautious approach had ensured that her work did not arouse the jealousy of her bosses in the government agency, but it also undermined the NGO's ability to disseminate information, encourage public debate, and reach out to women who needed help. Although at the time of my research the NGO had been operating for over two years, it seemed that most local residents were still not aware of its existence. All the people I interviewed, including volunteers who worked for the NGO and women who had sought help there, heard of it from friends or were referred to it by the local women's federation. None of them had learnt of its work through the media or any information materials the NGO had produced.²¹⁰

NGOs' dependency on the state not just constrains their actions, it fundamentally affects their attitudes towards the vulnerable and disadvantaged people who are supposed to be their *raison d'être*. While I was studying a small popular NGO, it

²⁰⁹ Interviews, April and May 2000.

²¹⁰ Interviews, April and May 2000.

organized a free concert for its friends and supporters one evening. The concert took place in a big theatre which could host several hundred people. To save money, however, the NGO only printed about 100 copies of the programme. The NGO found a few college students to work as volunteer ushers that evening. One of their duties was to distribute the programme to the audience as they arrived. A senior member of the NGO stood with the students at the entrance to greet the guests. Since there were not enough copies of the programme for everybody, she made sure that the students only gave them to the important guests. At one point this woman was called away. Not knowing who was important and who was not, the students started to hand the programme out to everybody that arrived. Walking back a few minutes later, the woman saw what the students were doing and shouted anxiously to them while still several steps away: "Give the programme to bureau chiefs and section chiefs, don't give it to useless people."

I find this little incident highly indicative of the starkly different attitudes of many Chinese NGOs—regardless of whether they are officially-organized or popular in origin—towards the state and its officials on the one hand, and ordinary members of the society, including the very people they are set up to help, on the other hand. Their multiple dependence on the state has led NGOs to view their relationship with government agencies and officials as the most important of all their relationships. In contrast, their clients, who tend to be the most powerless among NGOs' contacts and who depend on them for services, are often treated as the least important people. NGOs themselves are not unaware of the contradictions involved in such a ranking of their relationships, but they seem to either accept that this is unavoidable, or think that they have got their priorities right. I once took part in a popular NGO's celebration of its 10th anniversary. The NGO invited government officials, donors, representatives from other NGOs, as well as its clients to the events it organized to mark the occasion. During those events, officials and donors occupied the central position whereas clients were left on the sidelines. Afterwards I

learnt that the clients had talked amongst themselves about the celebration and were displeased about the marginal position they were consigned to.²¹¹ A few months later, the director of this NGO and I both attended a big ceremony of another popular NGO in a different city. There we witnessed a similar situation. On our way back after the ceremony, the director remarked that it was just like a government function. Then she added: “Unfortunately popular NGOs in China today are all doing things this way. Our 10th anniversary celebration was organized exactly in this fashion. We behaved just like a government organisation.” She attributed this to the “conservative mentality” of her staff, and seemed to think that she alone could not make a difference.²¹²

While this director at least deplored the fact that even popular NGOs put the government before the common people, thereby forgetting the purpose of their existence, the director of another popular NGO felt that this was the right position for organisations like hers to adopt. As she said:

If you are very close to the government and your work is praised by the government, it is beneficial. But it can also have a down side. You become distant from ordinary people. Ordinary people will think that you are the same as the government. Those people who distrust the government will not support you anymore. They will think that you are wallowing in the mire with the government. But if you don't cotton up to the government you cannot get things done. *In the end, the support of the government is far more important than the support of the common people.* Besides, people have different views. There are also those who will support you because you enjoy an excellent relationship with the government.²¹³

With such a conviction, some NGOs showed no hesitation in invoking state power to bully powerless common people into submission to their wishes. Chapter 4 told the story of an NGO that wanted some poor villagers to move their ancestral graves to make room for an extension of its premises. Rather than trying to reach an

²¹¹ Interview, 25 May 2000.

²¹² September, 2000.

²¹³ Informal interview, April 2000.

agreement with the villagers through consultation, the NGO used its influence to persuade the local government to requisition the land, thereby forcing the villagers to move the graves. It also discussed with its official friend ways of putting additional pressure on the villagers, e.g., by spreading a malicious rumour among them. Such conduct is rather at odds with what is generally considered the normal behaviour of NGOs. Therefore, we can see that Chinese NGOs' dependence on the state has created some fundamental problems in terms of their ability to fulfil essential civil society functions.

This dependency has also been responsible for many NGOs' poor record in fulfilling useful functions on behalf of the state. As has been discussed, officially-organized NGOs are often created to assist with the administrative tasks of government agencies and to facilitate the implementation of state policies. Some government-initiated foundations, for example, are set up to raise money from non-governmental sources to fund government-identified programmes. However, the performance of these NGOs has been very uneven. Whereas organisations like the CYDF have achieved enormous success in mobilizing societal resources to supplement the government's social development spending, there are also a considerable number of foundations which have failed to raise a single penny.²¹⁴ In a 1996 speech, a vice minister of civil affairs said that in the MCA's assessment, of the 1810 national social organisations, only 20% were able to fulfil their purposes. Another 20% either hardly carried out any activities or were bedevilled by internal strife. The remaining 60% had carried out some activities but on the whole had not performed many useful functions.²¹⁵ The situation had not improved much a few years later. In 2000, the director of the POMB said in a lecture that one-third of national social organisations were "useful", one-third were "of limited use", and one-third were "completely useless or even worse", i.e., they actually created

²¹⁴ According to a POMB official in a lecture at Tsinghua University in April 2000.

²¹⁵ "Speech by Vice Minister Comrade Xu Ruixin at an Informal Discussion with Some Leaders of Social Organisations, 21 May 1996".

problems rather than played any useful role.²¹⁶

As has been explained, some officially-organized NGOs have mainly been used by individual government departments or officials as tools for pursuing their illegitimate particularistic interests, often in violation of national government policies. These organisations fall into the category of NGOs that are described by the director of the POMB as trouble-makers rather than helpers. Here I am not discussing these NGOs but the ones which, according to the director, were either of very limited use or completely useless even though they had been harmless. The previous chapter has touched upon the reasons why some officially-organized NGOs have been ineffective tools for the state. As part of its reform programme the national leadership has encouraged government agencies to transfer some of their functions to NGOs, but many agencies at the local level are reluctant to do so, as it would reduce their power and resources. Therefore, although they have set up new NGOs in response to the call from higher levels, they have not handed over any real responsibility to them (see, e.g., Foster 2002). This is a main factor that explains the limited impact of these NGOs. There are other factors as well. As mentioned before, many officially-organized NGOs are staffed by serving or retired government employees whose incomes and job security are not tied to the fortune of the NGOs. Some of these NGO staff, of whom Xu Yongguang and his colleagues at the CYDF are outstanding examples, have displayed considerable entrepreneurial flair and raised money themselves to undertake projects, but there are also others who will only carry out activities if they receive project funding from the government. When there is no money, they do nothing. After a field trip to a western province, a Beijing-based researcher told me that many staff of officially-organized NGOs he encountered there were unperturbed about the fact that they were sitting idly in their offices all day long. The general secretary of one such NGO said that they were “on strike”, because the local government was in financial crisis and had no money

²¹⁶ Lecture at Tsinghua University, 10 January 2000.

to give his organisation.²¹⁷ NGOs like this have continued to exist because they do not need to earn their living. By creating the dependency of such organisations, the state has only itself to blame for their ineffectiveness.

6.3 Motives and Skills of NGO Practitioners

So far I have discussed the motivations for officially-organized NGOs in several places. Clearly, impure motives help to explain many problems of officially-organized NGOs. When government agencies and officials simply see them as tools for advancing their private interests, it is not surprising that these organisations give disappointing performance in serving public interests. In the following space I turn to a discussion of the motives of people who set up popular NGOs. Here motivational deficiencies have also resulted in some inborn weaknesses of these organisations.

It is often difficult for researchers to find out the true motives behind the establishment of popular NGOs. As mentioned in Chapter 5, many founders of popular NGOs I met have excellent PR skills and are extremely good at presentation. Furthermore, with the donor community vigorously funding capacity-building programmes for Chinese NGOs, many NGO leaders have quickly picked up such buzzwords as “civil society”, “human rights”, “empowerment”, and “participation”, and have woven these themes neatly into their public discourse. As a result, at formal interviews with NGO leaders one tends to hear only high-sounding accounts of what motivated them to set up NGOs, which may or may not be accurate reflections of reality.

Fortunately, during my fieldwork I met some exceptionally candid NGO personae who were not afraid of revealing the true reasons which led them and their

²¹⁷ Informal interview, 7 August 2000.

colleagues to NGO activism. Their stories greatly aided my understanding of the factors that motivate people to create or join NGOs. I also benefited from many discussions with people such as long-term clients of NGOs who had gained insight into this issue through personal experience. Finally, the way I conducted my research usually enabled me to win sufficient trust of my interviewees, so that after some time most of them stopped giving me the standard explanation of their motives and started to show me a more genuine picture of their aspirations.

Some popular NGOs have been set up by people whose real motive is profit.²¹⁸ Loopholes in the government's NGO management system have made it possible for profit-oriented organisations to register as NGOs, especially at the local level. For various reasons, some of these organisations have been operating like true NGOs despite the intention of their founders, i.e., they have delivered services without making a profit out of them. Hence they have deserved the name of NGO thus far. However, the founders of these organisations have not abandoned the hope of eventually turning them into profit-making entities. This factor not only calls into question their long-term potential as public-welfare organisations, but also exerts some negative effects on their current performance as NGOs.

For example, the founder of a women's NGO which had been supported by funding from foreign donors told me that her initial intention was to launch a profit-making service. The founder observed that market reform was producing more and more rich men. Many of them started to take on mistresses. This had created a large number of neglected wives who were well provided for materially but were lonely and bitter. The founder reasoned that if she set up a counselling service for such women, a place where they could go and vent their grievances before sympathetic listeners, it would be very profitable. However, she did not have any training or

²¹⁸ Many fee-charging social service organisations, such as private nursing homes and childcare institutions, fall into this category.

previous experience in marriage counselling, which meant she would have difficulty attracting clients if she set up such a practice. This coupled with the fact that the founder met some foreign donors who were keen to fund women's NGOs (but obviously not profit-making ventures) made her decide to launch her organisation as a general service NGO for women instead of a specialized counselling business.

Since donors were paying the piper, they called the tune. As a result, the organisation's activities were directed towards such issues as domestic violence, the sexual exploitation of women, and single mothers in financial distress due to their ex-husbands' refusal to pay child support, rather than extramarital affairs as per the founder's original plan. In other words, donor influence had made the organisation function as a genuine NGO rather than a money-making operation. However, the marriage counselling idea was still very much alive in the founder's mind. This appeared to have caused her to make certain management decisions that were probably not conducive to strengthening the organisation's performance in the genuine NGO work in which it had been engaged so far. For example, in addition to advocacy and training, the organisation also carried out case work with individual woman who needed protection. Even though it was understaffed and could only handle a small number of cases at any given time, the founder had taken on cases that were in line with her original idea of marriage counselling and charged fees from the clients in these cases – probably without the donors' knowledge – instead of dedicating the limited time of her staff entirely to helping women who had been victims of serious abuse. The founder's long-term ambition for her organisation also influenced her choice of staff development programmes. She seemed to have favoured training in psychology and counselling techniques for herself and her staff rather than in subjects such as law, gender studies, and human rights, which are areas of expertise more relevant to the kind of work the NGO had been doing.²¹⁹

²¹⁹ Interviews, April 2000.

Although profit has been the driving force behind some popular NGOs, it is apparently not the chief motivation for most of them. It seems that most people seek non-material reward from NGO activism in the first place, even though they often welcome the material benefits too. As a particularly free-spoken women's NGO activist who was a university lecturer told me, there were four reasons why she took part in NGO activities. First, it provided her with data for her teaching and research. Second, it allowed her to make useful new friends, thereby expanding her social network. Third, it brought some extra incomes. Fourth, it gave her opportunities to go on foreign trips. This woman considered her case to be typical. She had worked for several well-known women's NGOs in China and knew many inside stories. She was rather cynical about the motives of most leaders of women's NGOs, thinking they had similar goals in mind as she did. But unlike her, she believed that these leaders were also after fame on top of everything else.²²⁰

As this woman pointed out, it was not that those NGO leaders did not believe in what they were doing. They did care about the causes they had chosen for themselves and had worked energetically to promote them. However, they were not exactly value-driven. Their NGO activism did not necessarily spring from deeply held beliefs or ideals. It was as much motivated by personal gains as by anything else. This interest in personal gains was reflected in the way these leaders managed their organisations. There was often a total lack of transparency and democratic decision-making. The leaders wanted to control everything and were reluctant to share opportunities and acclamation with their staff. Consequently they all had difficulty retaining talented people. Furthermore, my interviewee argued, because the leaders' actions were not founded on a passion for such ideals as equality, democracy, and the empowerment of women, they could hardly inspire others with these ideals. In fact, they often showed little regard for these principles

²²⁰ Interview, November 2001.

in their treatment of the NGOs' beneficiaries. As to the ordinary staff of these NGOs, they had not experienced much equality, democracy, or empowerment themselves due to their leaders autocratic style, so how far were they able to go in embodying these values in their own interactions with the NGOs' clients?

This woman's opinion was apparently shared by many other NGO workers I interviewed. They often complained that their leaders treated the NGOs as their private properties. As one proof of this, many cited the fact that their leaders were extremely reluctant to set up boards of directors to supervise their actions. Some felt that they were working for the fame of their leaders rather than a public cause. Many said their leaders did not allow them to represent the organisations in external meetings for fear that they would start to make a name for themselves. One person said that at first she represented her organisation at some meetings with donors because her manager did not speak English. However, once she became familiar to the donors the manager started to worry that herself would be overshadowed, so she sent another person to these meetings instead, even though the replacement did not speak English and could therefore not understand or say a word. Many staff were disgruntled at the monopolization of opportunities by their leaders. One person said she was only able to go on a study tour to a foreign country because the donor agency that funded the tour specifically invited her, as it was directly related to the work she was doing. This greatly annoyed her manager, who tried unsuccessfully to find some excuses to prevent my interviewee from going on the trip. Not surprisingly, many staff also complained that their leaders would tolerate no disagreement, let alone criticism.²²¹

Despite the complaints of their staff, to conclude that many NGO leaders started out with some specific targets of selfish gains, such as fame, professional opportunities,

²²¹ Interviews, November 1999, April 2000, August 2000, November 2001, December 2001, October 2002, and November 2002.

or material rewards, is probably doing them an injustice, for at the beginning many of them simply did not know exactly what they would achieve with the projects they were embarking on. On the other hand, many founders of popular NGOs did admit that self-fulfilment was their main motivation. Many of them were not satisfied with the jobs they were doing and looked for ways to put their talent to better use. For example, Zhang Shuqin, the founder of the SPRSRA, said that the idea of organizing such a project took shape on her 45th birthday, when she decided to find a new career for herself. That day, Zhang Shuqin reminisced:

I sat in a small restaurant, drinking by myself the whole day and thought about many things. I was 45 now. Suppose I would live to 90, this meant half of my life had already passed....[In the past 45 years] I had raised two daughters,...moved from a [poor] mountain area to the provincial capital city, and obtained my own flat. After 45...I needed a big goal. It should not be a goal that was simply about being able to support my children or earning a salary. It should be something which I could carry on doing until I was 50, 60, or even 100 (*Beijing Youth Weekly*, 3 January 2000:14).

Similarly, Meng Weina, the founder of a school for mentally disabled children in Guangzhou, set off on a mission to help disabled people after her 30th birthday.²²² As Meng Weina explained, she was working in a factory at the time and found her job dull and unfulfilling. Desperate to change her life, she had tried her hand at a number of things, such as journalism and writing, but those attempts all failed. Finally she read in the newspaper that Deng Xiaoping's son had founded the China Disabled Persons' Federation. This gave her an inspiration:

I thought if Deng Xiaoping's son was doing it, then this kind of work would meet few objections, which meant I would have a better chance of success. This was the reason I chose to work with disabled people then. As far as I was concerned, I did not have to pursue this particular cause. I would be equally happy working as a journalist or a writer....I was heavily influenced by the idea of "taking one's stand

²²² In Chinese society, 30 is considered an important milestone in a person's life. Looking back at his life in old age, Confucius had said: "At thirty I took my stand." Nowadays 30 is often described as the age by which one should have established a career for oneself.

at thirty". I thought I would rather die if after turning 30 I still could not carve out a career for myself."²²³

While there is nothing wrong for people to seek self-realization through NGO work, the fact that the original motivation of some NGO leaders is self-realization rather than passion for the specific issues addressed by their NGOs does tend to present problems for the organisations later on. As I just argued, wanting a fulfilling career and a sense of personal achievement is not the same as wanting specific selfish gains, such as fame or professional opportunities. However, in practice one can easily associate the latter with the former. Therefore, once their work has brought them such rewards as fame and professional opportunities, it seems that some NGO leaders do attach great importance to them and are unable to convince the people around them that they care about the NGOs' missions more than they care about these personal gains. This appears to be an important reason why there is often a great deal of cynicism among NGO staff about the motives of their leaders and the purposes of their organisations.

Often this cynicism is further boosted by the way NGO leaders handle their organisations' external relations. As described in the previous chapter, many NGO leaders seem prepared to use any means available to win the patronage of government agencies and officials. Such an approach may be dictated by necessity, nevertheless, it creates the impression that they are unscrupulous and without principles. In dealing with the public, the media, and donors, NGO leaders are often opportunistic and manipulative. They are not shy of spin and *shanqing* techniques. While such methods may be effective in gaining the sympathy and support of people at a distance, they make these leaders appear hypocritical and disingenuous to those who are close to them, and are therefore able to see the discrepancy between rhetoric and reality. As a trusted personal assistant of an NGO leader told me, their organisation had always had very high staff turnover. Almost all the

²²³ Interview, March 2000.

former staff had left the organisation with ill feelings. Some of them fell out with the leader over pay disputes, but there were also others who became disappointed because they used to believe the carefully crafted public image of the leader and her organisation. After they came to work for her, however, they realized that instead of a paragon of virtue she was “after all a normal person, therefore she still had all the needs of a normal person.” Besides, despite her high moral tone in public, she was not too fussy about what methods she would use in order to get things done. Once they had observed these facts, these staff members became disillusioned, and all sorts of problems tended to follow from there.²²⁴

Ironically, the more skilled NGO leaders are in PR, the more successful their organisations become in mobilizing support and donations from the government and the public, the more cynical the people working in these organisations seem to be. The prevalent cynicism among NGO staff has contributed to an internal culture of many NGOs which is characterized by a lack of trust and openness between leaders and other members, a lack of institutional loyalty, much backbiting, and incessant power struggles. As mentioned above, many NGO staff I interviewed complained about the self-serving behaviour of their leaders. At the same time, many of them also inadvertently revealed that they did not always put the interest of their organisations above that of their own either. For example, many staff members seemed to have no scruples about badmouthing their leaders to donors and clients, which often served to undermine the latter’s confidence in not just the leaders but the organisations as a whole. It was not uncommon for staff members to make contacts with donors and other key supporters behind their leaders’ backs to promote their own schemes. Quite a few people admitted that they planned to start their own NGOs or projects and were secretly exploiting the resources of the organisations where they were currently working to prepare for their own future

²²⁴ Informal interview, April 2000.

ventures.²²⁵

Just as NGO staff were often full of complaints about their leaders, so NGO leaders also had plenty to say about the cynical tactics of their staff. One leader said that two senior staff in her organisation never disagreed with any of her decisions at staff meetings. However, if they did not like these decisions they would go to the NGO's patron in the government afterwards to make mischief, so that he would pressure her to change her decisions.²²⁶ Another leader told me that her deputy had tried to oust her through backstage manoeuvres rather than an open challenge. The deputy supplied various goings-on behind the scenes in the NGO to its clients which served to foment their dissatisfaction with her leadership. Eventually some of the clients had organized to demand that she hand over the helm to the deputy.²²⁷ Nearly all the leaders I interviewed felt that their staff often had personal agendas and did not share information with them.

Obviously, if NGO leaders can be motivated by something other than lofty ideals, then we cannot expect all ordinary NGO workers to be good Samaritans who are without any selfish motives either. The above-mentioned university lecturer who was active in women's NGOs, for example, admitted that she was driven chiefly by personal considerations. As can be expected, during my field research I encountered many cases of individuals who participated in NGO activities essentially out of self-interest. A life insurance salesman worked as a volunteer for a women's NGO mainly in order to meet more potential clients.²²⁸ A photographer wanted to work for a children's NGO since the NGO would enable him to put on an exhibition of his pictures.²²⁹ A recent college graduate joined an NGO because it gave him access to

²²⁵ Interviews, November 1999, April 2000, August 2000, November 2001, December 2001, October 2002, and November 2002.

²²⁶ Informal interview, 4 August 2000.

²²⁷ Informal interview, 27 November 2002.

²²⁸ Informal interview, 26 April 2000.

²²⁹ Informal interview, 3 August 2000.

certain sources of funding that would allow him to go studying abroad.²³⁰ One NGO invested a lot of effort into recruiting and training volunteers, only to discover that many of them were single women who came with the hope of meeting eligible bachelors. Once they found there were few male volunteers, these women stopped coming.²³¹ While the motives of ordinary NGO workers are diverse, NGO leaders must take a large part of the blame for the cynical behaviour of their staff, since they often fail to move and inspire their followers through their examples and moral appeal. Even though many NGO staff are not idealists to begin with, the perception that their leaders are Machiavellian individuals who are promoting themselves through NGO activism has no doubt encouraged their cynicism and provided the justification for many of them to pursue personal agendas as well.

It is well-known among Chinese NGO researchers and practitioners that many NGOs are plagued by “internal problems” that threaten their organisational sustainability and undermine their public-service performance. Many identify motivational issues as major causes for these “internal problems”, but nobody seems to have made any connection between these problems and the skills of NGO managers. As I have argued, at present the skills that have made some NGOs more successful than others in mobilizing support for their organisations from the government and the public are also creating some serious short- and long-term problems for these organisations at the same time. They can make NGOs pay more attention to appearance and presentation than substance. They encourage NGO workers to treat people outside their organisations, including their clients, as targets of manipulation rather than empowerment. And they lead to the neglect of principles and the loss of essential values which weaken the moral foundation of NGOs.

²³⁰ Informal interview, 22 November 2002.

²³¹ Interviews, April 2000.

The skills of NGO practitioners have also threatened the healthy functioning of NGOs in another way. As discussed before, even though the government has put in place a stringent regulatory framework that appears to substantially curtail NGO autonomy, in reality many NGOs have not only successfully evaded control and supervision from the government, but have also been able to use official protection to shut out supervision from other quarters, such as the media. The lack of effective checks on the actions of NGOs that know how to work the system has opened a floodgate to various forms of NGO corruption and dysfunctional behaviour. Therefore, although the skills of some NGOs in securing enormous operational freedom for themselves are good news for people working in these organisations, they are often bad news for society at large whose interest is better served when the actions of NGOs can be subjected to proper external supervision and held to certain standards.

6.4 Political Culture and Barriers to Collective Action

In NGO studies a distinction is often made between organisations set up to benefit their own members and those set up to benefit others. Different authors have used different terms to distinguish these two types of NGOs, e.g., “mutual benefit NGOs” versus “public benefit NGOs” (Thomas 1992), or “membership support organisations” versus “grassroots support organisations” (Carroll 1992). The main difference between the two groups lies in their accountability structures: Membership-based NGOs are accountable to their members whereas non-membership organisations are not.

Many examples given in the two preceding sections to illustrate some common problems of Chinese NGOs involve non-membership organisations. Many of these problems, such as NGOs’ arrogant attitudes towards the recipients of their services, their lack of transparency and healthy internal culture, and the use of NGOs by their

staff to pursue personal gains, appear to be in large measure attributable to the fact that these NGOs are not accountable to their beneficiaries. The people who set up and staff these NGOs are usually not members of the disadvantaged social groups on which they target their actions. In fact, most leaders and senior staff of these NGOs are elite members of society who enjoy much more elevated social-economic status than their beneficiaries. This fact might lead one to pin the hope of seeing NGO actions of a more democratic and empowering kind – actions that are closer to people at the grassroots and are more effective in representing their interests – on membership organisations where people from similar backgrounds or with similar needs organize to help themselves.

Unfortunately, my research suggests that at present there are a number of factors that impede the development of popular membership-based NGOs in China. In this section I focus on those factors that seem to have their roots in China's political culture.

In Chapter 2, I introduced some relevant studies on political culture and political participation in China. As was mentioned, scholars have analysed China's political culture through both interpretive and survey studies. Both types of study have identified a number of features that are inconducive to collective action and civil society activism, such as elitism, fatalism, and lack of cooperative spirit and group solidarity. These features cannot be attributed to a single cause. Rather, history, customs and tradition, and past and present political institutions have all played a part in producing these features. It should be recognized, however, that both interpretive and survey studies have some intrinsic weaknesses, which means that we must use their analyses with caution. Interpretive studies allow scholars to make generalized statements about China's political culture, but their propositions tend to lack precision and specificity. Although survey studies can overcome these weaknesses of interpretive studies, as Nathan and Shi acknowledge, "survey results

can never take the form of generalizations about all Chinese and how they differ from all non-Chinese" (1993: 116-117).

Given the limitations of both interpretive and survey studies, to simply use their conclusions to explain the problems of popular membership NGOs in China may not qualify as rigorous social science analysis. For example, to say the reason many NGOs have not been very effective advocates for the rights of their constituents is because their members are fatalistic, passive, and fearful of politics sounds both simplistic and vague, even if there is a good deal of truth in such a statement. Furthermore, the existence of cultural traits that are inconducive to civil society activism does not mean that such activism can never develop in China. Culture alone is often insufficient to explain human behaviour, therefore one should always be cautious about taking a cultural deterministic stand. However, if in analyzing the problems frequently encountered by Chinese membership NGOs one invokes the insights of studies of Chinese political culture and political behaviour, not in order to proffer ready-made explanations for these problems, but merely to point out that the cultural attributes and behavioural patterns identified by these studies do have some undeniable effect on NGO performance, then it is an entirely different matter. This latter approach is the one I follow. During my fieldwork, I found that popular membership NGOs (as well as group-based activities that had the potential of evolving into formal organisations²³²) in different sectors and different geographic locations all faced some similar obstacles which could not be blamed entirely on non-cultural factors. In relating these obstacles to the discussion of China's political culture, my aim is not to offer a superficial cultural explanation for them, but only to note the relevance of cultural explanations.

Among the members of NGOs and proto-NGOs I met during my research there appeared to be widespread pessimism (or realism) about what they could achieve

²³² I shall refer to them as proto-NGOs in the following paragraphs.

with their actions. This pessimism was apparently responsible for many people's lack of interest in engaging in advocacy activities to challenge the status quo, especially current government policies and practices. Many people I interviewed stressed that NGOs should not set unrealistic goals for themselves and should be sympathetic to the government's position. For example, the leader of an association of parents of disabled children said:

When so many able-bodied people have been laid off, how can we realistically expect the government to give subsidies to families with disabled people, or find jobs for disabled people? My brother lives in New Zealand. I have heard from him that in New Zealand the government takes care of everything for disabled children. There are special provisions for them so they receive more benefits than normal children. If we want China to do the same, I am not even sure if it can be achieved 50 years from now, so I don't blame the government. There is no point in pressuring it to do what it is incapable of doing.²³³

Another parent who served on the governing board of two popular disability NGOs told me:

I have said on many occasions that the economy of our country has not developed to a stage when we can expect the government alone to pay for the care of our disabled children, so let individuals, families, and society all contribute to it. I always say to other parents that we should face the reality and should not shout abuses in public whenever we are dissatisfied with things. Government officials also have their difficulties. We shouldn't go to government offices to make trouble whenever things don't go our way.²³⁴

A former director of a private non-profit school for mentally-disabled children said:

Government officials are not really unsympathetic to our cause, so I have much understanding for them. For example, I ran into a retired director of the Education Bureau and he said to me: "Don't blame me for refusing to support you in the past. We really did not have enough money. You should have seen the condition of normal schools. When normal schools were still seriously under-funded, where

²³³ Interview, 28 March 2000.

²³⁴ Interview, 17 May 2000.

could we find the resources for special education schools?" So I said to him: "Yes, I understand."²³⁵

Even if they are not completely pessimistic about their ability to make a difference, most people want quick solutions to their problems and are unwilling to devote time and energy to any activity that does not promise immediate returns or concrete benefits to themselves. Most revealing is the remark of a participant at a national conference of parents of mentally disabled children. The remark was made in response to another participant's suggestion that they contact representatives to the People's Congress to ask them to introduce new legislations concerning social service provision for disabled children:

It is too slow a remedy to be of any help. Even if we can make the People's Congress adopt new legislations to provide social services for disabled children, it may take five years for it to happen, but we cannot wait that long. By then our children will have become grown-ups. So let us focus on practical issues instead.²³⁶

At the same conference I talked to several parents from different cities who all mentioned that the preoccupation with their individual short-term needs had prevented many parents from taking part in collective actions to pursue long-term goals. In some of the cities, a few more active parents had tried to set up parents' organisations, but had failed to gather enough support from other parents who did not perceive any immediate benefits to themselves from the proposed organisations. In one city, some parents of autistic children did succeed in setting up an association which effectively lobbied government special education schools to accept their children, who used to be denied access. However, once the problem of their own children's schooling had been solved, some initial members of the association, including its two founders, started to pull out of the organisation's activities, which had continued to focus on the issue of educational access for autistic children

²³⁵ Interview, 22 May 2000.

²³⁶ Group discussion, 26 March 2000.

because of the entry of many new parents who still faced this problem.²³⁷ In another city, a parents' association was set up with the encouragement of a local NGO leader who consciously tried to promote civil society activities. Its objective was to organize parents to influence government policies on welfare provision for disabled people, but it was unable to mobilize active participation from many parents. As the president of the association said: "The Chinese people are very practical. They only make investments when they are assured of returns. If there is going to be a 50% gain, people will give you 50% support, otherwise they give you nothing. Because they did not see any material benefits, parents were not keen on the association. The two vice presidents and I made ourselves very busy but achieved nothing."²³⁸

Fear of incurring the displeasure of authorities common among members and potential members of popular NGOs presents a further impediment to the development and effective functioning of these organisations. At the above-mentioned national conference of parents of mentally disabled children, when encouraged to organize themselves, some parents were apparently afraid that they would be accused of participating in illegal activities by the authorities. For example, at a group discussion, after hearing parents complaining that they received little support from either the government or society, a teacher from a special education school suggested that families which lived close to each other could form small groups and meet regularly to exchange information and engage in mutual aid. Even such an innocuous scheme scared some parents, who worried that they would be found guilty of setting up illegal organisations.²³⁹ In Chapter 3 I recounted the story of a very well-organized association of parents of autistic children which had carried out effective mutual-assistance and advocacy work for several years. However, the failure to gain official approval in the form of formal registration with civil affairs led to the demise of the association. Many of its

²³⁷ Interviews, March 2000.

²³⁸ Interview, 28 March 2000.

²³⁹ Group discussion, 27 March 2000.

members feared being charged with running an illegal organisation, even though the association had been tolerated by the authorities for years despite its lack of legal status. The association was obviously apolitical and only focused on extremely narrow issues. Furthermore, it was a very small organisation with less than 100 members. It seemed unlikely that the authorities would take action against such a grassroots self-help initiative even if it operated without a legal status. Nevertheless, its members seemed to live in constant fear of punishment from the government,²⁴⁰ which eventually caused the demise of the organisation.

In a speech at an international forum in Beijing, Meng Weina, an NGO activist for nearly 20 years, argued that hindrance to the development of civil society in China might have come more from the people than from the government. As Meng Weina explained, over the years her organisation had used various means to push the government to provide more welfare for disabled people. Although the government was often annoyed by their sharp criticism, it had by and large responded favorably to the legitimate demands made by her and colleagues. On the other hand, her open criticism of the government and bold challenge of existing policies and practices had frightened many members of her own organisation as well as other NGOs, who had tried to distance themselves from her and accused her of being overly political. As a result, Meng Weina felt that she had faced more pressure from “the people” than from the government.²⁴¹

Meng Weina’s charges were at least partially borne out by my interviews with

²⁴⁰ As an example of its members’ nervousness about the association’s illegal status, I asked a member of the association whom I first met at the national parents’ conference if the association had a constitution. She confirmed this and gave me a brief description of the constitution. However, she did not show me a copy of the constitution, explaining that because the association was not formally registered, they did not dare to show its constitution to others. As mentioned in Chapter 3, the members called their organisation a “club” to stress that it was not a formal organisation. Therefore, should the government charge them with setting up an illegal organisation they could argue that it was not really an organisation. Given the need to present the association as an informal club, naturally its members would hesitate to publicize its constitution.

²⁴¹ Speech at Tsinghua University, 15 May 2002.

people who had worked with her. In dealing with the government, Meng Weina had not shrunk from confrontational strategies. For example, she once led some parents of disabled children on a demonstration outside the municipal People's Congress to demand that the government provide financial assistance to disabled children in non-governmental schools.²⁴² Some people who had taken part in the demonstration later argued that Meng Weina was wrong to involve them in such activities. One parent said: "In retrospect I think she had no consideration for the safety of us parents. China has its specific situation. What if the government arrested us? She should have thought about protecting us. If she organized the demonstration now I would not have taken part in it."²⁴³ A former colleague of Meng Weina's said: "She is too emotional and tactless. We should take strong measures only after courteous ones fail. We should try to get what we want from the government through friendly negotiations rather than confrontational strategies."²⁴⁴

Such views were disputed by a disabled woman who set up a club for disabled youth with the help of Meng Weina. As this woman remarked: "Many people criticize her for using radical measures, but if she did not take radical measures the government would not have paid attention to her." Based on her experience of trying to make the government approve the club, this woman was convinced that they would not have received approval if they had not followed Meng Weina's advice and put some pressure on the government. As she said:

If we did not fight for our rights we would never have succeeded, because they told us we did not need to organize our own club. They said they would organize things for us through the disabled persons' federation. If we had listened to them, we wouldn't have the club today. After Meng Weina staged the demonstration the

²⁴² Meng Weina told me that she applied for and obtained permission from the public security bureau to hold the demonstration beforehand, therefore it was perfectly legal. Interviews, March 2000.

²⁴³ Interview, 23 May 2000.

²⁴⁴ Interview, 25 May 2000.

government immediately sent over 10 officials to her school to discuss their demand and they agreed to give the school 100,000 yuan every year. If Meng Weina had not taken that action, how could they receive the money? When Meng Weina tried to set up the Zhiling school for mentally disabled children, she applied to the government for approval. She waited a long time, but did not receive any response from the government. Eventually she had a meeting with a vice mayor. The vice mayor simply told her that they had lost her application. Thereupon Meng Weina struck the table and reproached the vice mayor. Other people would have behaved very differently in that situation. If the vice mayor told you she had lost your application, most of us would just write a new one and re-submit it to the government. Meng Weina does things differently, but she has achieved results.²⁴⁵

Although there were people like this woman who expressed support for Meng Weina's "radical actions", the majority of my interviewees were afraid of taking part in such actions. Some people even maintained that Meng Weina's actions had had no positive effect on government policies and practices, despite evidence to the contrary. Others agreed with Meng Weina's argument that her efforts had forced the government to improve its care for disabled people, but nevertheless thought that her strategies were likely to cause "misunderstanding with the government" and were therefore not suited to "the political environment of China."²⁴⁶ To Meng Weina, fear of offending the government on the part of her NGO colleagues and clients had been a major constraint on her ability to engage in civil society activism. To respect their wishes, she had had to channel her energy to service delivery rather than advocacy work. Faced with similar problems, some other activists who shared Meng Weina's dauntless spirit had decided to abandon group-based actions altogether in favour of individual actions. Some anti-AIDS campaigners, for example, felt that as individuals they had less fear about criticising the government and exposing its mistakes, therefore they could carry out more effective advocacy than organisations. The conclusion they drew from this was that they did not need any organisation to support them.²⁴⁷ While this may be the case, it demonstrates once again how many disincentives for collective action and the formation of

²⁴⁵ Interview, 18 May 2000.

²⁴⁶ Interviews, March and May 2000.

popular organisations there exist at the present time.

Another factor that often hinders the development of grassroots membership NGOs is the short supply of leaders. Although many people are willing to participate in mutual-benefit groups, few are prepared to assume leadership roles which inevitably require that they dedicate more time and energy to the groups than ordinary members. At the aforementioned national conference of parents of disabled children, one participant spoke eloquently about the importance of parents' organisations, then deplored the fact that no such organisation existed in his city. When others suggested to him that he could be the founder of such an organisation, this participant replied: "That I cannot do. I am the kind of person who only talks."²⁴⁸ In a southern city, I met a group of parents of autistic children who had planned to set up a day-care and training centre for autistic children themselves in response to the lack of such facilities in their city. One member of this group was a rich businessman who had offered to let the group use a property he owned for this purpose. The parents held several discussions amongst themselves but nothing came to fruition, as nobody was willing to take the responsibility of running the centre. One parent was a doctor who was considered by the other parents to be the most suitable person to lead the effort, given her medical background, but she was not interested. As this parent told me: "The person who manages the centre will probably need to work on it full-time, but I have a good job. I am doing well professionally. I don't want to give up my job to do this."²⁴⁹

Throughout my fieldwork I met many parents of disabled children who talked about organizing themselves. However, since few of them were willing to make the necessary personal sacrifices in order to lead collective actions and to help develop them into formal organisations, often no concrete outcomes result from such talks.

²⁴⁷ Interview, 9 October 2002.

²⁴⁸ 27 March 2000.

²⁴⁹ Interview, 23 May 2000.

Most of the existing parents' organisations came into being only after receiving a strong push and organisational support from outsiders. For example, an association of parents of mentally disabled children in Guangzhou was apparently formed largely as a result of Meng Weina's active promotion. The chairman of the association was a retired university professor whose child was living in the residential home managed by Meng Weina. As he explained to me why he agreed to lead the association:

I was doing part-time work for two publishing houses, so I was busy. I didn't want to take part in too many social activities. I preferred to concentrate on my own work so that I could accumulate some money to leave to my disabled child. If I served in the parents' association, then there would be a lot of demand on my time. However, Meng Weina asked me to help organizing the association. I considered her request for a week. I thought that people like Meng Weina who did not have disabled children themselves were doing things for us, so if we parents who had such children refused to lend a little help to them when they requested it, such behaviour was morally indefensible. So I reluctantly agreed to serve in the parents' association. Once I saw that the association did not have much impact, I became even less enthusiastic.²⁵⁰

As mentioned before, local officials in China often enjoy considerable discretionary power in implementing policies. As a result, ordinary citizens can often effectively pursue their private interests by taking individualized actions to persuade officials to make decisions that are in their favour. This further reduces the incentive for people to lead collective actions. An active member of a parents' association told me an experience she had which serves to illustrate this point. This parent and a fellow member of the association paid a visit to the municipal government's Charity Fund which had provided financial aid to various people in need, such as laid-off workers and university students from low-income families who were unable to pay tuition fees. However, it had not provided funding for families with disabled children, as it did not have such a funding category. These two parents argued that many families with disabled children also experienced financial difficulties, so the Charity Fund

should create a new category for such families. The Charity Fund official who received them said that this was not possible. However, he offered to help these two parents with their individual needs.²⁵¹ One can see from this example how tempting it is for ordinary people in China to approach officials with their individual problems rather than trying to obtain benefits for a whole group of people.

Even after popular membership NGOs or proto-NGOs have begun to take form after overcoming all the obstacles outlined above, they are often sapped by internal strife which tend to break out whenever the opinions or interests of their members are not in total alignment. Not a single NGO I encountered had been free from such strifes. Two NGOs in the HIV/AIDS field I interviewed both saw their members disagreeing with each other as to the priority issues their organisations should be addressing. In each case, rather than trying to resolve their differences, members simply pursued their own interests with little regard for the unity of their organisation and the coherence of its goal.²⁵² One NGO organized a national conference of people living with HIV/AIDS (PLWHA) in order to bring such people in different parts of the country together for joint action. However, PLWHA without university education felt snubbed by those with higher levels of education, whom they said looked down upon them and did not want to work together with them.²⁵³ Efforts by an internationally-funded HIV/AIDS prevention programme to encourage people with high risk of contracting HIV, such as homosexual men and commercial sex workers (CSWs), to form their own organisations also encountered much difficulty, as homosexual men tended to form many small circles based on similar educational background and socio-economic status, and did not wish to be associated with those outside their circles, while CSWs often saw other CSWs as competitors rather than allies.²⁵⁴

²⁵⁰ Interview, 28 March 2000.

²⁵¹ Informal interview, 16 July 2000.

²⁵² Interviews, October 2002.

²⁵³ Interview, 5 October 2002.

²⁵⁴ Interviews, October 2002.

In another case, a British couple founded an organisation called Guangdong Special Children Parent Club in Guangzhou City. The couple obtained some overseas funding which they used to set up a resource centre for parents of mentally disabled children. The club's 100 or so members included parents of autistic children as well as parents of children with other types of mental disability, e.g., Down Syndrome and cerebral palsy. Although the club was intended to bring families in similar situations together so that they can join forces in "improving public perceptions, awareness and attitudes toward children with disabilities",²⁵⁵ instead of pulling together, the members of the club formed informal subgroups which quarrelled with each other over the use of the club's resources. The preoccupation with immediate needs as opposed to long-term goals drew parents of children with the same type of disability together. For example, parents of autistic children organized activities specifically targeting autism using the resources of the club. Other parents were disgruntled because they felt those families benefited more from the public resources of the club than they did. Parents of autistic children remained unrepentant, saying that the resources of the club were for everybody, so if other parents did not know how to make good use of the resources it was their problem. Meanwhile they also started to organize activities amongst themselves outside the club to avoid squabbles with other parents, which further weakened the sense of solidarity among members of the club.²⁵⁶

A veteran NGO manager told me how she easily defeated the attempt by some clients of her organisation to take over its management by exploiting the difference among them. The clients were dissatisfied with the quality of the NGO's services. Since they all paid fees to the NGO for the services, and furthermore, since the NGO was initially launched with funds pooled by them, the clients felt that they had the

²⁵⁵ This is taken from the club's mission statement.

²⁵⁶ Interviews, March 2000.

right to ask the manager to hand over the organisation to them. The clients had managed to organize themselves so that they could present a united front in their negotiations with the manager. However, the manager knew that some of the clients were prepared to pay higher fees in future in order to improve the quality of the NGO's services while others were unwilling to do so, so she proposed that a parent who fitted the former description be made the new manager, knowing that parents in the latter category would not support this appointment, as it would result in the NGO raising its fees. Just as the manager expected, her proposal immediately split the clients, and their collective action to challenge her leadership swiftly collapsed.²⁵⁷

Conclusion

At present many factors are preventing Chinese NGOs from performing both service delivery and advocacy functions effectively. Given that NGOs only developed in China in the last two decades, it is perhaps not surprising that they still demonstrate many limitations. The emergence of an NGO sector in China has been the result of changes in state-society relations brought about by the reforms. The present state of Chinese NGOs also reflects the essential characteristics of state-society relations at the present time. What has this study of Chinese NGOs revealed about the nature of state-society relations in transitional China? How will the evolution of state-society relations affect the future of Chinese NGOs? I turn to these questions in the concluding chapter.

²⁵⁷ Interview, November 2002.

7. Conclusion

The Chinese state and society have undergone profound changes since the beginning of the reforms two and a half decades ago. The emergence of an NGO sector is a direct consequence of these changes. Reforms have not only led to a relaxation of state control over the economy and society, but have also seen the state actively creating and sponsoring NGOs in order to transfer to them certain functions which it used to perform itself under the command system. In the economic sphere, the state has sought to reduce its direct management role by establishing intermediary organisations, such as trade associations and chambers of commerce, to perform sectoral coordination and regulation functions. In the social welfare sphere, the state wants to foster an NGO sector to share its burden of service provision. In the social development sphere, the state hopes that NGOs can mobilize societal resources to supplement its own spending.

Meanwhile, societal actors have been quick to exploit the greater social space and the non-state-controlled resources now available to them to pursue their independent interests and agendas. NGOs provide an important channel for such pursuits. With the impetus to the formation of NGOs coming from both the state and society, the number of NGOs has increased rapidly in the reform era. Ministry of Civil Affairs statistics show that before 1978, there had only been about 100 national-level social organisations²⁵⁸ in China. By the beginning of 1989, their number had reached 1,600. Meanwhile, the number of local-level social organisations grew from 6,000 to 200,000 (Wu and Chen 1996). Moreover, the social organisations that existed before the reforms were fully controlled by the state and mainly served the state's objectives,²⁵⁹ whereas many NGOs that have emerged since the reforms enjoy considerable autonomy and work to promote societal

²⁵⁸ As explained in Chapter 1, "social organisation" is the official Chinese term for membership organisations. It forms a sub-category of NGOs.

interests. A good example of such NGOs are those that are “organized around marginalized interests” (Howell 2004), such as self-help groups formed by people living with HIV/AIDS, or organisations championing labour rights.

NGOs in reform-era China represent both change and continuity in state-society relations. Given that no “regime change” took place in China, rather, it has followed the path of gradual reform, to say that there is both change and continuity in state-society relations is to state the obvious. Beyond stating the obvious, scholars have the task of specifying the nature of the change and continuity, and, in case they detect multiple changes and continuities, to identify those that are the most fundamental. Scholars who have reflected on state-society relations based on their studies of NGOs typically see continuity in the semi-official nature of some NGOs and the state's tight formal control of the sector and change in the predominantly popular nature of other NGOs and a certain degree of autonomy which NGOs have enjoyed. Those who see more continuity than change turn to corporatist models to characterise state-society relations in the reform era, while those who see more change than continuity invoke the concept of civil society.

Although there is nothing wrong in viewing change and continuity in state-society relations in terms of how much control the state retains over society and how much control it has lost, it seems that scholars have not been able to accurately describe change and continuity so conceptualized based on their study of NGOs. There are two reasons for this. The first is that researchers are often unable to judge correctly the actual degree of control the state has over NGOs. They can easily get it wrong when trying to decide whether particular NGOs serve as proof of the continued supremacy of state power or the growth of social power. Consequently they may conclude that the state has NGOs firmly under its corporatist control when in fact NGOs are having their own way, or that civil society has developed when in fact

²⁵⁹ This has prompted one researcher to call them “governmental NGOs” (Ma 2002).

state dominance is being reasserted. As Chapter 3 argued, just because NGOs are officially-organized, receive government funding, and have personnel from government agencies does not mean that they are necessarily under effective state control and serve the state's interests. Conversely, popular NGOs are not always signs of the expansion of social autonomy. I shall return to the subject of officially-organized NGOs later. Right now, consider the case of a popular membership NGO that was studied by the Chinese researcher Kang Xiaoguang (1999b).

Named the Gaoligong Mountain Peasants' Association for the Preservation of Bio-diversity (hereafter referred to as "the Association"), the NGO is a rural social organisation located in a nature reserve in Yunnan Province. It was born out of a bio-diversity preservation project funded by the MacArthur Foundation in America and implemented by the Kunming²⁶⁰ Branch of the Chinese Academy of Sciences (CAS). While drawing up the project implementation plan, the leader of the project, a member of the Kunming Branch of CAS, thought of the idea of setting up a peasants' association. The idea won the support of the MacArthur Foundation. Subsequently it was entrusted to a member of the project management team who was an official in the Gaoligong Mountain Nature Reserve Administration to implement.

During a visit to Baihualing Village, the official discussed the idea of the Association with its cadres. As can be expected, the cadres had no objection to this proposal that came from a higher level official. After returning to his office, the official drafted a constitution for the proposed Association without any consultation with the village cadres. He then applied for and obtained official approval for the Association. Next, he and the village cadres decided on a member list for the Association which mainly included the "elites" in the village, such as cadres, teachers, and villagers of high

²⁶⁰ The capital city of Yunnan Province.

social standing. In this way the Association acquired its first 50 members. In subsequent years, the Association's membership expanded, but the way it enrolled new members showed the same lack of due process which characterized the selection of the first members. For example, in 1997, the Association held an agrotechnique training in the village using funds provided by the MacArthur Foundation. Those who attended the training included both members and non-members. The Association reasoned that since it had organized the training, it must be for the benefit of its members. According to this logic, those who received the training must all be members. Therefore, the Association simply added the names of the non-member trainees to its membership roster. This was how about 30 new members "joined" the association, who at the end of 1998 had still not received their membership cards.

At the time the official from the Nature Reserve Administration first put the idea of the Association to the village cadres, they had already agreed on the composition of its leadership. It was decided that the Village Party Secretary would serve as the Association's chairman. The Village Head would serve as deputy chairman, while another cadre, the Village Clerk, would assume the role of general secretary. In other words, before the Association acquired a single member, its leaders had already been chosen, even though according to the Association's constitution they should be elected by members.

After the Association was set up, the chairman arrogated all powers to himself. He controlled all the incomes and expenses of the Association, so much so that even the accountant was denied access to the account book. The official from the Nature Reserve Administration admitted that the chairman was his sole point of contact in the Association. All the activities which the Association undertook had been suggested by the official. He would communicate his ideas to the chairman, who then organized their execution in the village. Other members of the Association had

no say whatsoever in its decision-making. The official was able to count on the chairman to follow his every suggestion not because of his identity as a member of the bio-diversity project's management team, but because he worked in a higher-level government office. Similarly, the ability of the chairman to control the Association and organize activities in the village was not owing to his chairmanship but his position as the village Party Secretary. In short, both the establishment and the operation of the Association were the result of the state administrative system at work. As Kang Xiaoguang (1999b) concluded, although a new organisation, the Association, was created in this case, it was merely an appendage to the existing state administrative system. In the village, rather than becoming a competitor of the existing village administration, the new organisation only served to strengthen the existing organisation by providing it with new resources, such as funding from the MacArthur Foundation.

The case of the Association is interesting, because since its founding in 1995 it has been widely publicized as a model of new-style social organisation—"a voluntary organisation of peasants' own". On the surface, it certainly meets all the criteria of an innovative grassroots popular NGO: it was not initiated by a government agency but was born out of an overseas donor funded project; it does not receive any money from the government; it is not led by government officials and there is no official among its members;²⁶¹ and it shows ordinary peasants who are usually preoccupied with their immediate livelihood needs able to organize themselves to pursue environmental protection activities. However, as far as state-society relations are concerned, the Association is essentially old wine in a new bottle. As Kang Xiaoguang's study reveals, beneath its innovative surface lie the same old structures and processes. It does not represent any change in the distribution of power between the state and society. Nor does it show the power of the state being

²⁶¹ The Association's top positions are occupied by village cadres, but they are not government officials, as villages are not considered a formal level of government in China.

exercised in a new way.

Although the Association is just one example, it demonstrates the complexity of Chinese NGOs and the difficulty of determining the true nature of state-society relations embodied in particular NGOs from a distance. The criteria for judging the degree to which an NGO is “official” or “popular” do not always allow researchers to accurately infer the power relations between the NGO and the state. This is the first problem with the attempt by NGO scholars to characterize change and continuity in state-society relations in terms of the degree of state domination over NGOs. The second problem with this approach is caused by the diversity of the NGO sector. Chinese NGOs show varying degrees of autonomy from the state. At one extreme, there are officially-organized NGOs that are described as highly “bureaucratized”. As discussed in Chapter 2, these are organisations that are comprehensively dependent on the state agencies that created them and behave more like subordinate units of the agencies than independent entities. Sometimes such organisations and their mother agencies are hardly distinguishable, hence the expression “one team, two signboards”. Sometimes they are more distinct. Still, they are only able to function by drawing on the administrative authority of their mother agencies. At the other extreme, there are genuinely bottom-up NGOs that set their own agendas and seek to influence government policies and practices or to bring important issues to public attention. Examples include some popular NGOs I have studied that work to promote the rights and welfare of disabled people.

Because of the diversity of Chinese NGOs, scholars have had a hard time fitting this complex reality into one model of state-society relations, whether it is civil society or corporatism. No matter which model one proposes, it would not be difficult for others to challenge it by citing examples of NGOs whose relationship with the state follow a different pattern. Recognizing the heterogeneity of the NGO sector, some scholars have argued that instead of one model, several models of state-society

relations are operating at the same time in China. For example, Ding Yijiang suggests that to explain associational activities at the present time one needs both the models of corporatism and civil society. Furthermore, one needs to invoke several subtypes and variations of the two models. On the corporatism side, three tendencies, state corporatism, societal corporatism, and local corporatism co-exist. On the civil society side, one can discern both a “civil society with corporatist inclination”, which overlaps with societal corporatism, and a “civil society with pluralist inclination” (Ding 2001: 71-72). A most recent article by a leading scholar of Chinese NGOs, Jude Howell, concludes that “[i]t is thus no longer appropriate to think in terms of a single civil society or public sphere...In practice there are multiple civil societies and multiple emerging public spheres that are localized and specific, forming a tapestry of associations and, on occasions, voices that local governments sometimes encourage, sometimes ignore, sometimes contain, and sometimes repress” (2004: 163).

In sum, the complexity and diversity of Chinese NGOs present two major challenges to scholarly analysis of change and continuity in state-society relations based on studies of NGOs, since whether particular NGOs represent change or continuity is not always straightforward, and many different types of NGO-state relationship co-exist. Does this mean that it is impossible to find a simple way of describing change and continuity in state-society relations through the study of NGOs that allows for the difficulty of establishing the actual degree of state control over individual NGOs and that does not require the employment of multiple models? I suggest that it is possible, if we put aside the frameworks of civil society and corporatism and characterize change and continuity in a different way. Based on my study of Chinese NGOs, I suggest that the most significant change and continuity in state-society relations can be summarized in a simple notion that can be broken down into two words – autonomy and dependence.

The different way of conceptualizing change and continuity which I propose centres on the separation of the concepts of independence and autonomy, which have been used as interchangeable notions by NGO scholars. As I have argued, Chinese NGOs can be heavily dependent on the state yet enjoying an enormous amount of de facto autonomy. I suggest that this dependence on the state, which is common to different types of NGOs, is the most important element of continuity in state-society relations in the reform era. Admittedly, this dependence exists in varying degrees in different NGOs, but as Chapter 4 argued, at the present time it is inconceivable how any NGO of scale can function without drawing some crucial support from the state, since their dependence is created by the basic structural and institutional conditions of contemporary China. Although the transition to the market has resulted in a decline in state power and its domination over the economy and society, as studies that examine the conduct of private businesses demonstrate, bureaucratic control over the allocation of resources and opportunities remains extensive. Furthermore, many factors, such as the lack of clearly defined property rights, the lack of effective checks on the arbitrary use of administrative power by state agents, an incomplete and ineffective legal system, and constant fluctuations in government policies, have all contributed to an uncertain environment for private businesses. To operate in this environment, private entrepreneurs forge patron-client ties with government officials. They depend on official patronage for access to bureaucratically-allocated resources as well as political protection.

The relationship between Chinese NGOs and the state displays the same pattern. As Chapter 4 demonstrates, material resources is but one type of support which NGOs draw from the state. Even if NGOs are self-sufficient financially, they still depend on the state and its agents for many other things, ranging from legitimacy in the eyes of society, protection from predation and obstruction by individual government agencies or officials, to project implementation capacities, not to mention the sponsorship of state agencies, which is the precondition for their lawful

existence. This dependence on the state is shared by officially-organized and popular NGOs alike. Unlike officially-organized NGOs, popular NGOs have no natural ties to the state. Nevertheless, they have many of the same needs as their officially-organized counterparts and therefore seek the same assistance from the state. In fact, because of their common dependence on the state, the difference between popular and officially-organized NGOs is not always as clear-cut as their names might suggest. As mentioned in Chapter 4, many popular NGOs were started by “amphibious people” who remained state employees while pursuing their NGO activities. One NGO I studied was set up and run by an official in a local government bureau. This organisation falls into the category of popular NGO, because it was created at the individual initiative of the official rather than that of the bureau. However, because its founder had remained a bureau official, the NGO enjoyed the backing of the bureau and had access to both its physical and administrative resources. In other words, it resembled officially-organized NGOs in several important respects.

Just because NGOs are dependent on the state does not mean that the state can fully control them. This leads me to the most significant change in state-society relations, namely the weakening of the state's social control mechanisms, which explains the autonomy of NGOs. As a lot of evidence presented in Chapters 3, 5 and 6 makes clear, many Chinese NGOs have enjoyed a very high degree of de facto autonomy. In fact, in a large number of cases, there have been so little effective state supervision and control that NGOs have been able to carry out illegal activities unchecked. The state has failed to stop such activities even though they undermine its policies and harm its interest. A particularly noteworthy aspect of the autonomy of Chinese NGOs concerns their economic activities. To put such activities in perspective, it is necessary to refer to the scholarly discussion on “state entrepreneurialism” and corruption in post-reform China.

As mentioned in Chapter 2, an important change undergone by the Chinese state since the reforms is the rise of state entrepreneurialism, i.e., the widespread involvement of state agencies in entrepreneurial activities. Although not always the case, such activities have often become linked to official corruption. Bearing this fact about the behaviour of reform-era state agencies in mind, many officially-organized NGOs are best seen as part of the entrepreneurial drive of their parent agencies if not outright incidences of organisational corruption by the agencies. Although not registered as for-profit businesses, they perform similar functions for the agencies. In a typical case that was exposed recently, the National Audit Office found that a large state-owned company had diverted some funds to illegal usage through seven subsidiaries it had set up. Of these, five were businesses, while two were non-profit organisations. All seven subsidiaries were “one team, two signboards” organisations, i.e., employees of the company served concurrently in these subsidiaries, therefore they did not have separate personnel. The company diverted funds to the five for-profit entities by awarding contracts through them. It gave the contracts to these subsidiaries first, which then handed them out to other contractors at a lower price, thereby making a profit. The company diverted funds to the two non-profit organisations in a more roundabout way. The two organisations, one of which was called Staff and Workers' Technology Association, charged consultancy fees from bidders for the company's contracts. If bidders paid these two organisations for their “technical advice”, then the company would make sure that they were given contracts. Although the two non-profit entities made money in a different way from the for-profit entities, their profits were used the same way by the company. Most of the profits were distributed among company employees as bonus payments. After the seven subsidiaries were set up, the cash incomes of the company's permanent employees rose by 248%, while those of its temporary employees rose by 504%.²⁶²

⁰ Information on this case can be found at the following websites:
<http://news.sina.com.cn/c/2004-01-31/14211682696s.shtml>,
<http://finance.sina.com.cn/g/20040117/1249607672.shtml>

In other cases, state agencies use NGOs to undertake entrepreneurial activities which they cannot undertake directly. Because state entrepreneurialism has served useful functions, notably making up for the budgetary shortfalls of state agencies and absorbing their redundant personnel, the central state has not taken consistent, resolute measures to eradicate this practice. However, it does recognize that unbridled state entrepreneurialism can cause serious problems, and has launched several campaigns since 1985 to curb it. In 1993, for example, it ordered all state agencies to de-link themselves from the economic entities they had established. After the central state issues such directives, state agencies may find it difficult to carry on running businesses directly. By engaging in businesses indirectly through the NGOs they set up and control, they can continue to pursue entrepreneurial activities without openly violating central state policies. In one example, the Industry and Commerce Bureau of Beijing's Chaoyang District used the Self-Employed Labourers Association under its aegis to establish a commercial company. The profits generated by the company could legitimately go towards paying the salaries and perquisites of the Association's officers. Since most of the Association's officers were in fact simultaneously Bureau officials, it was really the Bureau and its officials who benefited from the profit-making operation of the company (Unger 1996).

In the case of officially-organised NGOs that are deeply embedded in the state agencies that created them, the entrepreneurial activities of the NGOs should really be seen as the entrepreneurial activities of their sponsoring agencies. But there are also officially-organised NGOs that enjoy substantial autonomy from their sponsors. It is not uncommon for such NGOs to engage in entrepreneurial activities themselves. Similar to the entrepreneurialism of state agencies, many

<http://news.sina.com.cn/c/2004-01-31/02461677607s.shtml>, as well as the website of the National Audit Office: http://www.audit.gov.cn/cysite/docpage/c167/200401/0117_167_7742.htm.

entrepreneurial activities of such NGOs have dubious legality and involve the exploitation of their connections and special access to the government. For example, a short paper written by a China Literature Foundation (CLF) staffer describes some of the CLF's fundraising methods. One of these methods is to engage in commercial ventures in partnership with private companies. As the paper tells:

Many individuals or enterprises have economic resources but lack stature and "background". On the other hand, non-profit organisations often have some governmental background and enjoy close ties to officials...Therefore, the two have complementarity. For example, many small and medium-sized enterprises wish to collaborate with the CLF in business activities. In one successful case, in 1994, our foundation undertook the Guangwai real estate development project with a private company. Our foundation did a lot of work in obtaining the necessary approvals for the project and finding investment for it, but our actual financial input was almost zero. After the project was completed, the private company made over 20 million *yuan* of profit. Our foundation also earned a handsome sum. This is the technique often referred to by people in our circles as "catching a wolf without bait." This mode of operation has been adopted by many foundations and there are frequently successful cases (Li 1999: 4).

The freedom with which many officially-organized NGOs have pursued entrepreneurial activities that violate central government policies and rules is probably the most important manifestation of their autonomy. Such autonomy is not enjoyed by official-organized NGOs alone. Many popular NGOs also appear to have engaged in entrepreneurial activities with considerable freedom, often with the help of their contacts in the government. Most popular NGOs I studied either had undertaken entrepreneurial activities in the past, or were seriously considering embarking on such activities. One NGO was running several small businesses. When I visited the organisation, it was about to open another business, a night club cum salon cum massage parlour. A local official was apparently a good friend of the NGO and had been involved in the establishment of these businesses. I was present at a discussion between the official and the NGO about the new business, which was due to open soon. The person hired by the NGO to run the establishment was

concerned that it had not obtained a business license yet, but the official told him not to worry and to open the place as scheduled, saying: "No need for you to be concerned when I am here to take care of things."²⁶³ Another popular NGO I studied was managed by a director who was perpetually thinking of launching new profit-making schemes. One such scheme involved a deal with the local court whereby the court would sell some confiscated properties to the NGO at a very low price rather than sell them to the highest bidder by auction. At one point, this director even thought of establishing a business in Japan with the help of some friends there. While the NGO would be the owner of the proposed business, she also hoped to invest some of her own money in the business, so that she could personally make some profit too.²⁶⁴ A third NGO formed a partnership with a private business. The NGO provided services for disabled people. As such its profit-making activities could enjoy tax exemption. By forming a partnership with the NGO, the private business became eligible for tax exemption too.²⁶⁵

The entrepreneurial activities of NGOs have often led to charges of corruption or at least the lack of financial transparency. Chapter 6 discussed the motives of leaders of popular NGOs. As I explained, NGO leaders are often accused by their staff, clients, and other people in NGO circles of using NGOs to advance their private interests. One reason this charge is so frequently levelled appears to be that many leaders of popular NGOs have gained fame and plenty of professional opportunities through their activism, but there is also another reason. NGO leaders are also frequently accused of gaining financially from their NGO work. The entrepreneurial activities of NGOs have no doubt contributed to such accusations. Because NGO directors often undertake business activities through the help of or in collaboration with their friends, and they often release little information about these business activities even to their own staff, it naturally arouses suspicion that they

²⁶³ April 2000.

²⁶⁴ Informal interviews, July 2000.

²⁶⁵ Interviews, May 2000.

have made personal financial gains from these activities.

As I argued in Chapter 6, it is very difficult to pass judgement on charges of self-seeking against NGO leaders. What underlies such charges is the fact that reforms have created opportunities for individuals to seek self-realization by pursuing NGO activities, whether such self-realization lies in gratifying private needs or in championing a noble cause that advances public interest. While the motives of NGO practitioners are necessarily varied, sound legal and regulatory frameworks, their effective application, and reliable monitoring mechanisms can help to guard against the misuse of NGOs by individuals with self-serving purposes, just as they can help to check the abuse of NGOs by government organisations in pursuit of their particularistic interests. At present, however, these institutional safeguards are apparently not in place, hence the problems of NGO misconduct and dysfunction described in this thesis.

In conclusion, based on my study of Chinese NGOs, I propose that the most significant change and continuity in state-society relations in reform-era China can be summarized in the notion of dependent autonomy. This means that social forces have gained substantial autonomy from the state, but they continue to depend on the state for various support and resources. I suggest that this depiction of change and continuity has several advantages over conceptualizing them in terms of the loss and retention of state control over society. First, it avoids the two problems with the latter approach that were mentioned above. It does not require that we correctly judge the degree of state domination in individual cases of state-society interaction, which is by no means easy and straightforward, and it is able to abstract a single pattern out of multiple realities. More importantly, it serves to highlight the prevalent attitude of social actors towards the state that is characterised by opportunism and pragmatism rather than any desire to mount political challenges to the state. Thus the word "dependent" conveys both a reality and a mentality.

Summarizing the works of the late China scholar Gordon White, Marc Blecher wrote that in White's analysis, in both the pre- and post-reform periods, Chinese society had always been politically engaged with the state, but social classes and groups engaged in the kinds of politics White studied in order to advance their interests, not to reshape the state (Blecher 2003). My research on Chinese NGOs leads to the same conclusion. In their interactions with the state, the vast majority of NGOs covered by my study are mainly interested in finding ways to exploit state-controlled resources, both material and non-material, for their own benefit, rather than playing the political role conventionally ascribed to civil society. This attitude of NGOs makes perfect sense, since it is not necessary for them to reshape the state first before they can advance their interests. There are easier and quicker ways for NGOs to advance their interests, such as forging patron-client ties with officials, operating through networks of personal relations that cross the state-society divide, or providing political support to the state in exchange for its endorsement and sponsorship.

Although social actors are not interested in reshaping the state, it does not mean that the state has them under its effective control. The notion of dependent autonomy corroborates the characterization of the post-reform Chinese state as "fragmented authoritarianism" (Lieberthal 1992). While the state has retained its dominant role in economic and social spheres, authority below the very peak of the system has become more fragmented and disjointed as a result of economic reform and administrative decentralization. Consequently, although the state remains strong in the sense that it still exerts extensive control over economic and social activities, it has also become weak owing to the fragmentation of its authority. In advancing their interests, NGOs have enjoyed far more autonomy than the stringent government regulations on NGO administration would suggest. Often, this is made possible by the assistance and patronage of NGOs' friends and contacts in the government. Therefore, the considerable autonomy enjoyed by many NGOs is not

simply a reflection of the Chinese state's weakened ability to control society. It points to a weakening of the state's ability to control its own bureaucrats. The two processes are inextricably linked. The greater autonomy of social actors in the reform era has gone hand-in-hand with the greater autonomy of state agencies and officials from the central state. The state's failure to discipline unruly NGOs boils down to its failure to discipline its own agents, whose protection and complicity enable these NGOs to evade supervision and to engage in inappropriate or even illegal activities.

Obviously not all NGOs use their de facto autonomy from state control to pursue illegitimate private interests. Even NGOs that have used their autonomy this way may not do so at all times. In the case of NGOs' entrepreneurial activities, for instance, some of them are no doubt intended to generate income to finance NGOs' public service programmes rather than to serve corrupt purposes. However, the weak state capacity for keeping such activities within bounds paves the way for the latter scenario. The unscrupulous and self-serving entrepreneurialism of NGOs (in some cases being part and parcel of the entrepreneurialism of their sponsoring agencies) has apparently been a fairly common problem, as attested by the frequent reference to it in both formal civil affairs documents and less formal comments and writings by civil affairs officials.²⁶⁶

This suggests that the growth of autonomous NGOs in China will not necessarily result in the development of civil society, at least not civil society defined as possessing the quality of "civility", such as being rule-abiding and concerned with public rather than private ends. As Saich commented on the prospects for civil

²⁶⁶ For example, after the central state ordered a nationwide overhaul of NGOs in 1996, the Ministry of Civil Affairs issued a guideline to local governments on how to implement the central state directive. The guideline laid particular emphasis on the need to rectify NGOs with economic problems. These include NGOs whose "financial management is chaotic", NGOs that "fail to properly manage the economic entities they set up, resulting in serious consequences", and NGOs that "run businesses or engage in fundraising, lending, and borrowing money in violation of state regulations" (General Office of the State Council 1997).

society in China: “[I]t is clear that to thrive a lively civil society needs a competent state structure and impartial legal system. Without this the free-for-all is more likely to produce an uncivil society as in Russia” (Saich 2001: 206).²⁶⁷ Many studies of the political economy of reform era China have noted the formation of alliances between local officials and entrepreneurs to their mutual benefit at the expense of the policies of the central state and the interests of other social groups (see, e.g., Odgaard 1992; Solinger 1992; Bruun 1995; Pieke 1995; Wank 1995a, 1999). The growth of NGOs has added another dimension to the alliance between state officials and social actors, which may or may not serve public interest. Although NGOs need autonomy to perform their essential functions, a state that lacks the capacity to

²⁶⁷ Given that Russia and other former communist countries are often lumped together with China as “transitional countries”, one might wonder if it would be a good idea to compare state-society relations in China and the post-communist countries of Eastern Europe and the former Soviet Union. I think there are several important differences between China and these countries which make a comparison difficult. One difference is that the post-communist countries have undergone both political and economic transitions, but transition in China has not involved the change of its political system. As a result, whereas a study of state-society relations in China only needs to focus on the state and civil society, a similar study of Russia or Ukraine must also include in its investigation the role of political society, i.e., independent political organisations such as political parties. State-society relations in these countries involve the interactions between civil society, political society, and the state. Because it is a three-way relationship, it is more complicated than state-society interactions in China. For example, when trying to make the government take certain actions, Russian NGOs have the option of enlisting the support of political society to demand such actions from the government (through the parliament at the central level or Legislative Assemblies at the local level (see, e.g., Weigle 2000; Sokolov 2001). This option is not available to Chinese NGOs. The possibility of civil society—political society alliance and direct civil society involvement in electoral politics (see, e.g., Kubicek 2000) make it difficult to assess the degree of civil society dependence on/autonomy from the state in post-communist transitional countries, as it becomes much less straightforward than in China.

Because the former communist countries have experienced more fundamental changes than China (both political change and huge economic decline following the transition), the state in these countries appears to be much weaker than the Chinese state. In the Russian case, for example, because the state has lost its power to enforce the law in vast economic gray zones, organised crime has arisen as an “alternative state” to perform some of the regulatory functions that are usually performed by the state (Sergeyev 2001). The existence of the alternative state must complicate state—civil society relations in Russia. In the final analysis, countries with a weak state whose economies have suffered huge decline and major crises are in a fundamentally different situation from a country with an authoritarian state that has enjoyed sustained rapid economic growth. It is not easy to compare state-society relations in countries with very different states and societies and such a comparison may not lead to many useful insights. In short, although China is considered a transitional country and is therefore put in the same category as the post-communist countries, a comparison between them may not always be a meaningful and worthwhile exercise.

enforce rules within the NGO sector may impede rather than encourage the good performance of Chinese NGOs.

Appendix

Of the 40 NGOs I studied, only some can be mentioned by name. I have withheld the names of the others to protect their identity. In describing the organisations, I give more details in some cases than others. This is again out of the need to protect the identity of some organisations that are either so well-known or so unique that any detailed information about their work will immediately lead to their identification. Even in the case of NGOs whose names can be mentioned, I describe some organisations in less detail than others to avoid their being identified as the organisations that are discussed in specific places in the thesis.

Except for a few cases involving organisations whose names are mentioned, I have not indicated the registration status of the NGOs, since many of them are not properly registered. Some organisations are not registered at all. Some have only registered parts but not the whole of their operations. Others are registered as businesses. Still others are second- or third-level NGOs “hanging under” other NGOs that are not properly registered themselves. I do not wish to draw attention to the illegal status of these organisations by giving their registration information. In any case, this information is not important in understanding the organisations, since an organisation’s registration status often has little bearing on either its ability to function or the way it functions. Nor does it always accurately reflect the true nature of the organisation, as is demonstrated in the case of non-profit organisations registered as businesses, or non membership-based organisations registered as social organisations instead of private non-enterprise units.

NGOs that are named in the thesis:

1. **Shaanxi Province Returning to Society Research Association (SPRSRA):** A popular NGO founded in 1995 by Zhang Shuqin, a journalist working for a

newspaper published by the Shaanxi Province Prison Bureau. Its mission is to help ex-convicts to reintegrate into society, but up to the time of my fieldwork the SPRSRA's activities had consisted mainly of establishing and managing three Prisoners Children's Villages (PCVs), which are residential homes for children of serving convicts who have no families or relatives to care for them. By the time of my fieldwork the three PCVs had provided care for a total of around 150 children aged between 6 and 15.

2. **Help Centre for Special Children (HCSC):** Set up in Beijing in 1999 by Zhang Shuqin in order to replicate the PCVs in Shaanxi to more places. The HCSC intended to open a demonstration PCV in Beijing, which would then be used as a model for other PCVs which Zhang Shuqin hoped to establish in other regions of China in the future. Since government regulations forbid NGOs to establish regional branches, the HCSC needed to operate as an independent organisation rather than as a branch of the SPRSRA. Zhang Shuqin was able to open the HCPC in Beijing after she persuaded the China Charities Federation to host it as a project under its aegis, but to gain full legal status the HCSC must be registered as an independent NGO. At the time of my fieldwork, Zhang Shuqin and her colleagues were spending a lot of time trying to find a government agency in Beijing that was willing to sponsor the HCSC so that it could be registered. When I returned for a follow-up visit in November 2001, the HCSC was still not registered. Nevertheless, it had went ahead and opened a PCV in Beijing with over 40 children. Two-thirds of the children were from Beijing. The rest came from other parts of China. The PCV was supported with donations from the public and businesses. Many foreign businesses such as General Electricity (GE) had made donations to it.
3. **China Green Shade Children's Village (CGSCV):** A private orphanage founded by Hu Manli in 1992 in Wuhan City, Hubei Province with support from

the local government. At its height the CGSCV was home to over 70 orphans from different regions of China.

4. **United Moms Charity Association (UMCA):** Founded by Hu Manli and the Lijiang prefectural government in Lijiang, Yunnan Province in 1999 following a big earthquake that turned hundreds of local children into orphans. The UMCA opened a residential home, a boarding school, and a vocational training school for orphans. At the time of my fieldwork the three institutions together hosted over 200 orphans. Although the local government provided important support to the UMCA (e.g., it provided the building and teachers for the boarding school), the three institutions were largely maintained by funds raised by Hu Manli, who served as the UMCA's president. One important source of funding for the UMCA was a small charity based in the United States. In 2001, it sued the UMCA in a Lijiang court for misusing its donations and producing false financial reports. Afterwards a Chinese newspaper *Southern Weekend* investigated the UMCA and published several articles that supported the US-based charity's charges against the UMCA and Hu Manli. In 2002, the court ruled largely in favour of the US-based charity and ordered the UMCA to return some of the funds it had received to the charity.

5. **Zhiling School for Mentally Disabled Children (Zhiling):** The first non-governmental special education school in China, it was founded in 1985 in Guangzhou by Meng Weina and her friends with support from families with mentally disabled children. Zhiling has received much financial and technical assistance from Hong Kong, especially from the charity Caritas Hong Kong. Zhiling currently provides special education for mentally disabled children aged between 4 and 18. It charges fees for its services but remains a non-profit organisation.

6. **Huiling Service Organisation for Mentally Disabled People (Huiling):** It was founded by Meng Weina with support from families with mentally disabled children in 1990. Since the Zhiling School only caters to children aged between 4 and 18, many parents hoped that there would be another institution to provide services for their children after they reached 18. In response, Meng Weina with the support of some parents and some Zhiling staff founded Huiling to provide long-term residential care for mentally disabled people. By the time of my fieldwork, in addition to a residential home, Huiling was also operating a special education school, a kindergarten that had both mentally disabled and normal children, and a vocational training centre for mentally disabled people. Although Huiling charges fees for its services, the income from the fees is not sufficient to cover its running costs. It therefore relies on charitable donations to make up the difference.

7. **Guangdong Special Children Parent Club:** Founded in 1997 in Guangzhou, the capital city of Guangdong Province, by a British couple who had worked as consultants in the Rehabilitation Department of the Guangzhou Maternal and Children's Hospital. The club aims to provide information and support for children with learning difficulties and their families. It operates a resource centre that provides a range of services from informal contact and exchange to diagnosis, advisory consultations and assessments. It also runs a small residential home for mentally disabled children that has four full-time staff. At the time of my fieldwork, about 100 families with disabled children had joined the club. The club organises regular activities for its members, such as workshops and social events. It also produces a quarterly newsletter. The club maintains active contact with similar organisations in other cities and provinces. In 2000 and 2001, it organised two national conferences which were attended by parents of mentally disabled children and professionals who worked with disabled children.

8. **Global Village of Beijing (GVB):** A popular environmental NGO that was founded in 1996. Its main activities include producing environmental education television programmes, publishing an environmental book series, promoting community-based garbage recycling, and organising environmental fora and other public events, such as Earth Day China celebrations. It also manages a training centre outside Beijing that covers 187 hectares of mountains, forests, springs, and wetlands. It uses the centre to provide participatory environmental education for the public.

9. **China Youth Development Foundation (CYDF):** An officially-organised NGO set up by the Communist Youth League's Central Committee in 1989. It raises money to fund basic education in underdeveloped regions of China. Its operation is described in detail in the thesis.

10. **China Association of STD/AIDS Prevention and Control (CASAPC):** An officially-organised NGO founded in 1993 at the decision of the State Council. Initially it was treated as an official organisation and was given the task of coordinating the work of all the concerned central government departments in combating HIV/AIDS and sexually-transmitted diseases. In 1996, the State Council set up a special HIV/AIDS committee and transferred the coordination function from the CASAPC to the committee. Thereafter the CASAPC no longer performed any official functions. At the time of my fieldwork the CASAPC's activities mainly included organising HIV/AIDS conferences and workshops, publishing newsletters (funded by the Ministry of Health), and providing training for health professionals and people with high risk of contracting HIV/AIDS, such as homosexuals. It also regularly applied for funding from international donors to implement anti-AIDS projects in China. For example, it has received funding from the World Bank to implement a community care

project for people living with HIV/AIDS in rural Shanxi Province.

NGOs that are not named in the thesis but whose names can be given:

- 1. Yunnan Province Charities Federation (YPCF):** An officially-organised NGO founded in 1996 to raise money for social welfare projects. It is sponsored by the Yunnan provincial Civil Affairs Bureau. The YPCF is able to enlist the help of senior government officials and the official media in its fundraising efforts. It has raised money to provide medical treatment for people who need the treatment but cannot afford it themselves, such as children born with cleft palate who are abandoned by their parents and poor people suffering from cataract. It also runs a sponsorship programme to raise money for orphans and donates money to victims of natural disasters.
- 2. Guangzhou Zhanzhi Residential Rehabilitation Centre for Disabled People (Zhanzhi):** A small residential home for mentally disabled people set up by four parents of disabled children in 1997 as a self-help initiative. Its start-up cost was provided by a Hong Kong charity. It is housed in a low-rent flat provided by the Guangzhou government. Zhanzhi is supported by fees paid by the families of its clients. It has 5 staff and can care for up to 12 disabled people, but at the time of my fieldwork it only had 6 clients. This meant that the fees it collected were not sufficient to cover its expenditure. It therefore depended on charitable donations to make up the deficit.
- 3. Yong Men's Christian Association (YMCA) Guangzhou:** A Christian charity supervised by the Guangzhou municipal Religious Affairs Bureau. In addition to organising cultural and recreational activities for youth, children, and elderly people, the YMCA has also carried out many social welfare programmes. For example, it has donated libraries to schools in poor rural areas, operated

day-care centres for children during school holidays, and provided community-based service for elderly people. It also organises and trains volunteers who regularly work at various social welfare institutions in Guangzhou, such as orphanages and rehabilitation centres for disabled people.

4. **Guangzhou Agape Social Service Centre (Agape):** Founded in 1985 by the Christian church, Agape has carried out many social service programmes for elderly people, children, and youth. For example, it established a kindergarten for Hepatitis B seropositive children who were excluded from ordinary kindergartens and a club that organised social activities for elderly people. It also has a team of volunteers who provide services for elderly people. Although it is not a membership-based organisation, at the time of my fieldwork Agape was registered as a social organisation and was supervised by the government Religious Affairs Bureau. It receives no financial support from the government, but has received funding from overseas church groups. It also runs some commercial services to generate income for its social service programmes.
5. **Beijing Xingxingyu Education Institute for Children with Autism:** Founded in 1993 by the mother of an autistic child, it is the first educational institute in China that caters specifically to children with autism. The institute provides training and counselling services for parents and produces information materials on autism. It charges fees for its services but offers some financial assistance to families that are unable to pay the fees. It has received funding from international sources. Although registered as a business, it is generally perceived as an NGO rather than a profit-making organisation.
6. **Juvenile Legal Aid and Research Centre:** Set up by a group of lawyers in Beijing in 1999, the centre is affiliated with the China Society of Juvenile Delinquency Research. It aims to bring about better legal protection of juveniles'

rights and interests. It has opened a national hotline for young people seeking legal advice and established a nationwide network of lawyers who provide legal aid for juveniles. It also conducts research on juvenile justice issues and carries out activities to popularise laws pertaining to youth. The centre was initially funded by the law firm where its founders worked. It has received financial and technical support from international NGOs.

7. **China Non-Profit Organisation Network:** Originally an informal coalition of NGOs sharing information and engaging in joint activities aimed at raising the status of NGOs and expanding their influence, it was formally established as an NGO capacity building institution in 2001. It is registered as a business but its activities are funded by international donor agencies. It carries out training for NGOs and organises NGO fora. It also uses its website and newsletters to disseminate capacity-building information to NGOs.
8. **China AIDS Network:** Founded in 1994 by academics at the Beijing Union Medical College, by the end of 2002 it had about 200 members across the country. Most members are medical professionals, but there are also members who work in government agencies and mass organisations that are involved in AIDS prevention work, such as public security departments, women's federations, and labour unions. The Network is affiliated with the CASAPC as a second-level NGO. It conducts HIV/AIDS research and training. Members share experience and exchange information through annual conferences and newsletters.

NGOs that cannot be named but whose activities are described in detail in the thesis:

1. An association of parents of autistic children: A detailed description of the organisation is given in Chapter 3.

2. A provincial children's NGO set up by the provincial women's federation: A detailed description is given in Chapter 5.
3. A women's NGO whose founder was originally interested in launching a profit-making service: Described in detail in Chapter 6.
4. A seriously mismanaged non-governmental residential home for disabled people that went bankrupt: Described in detail in Chapter 6.

NGOs that cannot be named and whose activities are not described in detail in the thesis:

1. A popular environmental NGO founded in the mid 1990s. It organises environmental awareness raising activities, such as public lectures and discussions, publishes an environmental book series, and conducts research on environmental issues.
2. A legal research and legal aid centre founded in the mid 1990s. It aims to help improve the legislation process in China to make it more scientific and democratic. It pursues this goal by conducting research, then making recommendations to legislative bodies. It also organises workshops and training for law enforcement personnel in order to help improve the implementation of existing laws. Although its main focus is research, the centre also has a legal aid section that provides free legal services for needy people.
3. An officially-organised NGO sponsored by a central government ministry. It was created in the late 1990s by merging five NGOs under the ministry's sponsorship. Many of the NGO's staff are former employees of the ministry who

were made redundant following a government streamlining campaign. Their salaries are still paid by the ministry. The ministry also gives the NGO a fixed amount of money every year to cover part of its administrative costs. The NGO covers the rest of its administrative budget by organising training and conferences from which it makes a profit by charging fees from the participants that exceed the cost of organising the events. The NGO publishes some newsletters and occasionally conducts some research but on the whole has remained rather idle. Its staff blame this idleness on the lack of support from the ministry rather than their own lack of initiative. They think that the ministry should transfer some of its functions to the NGO, so that it will have more authority and can mobilize more resources.

4. A private special education school for mentally disabled children founded in the early 1990s. The founder set up the school after retiring from a government special education school. The school caters to children who are not admitted into government special education schools because their disability is judged to be too severe. It maintains itself by charging fees from students' families. The school's enrolment at its height reached 30, but by the time of my fieldwork there were only four students left. The founder was to close down the school soon, since it could no longer collect enough fees to maintain itself. The founder attributed the demise of her school to the fact that several other private educational institutions for mentally disabled children had been set up in her city since the early 1990s. The founder pointed out that the other schools were better funded and had received more support from the government. They had taken away her students.
5. A residential training institute for mentally disabled youth founded in 1998. The institute targets youth whose disability is relatively mild. It aims to teach them some professional skills so that they may be able to find employment. At the time of the fieldwork it was too early to tell whether the institute's training

programme would be successful. The institute has received very limited external funding and is largely supported by fees it charges from the families of its clients.

6. A popular association of parents of mentally disabled people founded in 1998. The organisation was established at the suggestion of the director of an NGO that provided residential care and training for mentally disabled people. The director encouraged the parents of her NGO's clients to form an association to bring together all the parents of mentally disabled people in the city so that they could advocate for the rights of disabled people. From the start the association was plagued by all sorts of collective action problems. For example, few parents had the skills and dedication to lead the association and turn it into an effective vehicle for promoting the interests of disabled people. Members wanted to see quick results and did not have the patience to engage in advocacy work that might not bring immediate benefits to themselves. Furthermore, the association suffered from the rivalry between different NGOs in the same city that provided similar services. Since it was formed at the suggestion of the director of one NGO, some parents whose children received services from the other NGOs identified the association with this particular NGO and were therefore not keen to participate in its activities.
7. A popular NGO founded in 2000 to provide community-based care and rehabilitation for mentally disabled children. It represented pioneering work in the field of care and rehabilitation for mentally disabled people since existing services in China were mostly provided through residential institutions. The organisation relies on overseas funding to carry out its services.
8. A popular association of physically disabled people established in 1986. The association organises mutual support activities among its members. It also

carries out advocacy work to promote the welfare of disabled people. It had about 600 members at the time of my fieldwork. After the central government promulgated new NGO regulations in 1998, the local civil affairs bureau forced the NGO to merge with an officially-organised disabled persons' association. At the time of my fieldwork the merge process had just begun, but there were already worrying signs that the NGO's ability to advocate for the interests of disabled people would be compromised after the merge.

9. A popular NGO established in the mid 1990s to raise awareness of AIDS in China and to protect the rights of people suffering from HIV/AIDS. Up to the time of my fieldwork in late 2002 the NGO had focused on advocacy rather than service delivery, but it had begun to plan some service delivery projects. The NGO is largely funded by international organisations.
10. A popular NGO founded in the late 1990s to help people suffering from HIV/AIDS. It aims to reduce discrimination against people infected with HIV and to provide them with better care. It engages in both advocacy and service delivery. It enjoys good relationships with government agencies and officially-organised NGOs such as the CASAPC but is largely funded by international organisations.
11. A popular organisation whose members are all people suffering from HIV/AIDS. It aims to improve the lives of its members through such measures as helping them to start small businesses in order to raise incomes and organising mutual support activities amongst members. The organisation was formed chiefly at the instigation of the local government that had received international donor funding to implement a care project for AIDS patients. The organisation was largely led by the local government. Its members showed little initiative and were dependent on the local government for everything from

financial, technical and logistical support, to ideas as to what kind of activities it could carry out.

12. A popular women's NGO founded in the mid 1990s that provides vocational training for women, implements small-scale poverty alleviation projects in rural areas that target women, and organises a support network for migrant women. It is largely funded by international donors.
13. A popular women's NGO founded in the mid 1990s that is dedicated to promoting women's rights. Its members are mostly women professionals such as academics, lawyers, and doctors. The organisation receives no money from the state and is supported by overseas donor funding. It enjoys good relationships with the All China Women's Federation as well as other relevant government and non-governmental organisations in China. It pursues its goal by carrying out gender-awareness training, conducting research, proposing new laws and revisions to existing laws, providing legal aid to women, and implementing pilot projects to improve the protection of women whose rights have been violated.
14. A society of traditional Chinese philosophy whose members are academics in universities and research institutes in different cities. The society convenes academic conferences and publishes the writings of its members. It survives mostly on funding from private businesses.
15. A technological society whose members include both researchers and enterprises (as institution members) that use the technology researched by the society. The society's activities are funded by its member enterprises. It publishes a newsletter and operates a web site. It also organises workshops for its members to inform them of the latest development in the technology and its

industrial application. The society's daily affairs are largely controlled by its general secretary, who is a researcher. This has led to some serious problems. The biggest enterprise among its members has been very generous in financing the society's administrative costs, including the salaries of its administrative staff. As a result, the general secretary has not only allowed but also assisted the enterprise to use the society to promote itself and its products. This has caused much resentment among other enterprises that are members of the society. They have become less interested in participating in the society's activities.

16. A technological association similar to the society described above. It is a network of research institutes and enterprises in a particular industry. The association's activities are financed by membership fees. It publishes a newsletter and organises annual conferences to facilitate information exchange among its members.
17. An officially-organised NGO founded in the late 1980s whose board is composed of retired and incumbent senior officials. These officials use their connections and influence to raise funds for the organisation, both from the government and businesses. The organisation uses these funds to implement poverty alleviation projects in rural areas.
18. A private rural development research institute set up by academics with regular jobs in state universities or research institutes. The research institute carries out consultancy work for rural development projects funded by international donor agencies.

References

Chinese-language Newspapers

Beijing Youth Weekly
China Youth Daily
Democracy and Law
Mingpao
People's Daily
Southern Weekend
The Epoch Times
Workers' Daily
Wugang Workers' Newspaper

Books, Articles, and Documents

Baum, Richard and Alexei Shevchenko. (1999). The "State of the State", in Merle Goldman and Roderick MacFarquhar (eds.), *The Paradox of China's Post Mao Reforms* (pp. 333-360). Cambridge, MA: Harvard University Press.

Blecher, Marc. (2003). Social Politics, the State, Policy, Comparison: Gordon White's Contribution to China Studies, in Robert Benewick, Marc Blecher and Sarah Cook (eds.), *Asian Politics in Development: Essays in Honour of Gordon White* (pp. 7-20). London: Frank Cass.

Brook, Timothy and B. Michael Frolic (eds.). (1997). *Civil Society in China*. Armonk, New York: M. E. Sharpe.

Bruun, Ole. (1993). *Business and Bureaucracy in a Chinese City: An Ethnography of Private Business Households in Contemporary China*. Berkeley: Institute of East Asian Studies, University of California.

_____. (1995). Political Hierarchy and Private Entrepreneurship in a Chinese Neighborhood, in Andrew G. Walder (ed.), *The Waning of the Communist State: Economic Origins of Political Change in China and Hungary* (pp. 184-212). Berkeley: University of California Press.

Carroll, Thomas F. (1992). *Intermediary NGOs: The Supporting Link in Grassroots Development*. West Hartford: Kumarian Press.

Chang, Yang. (2000). *Zai Likai Fumu de Rizhi Li: Zhongguo Shoujia Zuifan Ziniu Ertongcun Jishi (While Away from Parents: Report on the First Prisoners' Children's Village in China)*. Xi'an: Future Publishing House.

Chen, Jinluo. (1992). Yunyong Bianzheng Weiwuzhuyi Guandian Zhengque Renshi Shehui Tuanti de Diwei he Zuoyong (Using Dialectical Materialism to Achieve a Correct Understanding of the Role and Function of Social Organizations), in China Social Organization Research Society (ed.), *Zhongguo Shehui Tuanti Yanjiu (Research on Chinese Social Organizations)* (pp. 17-23). Beijing: China Social Publishing House.

_____. (1997). *Shetuan Lifa he Shetuan Guanli (The Legislation and Management of Social Organizations)*. Beijing: Falü Publishing House.

Chen, Nancy N. (1995). Urban Spaces and Experiences of Qigong, in Deborah S. Davis et al. (eds.), *Urban Spaces in Contemporary China: The Potential for Autonomy and Community in Post-Mao China* (pp. 347-361). New York: Cambridge University Press.

China Social Organization Research Society (ed.). (1992). *Zhongguo Shehui Tuanti Yanjiu (Research on Chinese Social Organizations)*. Beijing: China Social Publishing House.

Davis, Deborah S. et al. (eds.) (1995). *Urban Spaces in Contemporary China: The Potential for Autonomy and Community in Post-Mao China*. New York: Cambridge University Press.

Deng, Guosheng. (2000). Beijing NGO Wenjuan Diaocha Fenxi (Analysis of the Data from the Questionnaire Survey of NGOs in Beijing), in Ming Wang (ed.), *Zhongguo NGO Yanjiu: Yi Ge'an wei Zhongxin (Case Study of Chinese NGOs)* (pp. 24-36). Beijing: United Nations Centre for Regional Development and Tsinghua University NGO Research Centre.

_____. (2001a). Zhongguo NGO Wenjuan Diaocha de Chubu Fenxi (Preliminary Analysis of the Data from the Questionnaire Survey of Chinese NGOs), in Ming Wang (ed.), *Zhongguo NGO Yanjiu 2001: Yi Ge'an wei Zhongxin (Case Study of Chinese NGOs 2001)* (pp. 9-26). Beijing: United Nations Centre for Regional Development and Tsinghua University NGO Research Centre.

_____. (2001b). Yilongxian Xiangcun Fazhan Xiehui (The Yilong County Rural Development Association), in Ming Wang (ed.), *Zhongguo NGO Yanjiu 2001: Yi Ge'an wei Zhongxin (Case Study of Chinese NGOs 2001)* (pp. 191-208). Beijing: United Nations Centre for Regional Development and Tsinghua University NGO Research Centre.

Derleth, Jim and Daniel Koldyk. (2002). Community Development and Political Reform in Urban China. *China Development Brief* 5(2): 38-43.

Dickson, Bruce J. (2003). *Red Capitalists in China: The Party, Private Entrepreneurs, and*

Prospects for Political Change. Cambridge: Cambridge University Press.

Ding, Yijiang. (2001). *Chinese Democracy after Tiananmen*. Toronto, Canada: UBC Press.

Duckett, Jane. (1998). *The Entrepreneurial State in China: Real Estate and Commerce Departments in Reform Era Tianjin*. London: Routledge.

Edwards, Michael and David Hulme. (1992). *Making a Difference: NGOs and Development in a Changing World*. London: Earthscan.

Fang, Jiake. (2002). Caogengceng de NPO Zuzhi yu Meiti de Hezuo yu Zhanwang (Cooperation between Grassroots NPOs and the Media and Its Prospects), *China NPO Network Newsletter Special Issue* (July): 6-7.

Fang, Lixin and Rupeng Wang (eds.). (2001). *Kouwen Tianrenzhiji: Xu Yongguang Shuo Xiwang Gongcheng* (Inquiries into the Relationship between Heaven and Man: Xu Yongguang Talking about Project Hope). Beijing: China Youth Publishing House.

Farrington, John and Anthony Bebbington. (1993). *Reluctant Partners? Non-Governmental Organisations, the State and Sustainable Agricultural Development*. London: Routledge.

Foster, Kenneth W. (2002). Embedded within State Agencies: Business Associations in Yantai. *China Journal* 47 (January): 41-65.

Frolic, B. Michael. (1997). State-Led Civil Society, in T. Brook and B. M. Frolic (eds.), *Civil Society in China* (pp. 46-67). Armonk, New York: M. E. Sharpe.

Gao, Bingzhong. (1999). Shehui Tuanti de Xingqi jiqi Hefaxing Wenti (The Rise of Social Organisations and the Issue of their Legitimacy). Paper presented at the International Conference on the Development of Non-profit Organisations and the Chinese Project Hope, Beijing, 30 October – 1 November.

General Office of the Communist Party Central Committee and General Office of the State Council. (1998). Guanyu Dangzheng Jiguan Lingdao Ganbu bu Jianren Shehui Tuanti Lingdao Zhiwu de Tongzhi (Circular on Leaders of Party and Government Organs Not Serving Concurrently as Leaders of Social Organizations) (Zhongbanfa [1998] No. 17).

General Office of the State Council. (1994). Guanyu Bumen Lingdao Tongzhi bu Jianren Shehui Tuanti Lingdao Zhiwu Wenti de Tongzhi (Circular on Leaders of Government Units Not Serving Concurrently as Leaders of Social Organizations) (Guobanfa [1994] No. 59).

_____. (1997). Zhuanfa Minzhengbu Guanyu Qingli Zhengdun Shehui Tuanti Yijian de Tongzhi (Transmitting the Ministry of Civil Affairs Notice on Guidelines for the Rectification of Social Organizations) (Guobanfa [1997] No. 11).

Goldman, Merle and Roderick MacFarquhar (eds.). (1999). *The Paradox of China's Post Mao Reforms*. Cambridge, Massachusetts: Harvard University Press.

Goodman, David S. G. and Beverley Hooper (eds.). (1994). *China's Quiet Revolution: New Interactions between State and Society*. Melbourne: Longman Cheshire.

Guo, Yuhua, Yiyin Yang and Xing Ying. (1999). *Shiye Gongtongti: Disanbumen Jili Jizhi Ge'an Tansuo (A Community Based on Common Cause: A Case Study of the Incentive Mechanisms of the Third Sector)*. Hangzhou: Zhejiang People's Publishing House.

He, Baogang. (1997). *The Democratic Implications of Civil Society in China*. Basingstoke and London: MacMillan Press Ltd.

Hong, Dayong et al. (2001). *NGO Fupin Xingwei Yanjiu Diaocha Baogao (Research Report on the Study of NGO Poverty Alleviation Activities)*. Beijing: China Economics Publishing House.

Howell, Jude. (1994). Striking a New Balance: New Social Organisations in Post-Mao China. *Capital and Class* 54: 89-111.

_____. (1996a). Drops in the Ocean: NGOs in China. In Andrew Clayton (ed.), *NGOs, Civil Society and the State: Building Democracy in Transitional Countries* (pp. 185-201). Oxford: INTRAC.

_____. (1996b). The Struggle for Survival: Prospects for the Women's Federation in Post-Mao China. *World Development* 24 (1): 129-143.

_____. (1997). NGO-State Relations in Post-Mao China. In David Hulme and Michael Edwards (eds.), *NGOs, States and Donors: Too Close for Comfort?* (pp. 202-215). London: MacMillan Press Ltd. in association with Save the Children.

_____. (1998). An Unholy Trinity? Civil Society, Economic Liberalization and Democratization in post-Mao China. *Government and Opposition* 33 (1): 56-80.

_____. (2004). New Directions in Civil Society: Organizing around Marginalized Interests, in Jude Howell (ed.), *Governance in China* (pp. 143-171). Lanham, Maryland: Rowman & Littlefield.

Hu, Shaohua. (2000). Confucianism and Western Democracy, in Suisheng Zhao (ed.),

China and Democracy: Reconsidering the Prospects for a Democratic China (pp.55-72). New York and London: Routledge.

Hu, Wen'an. (2001). Shannuohui (The Scientific Exploration and Outdoor Life Society), in Ming Wang (ed.), *Zhongguo NGO Yanjiu: Yi Ge'an wei Zhongxin 2001 (Case Studies of Chinese NGOs 2001)* (pp. 151-169). Beijing: United Nations Centre for Regional Development and Tsinghua University NGO Research Centre.

Huang, Hengxue. (1998). *Zhongguo Shiye Guanli Tizhi Gaige Yanjiu (Research on the Reform of the Management System of China's Service Units)*. Beijing: Tsinghua University Press.

Hulme, David and Michael Edwards (eds.). 1997. *NGOs, States and Donors: Too Close for Comfort?* Basingstoke and London: MacMillan Press Ltd. in association with Save the Children.

Jennings, M. Kent. (1997). Political Participation in the Chinese Countryside. *The American Political Science Review* 91(2): 361-372.

Kang, Xiaoguang. (1997). *Chuangzao Xiwang: Zhongguo Qingshaonian Fazhan Jijinhui Yanjiu (Creating Hope: A Study of the China Youth Development Foundation)* Guilin: Lijiang Publishing House and Guangxi Normal University Publishing House

_____. (1999a). Zhuanxing Shiqi de Zhongguo Shetuan (Chinese Social Organisations during the Transitional Period). Paper presented at the International Conference on the Development of Non-profit Organisations and the Chinese Project Hope, Beijing, 30 October – 1 November.

_____. (1999b). *Quanli de Zhuanyi: Zhuanxing Shiqi Zhongguo Quanli Geju de Bianqian (The Transfer of Power: The Change of Power Structure in China during the Transitional Period)*. Hangzhou: Zhejiang People's Publishing House.

_____. (2001). *NGO Fupin Xingwei Yanjiu (Study of NGO Poverty Alleviation Activities)*. Beijing: China Economics Publishing House.

_____. (2002). *Zhongguo NGO Fazhan Zhuangkuang Pinggu ji Nengli Jianshe Jianyi (Evaluation of the Development of Chinese NGOs and Recommendations for Their Capacity Building)*. Unpublished draft report.

Knup, Elizabeth. (n.d.). Environmental NGOs in China: An Overview. *China Environment Series*. Washington, DC : Woodrow Wilson Center.

Kubicek, Paul. (2000). *Unbroken Ties: The State, Interest Associations, and Corporatism in Post-Soviet Ukraine*. Ann Arbor : University of Michigan Press.

Leng, Yufa. (1992). Shehui Tuanti Xingzhenghua Qingxiang de Biaoxian ji Chengyin (The Manifestation and Cause of the Bureaucratic Tendency of Social Organizations), in China Social Organization Research Society (ed.), *Zhongguo Shehui Tuanti Yanjiu (Research on Chinese Social Organizations)* (pp. 50-56). Beijing: China Social Publishing House.

Lieberthal, Kenneth G. and David M. Lampton (eds). (1992). *Bureaucracy, Politics, and Decision Making in Post-Mao China*. Berkeley: University of California Press.

Li, Ao and Yan Xu. (2001). Juezhi Cishi Yao Gongxing--Zhongguo Rushi dui Zhengwu Gongkai Zhidu de Chongji (This Must be Done--The Impact of China's Accession to the WTO on the Opening Policy regarding Government Affairs). Paper presented at the Forum on Governance in China, IDS, 11 – 13 September.

Lin, Yi-Min and Zhanxin Zhang. (1999). Backyard Profit Centers: The Private Assets of Public Agencies, in Jean C. Oi and Andrew G. Walder (eds.), *Property Rights and Economic Reform in China* (pp. 203-225). Stanford: Stanford University Press.

Liu, Alan P. L. (1996). *Mass Politics in the People's Republic: State and Society in Contemporary China*. Boulder: Westview Press.

Liu, Guohan. (2001). Feiyingli Bumen de Jieding (Defining Non-profit Organisations). *Nanjing Social Science* No 5.

Liu, Yunzhen (ed.) (1993). *Shiye Jigou Bianzhi Guanli yu Gaige (The Management and Reform of Service Units)*. Kaifeng: Henan People's Publishing House.

Lu, Guoxian. (2001). Anli 3: Shandongsheng Linquxian Fupin Jingji Kaifa Xiehui (Case 3: The Linqu County Poverty Alleviation and Economic Development Association), in Dayong Hong *et al.*, *NGO Fupin Xingwei Yanjiu Diaocha Baogao (Research Report on the Study of NGO Poverty Alleviation Activities)* (pp. 104-135). Beijing: China Economics Publishing House.

Lü, Xiaobo. (2000). *Cadres and Corruption: The Organizational Involution of the Chinese Communist Party*. Stanford: Stanford University Press.

Ma, Qiusha. (2002). Defining Chinese Nongovernmental Organizations. *Voluntas* 13(2): 113-130.

McCormick, Barrett L. and Jonathan Unger (eds.). (1996). *China after Socialism: In the Footsteps of Eastern Europe or East Asia*. Armonk, NY: M. E. Sharpe.

Ministry of Civil Affairs. (2000). Guanyu Chongxin Querren Shehui Tuanti Yewu

Zhuguan Danwei de Tongzhi (Circular on the Re-confirmation of Social Organizations' Professional Management Units) (Minfa [2000] No.41).

Nathan, Andrew J. and Tianjian Shi. (1993). Cultural Requisites for Democracy in China: Findings from a Survey. *Daedalus* 122 (2): 95-124.

Nevitt, Christopher Earle. (1996). Private Business Associations in China: Evidence of Civil Society or Local State Power. *China Journal* 36 (July): 25-43.

Odgaard, Ole. (1992). Entrepreneurs and Elite Formation in Rural China. *The Australian Journal of Chinese Affairs* 0 (28): 89-108.

Ogden, Suzanne. (2002). *Inklings of Democracy in China*. Cambridge, MA: Harvard University Asia Center.

Oi, C. Jean and Andrew G. Walder (eds.). (1999). *Property Rights and Economic Reform in China*. Stanford, CA: Stanford University Press.

Pearson, Margaret M. (1997). *China's New Business Elite: The Political Consequences of Economic Reform*. Berkeley, California: University of California Press.

Pei, Minxin. (1998). Chinese Civic Associations: An Empirical Analysis. *Modern China* 24(3): 285-318.

Perry, Elizabeth J. (1994). Trends in the Study of Chinese Politics: State-Society Relations. *China Quarterly* 139: 704-713.

_____. (1995). Labor's Battle for Political Space: The Role of Worker Associations in Contemporary China. In D. S. Davis *et al* (eds.), *Urban Spaces in Contemporary China: The Potential for Autonomy and Community in Post-Mao China* (pp. 302-325). New York: Cambridge University Press.

Pieke, Frank N. (1995). Bureaucracy, Friends, and Money: The Growth of Capital Socialism in China. *Comparative Studies in Society and History* 37(3): 494-518.

Popular Organization Management Bureau of the Ministry of Civil Affairs. (2000). *Minjian Zuzhi Guanli Zuixin Fagui Zhengce Huibian (Collection of the Latest Regulations and Policies on the Management of Popular Organisations)*. Internal documents.

Pye, Lucian W. (1988). *The Mandarin and the Cadre: China's Political Cultures*. Ann Arbor: Center for Chinese Studies, University of Michigan.

Raab, Michaela. (1997). *Non-Governmental Social Development Groups in China*. Ford Foundation Beijing Office.

Rosenbaum, Arthur Lewis (ed.). (1992). *State and Society in China: The Consequences of Reform*. Boulder: Westview Press.

Saich, Tony. (2000). Negotiating the State: The Development of Social Organisations in China. *China Quarterly* 161: 124-141.

_____. (2001). *Governance and Politics of China*. New York: Palgrave.

Schmitter, Philippe C. (1979). Still the Century of Corporatism? In Philippe C. Schmitter and Gerhard Lehmbruch (eds.), *Trends towards Corporatist Intermediation*. Beverly Hills: Sage.

Sergeyev, Victor M. (2001). Organized Crime and Social Instability in Russia, in Victoria E. Bonnell and George W. Breslauer (eds.), *Russia in the New Century: Stability or Disorder?*(pp.158-171). Boulder, Colorado: Westview Press.

Shen, Yuan and Wusan Sun. (1999). "Zhidu de Xingtongzhiyi" yu Shehui Tuanti de Fayu--Yi Zhongguo Qingjihui jiqi Duiwai Jiaowang Huodong Weili ("Institutional Isomorphism" and the Growth of Social Organisations--The Case Study of the China Youth Development Foundation and Its Contact with Overseas Organisations). Paper presented at the International Conference on the Development of Non-profit Organisations and the Chinese Project Hope, Beijing, 30 October – 1 November.

Shen, Xiaodan. (1992). Shehui Tuanti de Xingzhenghua yu Yinglixing Qingxiang Qianxi (A Preliminary Analysis of the Bureaucratic and Profit-Making Tendency of Social Organizations), in China Social Organization Research Society (ed.), *Zhongguo Shehui Tuanti Yanjiu (Research on Chinese Social Organizations)* (pp. 43-49). Beijing: China Social Publishing House.

Shi, Tianjian. (1997). *Political Participation in Beijing*. Cambridge, Massachusetts and London: Harvard University Press.

Shue, Vivienne. (1994). State Power and Social Organization in China, in Joel S. Migdal, Atul Kohli and Vivienne Shue (eds.), *State Power and Social Forces: Domination and Transformation in the Third World* (pp. 65-88). Cambridge: Cambridge University Press.

_____. (1998). State Power and the Philanthropic Impulse in China Today, in Warren F. Ilchman, Stanley N. Katz and Edward L. Queen II (eds.), *Philanthropy in the World's Traditions* (pp. 332-354). Bloomington: Indiana University Press.

Sidel, Mark. (1995). Dissident and Liberal Legal Scholars and Organizations in Beijing and the Chinese State in the 1980s, in Deborah S. Davis *et al.* (eds.), *Urban*

Spaces in Contemporary China: The Potential for Autonomy and Community in Post-Mao China (pp. 326-346). New York: Cambridge University Press.

Sokolov, Valerii. (2001). Caring for the Homeless in St. Petersburg, in Heyward Isham and Natan M. Shklyar (eds.), *Russia's Fate Through Russian Eyes: Voices of the New Generation* (pp. 250-257). Boulder, Colorado: Westview Press.

Solinger, Dorothy J. (1992). Urban Entrepreneurs and the State: The Merger of State and Society, in Arthur Lewis Rosenbaum (ed.), *State and Society in China: The Consequences of Reform* (pp.121-141). Boulder, Colorado: Westview Press.

State Council. (1998a). Shehui Tuanti Dengji Guanli Tiaoli (Regulations on the Registration and Management of Social Organisations).

_____. (1998b). Minban Feiqiye Danwei Dengji Guanli Zanxing Tiaoli (Provisional Regulations on the Registration and Management of Private Non-Enterprise Units).

_____. (1998c). Shiye Danwei Dengji Guanli Zanxing Tiaoli (Provisional Regulations on the Registration and Management of Service Units).

Su, Li *et al.* (1999). *Guizhi yu Fazhan: Disanbumen de Falü Huanjing (Regulation and Development: The Legal Framework for the Third Sector)*. Hangzhou: Zhejiang People's Publishing House.

Sun, Bingyao. (1994) Zhongguo Shehui Tuanti Guanmin Erchongxing Wenti (The Semi-official, Semi-popular Dual Nature of Chinese Social Organisations). *China Social Sciences Quarterly* 1: 17-23.

Sun, Liping *et al.* (1999). *Dongyuan yu Canyu: Disanbumen Mujuan Jizhi Ge'an Yanjiu (Mobilisation and Participation: A Case Study of the Fundraising Mechanisms of the Third Sector)*. Hangzhou: Zhejiang People's Publishing House.

Tao, Dongming and Mingming Chen. (1998). *Dangdai Zhongguo Zhengzhi Canyu (Political Participation in Contemporary China)*. Hangzhou: Zhejiang People's Publishing House.

Thomas, Alan. (1992). Non-governmental Organizations and the Limits to Empowerment. In Marc Wuyts, Maureen Mackintosh, and Tom Hewitt (eds.), *Development Policy and Public Action* (pp.117-146). Oxford: Oxford University Press in association with The Open University.

Tsai, Kellee S. (2002). *Back-alley Banking: Private Entrepreneurs in China*. Ithaca and London: Cornell University Press.

Unger, Jonathan. (1996). "Bridges": Private Business, the Chinese Government and the Rise of New Associations. *China Quarterly* 147: 795-819.

Unger, Jonathan and Anita Chan. (1996). Corporatism in China: A Developmental State in an East Asian Context, in Barrett L. McCormick and Jonathan Unger (eds.), *China after Socialism: In the Footsteps of Eastern Europe or East Asia* (pp. 95-129). Armonk, New York: M. E. Sharpe.

Walder, Andrew G. (ed.). (1995). *The Waning of the Communist State: Economic Origins of Political Decline in China and Hungary*. Berkeley: University of California Press.

Wang, Hongying. (2001). *Weak State, Strong Networks: The Institutional Dynamics of Foreign Direct Investment in China*. Hong Kong: Oxford University Press.

Wang, Ming. (ed.). (2000). *Zhongguo NGO Yanjiu: Yi Ge'an wei Zhongxin (Case Studies of Chinese NGOs)*. Beijing: United Nations Centre for Regional Development and Tsinghua University NGO Research Centre.

Wang, Ming. (ed.). (2001). *Zhongguo NGO Yanjiu: Yi Ge'an wei Zhongxin 2001 (Case Studies of Chinese NGOs 2001)*. Beijing: United Nations Centre for Regional Development and Tsinghua University NGO Research Centre.

Wang, Ying, Xiaoye Zhe and Bingyao Sun. (1993). *Shehui Zhongjian Ceng: Gaige yu Zhongguo de Shetuan Zuzhi (The Social Intermediate Stratum: Reform and China's Social Associations)*. Beijing: Development Publishing House.

Wank, David L. (1995a). Private Business, Bureaucracy, and Political Alliance in a Chinese City. *Australian Journal of Chinese Affairs* 33 (January): 55-71.

_____. (1995b). Bureaucratic Patronage and Private Business: Changing Networks of Power in Urban China. In A. G. Walder (ed.), *The Waning of the Communist State: Economic Origins of Political Change in China and Hungary* (pp. 153-183). Berkeley: University of California Press.

_____. (1999). *Commodifying Communism: Business, Trust, and Politics in a Chinese City*. Cambridge: Cambridge University Press.

Weigle, Marcia A. (2000). *Russia's Liberal Project: State-Society Relations in the Transition from Communism*. University Park, Pennsylvania: Pennsylvania State University Press.

White, Gordon. (1994). Prospects for Civil Society: A Case Study of Xiaoshan City, in David S. G. Goodman and Beverley Hooper (eds.), *China's Quiet Revolution: New Interactions between State and Society* (pp. 194-218). Melbourne: Longman Cheshire.

White, Gordon, Jude Howell and Xiaoyuan Shang. (1996). *In Search of Civil Society: Social Change in Contemporary China*. Oxford: Oxford University Press.

Whiting, Susan H. (1991). The Politics of NGO Development in China. *Voluntas* 2(2): 16-48.

Wu, Zhongze and Jinluo Chen (eds.). (1996). *Shetuan Guanli Gongzuo (Social Organization Management)*. Beijing: China Social Publishing House.

Xu, Yongguang. (1999). Zhongguo Disan Bumen de Xianshi Chuqing ji Women de Renwu (The Situation of China's Third Sector and the Tasks before Us). Paper presented at the International Conference on the Development of Non-profit Organisations and the Chinese Project Hope, Beijing, 30 October – 1 November.

Yang, Chunyu. (2001a). Anli 2: Sichuansheng Yilongxian Xiangcun Fazhan Xiehui (Case 2: The Yilong County Rural Development Association of Sichuan Province), in Dayong Hong *et al.*, *NGO Fupin Xingwei Yanjiu Diaocha Baogao (Research Report on the Study of NGO Poverty Alleviation Activities)* (pp. 76-103). Beijing: China Economics Publishing House.

Yang, Yunxin. (2001b). Anli 17: Yunnan Shengyu Jiankang Yanjiuhui (Case 17: The Yunnan Reproductive Health Research Association), in Dayong Hong *et al.*, *NGO Fupin Xingwei Yanjiu Diaocha Baogao (Research Report on the Study of NGO Poverty Alleviation Activities)* (pp. 541-567). Beijing: China Economics Publishing House.

Yep, Ray. (2000). The Limitations of Corporatism for Understanding Reforming China: An Empirical Analysis in a Rural County. *Journal of Contemporary China* 9(25): 547-566.

Young, Nick and Anthony Woo. (2000). *An Introduction to the Non-profit Sector in China*. Kent: Charities Aid Foundation.

Zhang, Yunqiu. (1997). From State Corporatism to Social Representation: Local Trade Unions in the Reform Years, in Timothy Brook and B. Michael Frolic (eds.), *Civil Society in China* (pp. 124-148). Armonk, New York: M. E. Sharpe.

Zhang, Zhenying, Weiqun Ma and Junli Yang. (1998). *Shiye Danwei Jiqi Gaige (Service Units and Their Reform)*. Yinchuan: Ningxia People's Publishing House.

Zhao, Chengong. (1992). Shehui Tuanti Xingzhenghua Qingxiang Wenti de Tantaoyao (Discussion on the Problem of the Bureaucratic Tendency of Social Organizations), in China Social Organization Research Society (ed.), *Zhongguo Shehui Tuanti Yanjiu (Research on Chinese Social Organizations)* (pp. 57-62). Beijing: China Social Publishing

House.

Zhao, Suisheng (ed.). (2000). *China and Democracy: Reconsidering the Prospects for a Democratic China*. New York and London: Routledge.

Zhong, Yang, Jie Chen and John M. Scheb II. (1997). Political Views from Below: A Survey of Beijing Residents. *Political Science and Politics* 30(3): 474-482.

Zhou, Zhiren and Qingyun Chen (eds.). (1999). *Zilü yu Talü: Disanbumen Jiandu Jizhi Ge'an Yanjiu (Self-discipline and Discipline by Others: A Case Study of the Supervision Mechanisms of the Third Sector)*. Hangzhou: Zhejiang People's Publishing House.