

Rising Importance of Civil Society in the People's Republic of China

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Chapter Overview

In the first part of this chapter, China's population, geographical location, and administrative division are introduced. China has the highest population and the third largest area in the world. Politically, it is roughly divided into three levels of provinces, counties and towns, which can be further sub-divided.

The second part illustrates the Chinese government in the administrative and legal context. China's Constitution and Organization-Law of Local Governments of all Levels mandate the existence and function of the local governments. Under the supervision of the central government, local governments are gaining more influence in managing local affairs. On the other hand, civil societies are more involved in the management of local governments.

In the third part, it focuses on Chinese civil society. Theoretically, Chinese scholars haven't settled on who and what comprise Chinese civil society, whether civil society has been formed in China, and under what composition forms and names, because China has a different background / experience in forming civil societies compared to Western countries. Chinese civil societies have exerted distinguished functions in various sectors like the social sector, economy, environment, and some other fields. Financing is also a problem. Most of the funding utilized by the civil societies is from government, is also received some funding from enterprises, and from donors, which contradicts with the objectives of civil society.

In the fourth part, it discusses the functions of civil society in local governance, and the functions in the reform of economic system and political system, particularly, in the period of transition. In its development and practice, problems emerged. It analyzes the relationship between the government, civil societies and enterprises, which if handled properly will facilitate the development of civil societies in China. If the relation can't be treated properly, the development of civil societies will be held back.

In the last part, three cases are given to show how Chinese civil societies have developed.

I. Brief Historical Context

The People's Republic of China, Beijing as the capital, was founded on October 1st, 1949. Up to the end of 2004, China has a population of 1,299,880,000. China is a united and multi-national country, with 56 nationalities, such as the Han nationality, Mongolia, Manchu, Korea etc.

According to the Constitution of People's Republic of China, the administrative

districts are divided as following: the whole country is divided into provinces, municipalities, cities directly under the jurisdiction of the central government, and special districts. On July 1st, 1997, Chinese government got back the exertion of the sovereignty of Hongkong, and set up Hongkong Special District. On December 20th, 1999, Chinese government got back the exertion of the sovereignty of Macao, and set up Macao Special District.

Table 1 Brief Table of Districts Division of the People's Republic of China

Districts of province level	Area (km ²)	Population (10,000 people)
Beijing City	16,807.8	1,492.7
Tianjin City	11,305	1,023.67
Hebei Province	190,000	6,808.75
Shanxi Province	156,000	3,335.07
Neimenggu Autonomous Region	1,183,000	2,384.35
Liaoning Province	145,700	4,217
Jilin Province	187,400	2,708.5
Heilongjiang Province	454,000	3,816.8
Shanghai Province	6,340.5	1,352.39
Jiangsu Province	102,600	7,432.5
Zhejiang Province	101,800	4,719.57
Anhui Province	139,600	6,288
Fujian Province	121,400	3,511
Jiangxi Province	166,947	4,283.57
Shandong Province	157,100	9,180
Henan Province	167,000	9,717
Hubei Province	185,900	6,016.1
Hunan Province	211,875	6,697.7
Guangdong Province	179,800	8,303.72
Guangxi Chuang Autonomous Region	236,300	4,889
Hainan Province	35,000	817.83
Chongqing City	82,400	3,144.23
Sichuan Province	485,000	8,724.6
Guizhou Province	176,100	3,903.7
Yunnan Province	394,000	4,415.2
Xizang Autonomous Region	1,228,400	273.68
Shanxi Province	205,600	3,705.2
Gansu Province	455,000	2,618.78
Qinghai Province	722,000	538.60
Ningxia Hui Nationality Autonomous Region	66,400	587.71
Xinjiang Uygur Autonomous Region	1,660,000	1,963.11
Hongkong Special District	1,098	
Macao Special District	25.4	
Taiwan Province	35,873	

Provinces and autonomous regions are further divided into autonomous prefectures, counties, autonomous counties and cities. Counties and autonomous counties are divided into villages, national villages, and towns. Up to December 31st, 2004, there are 23 provinces, 5 municipalities, 4 cities directly under the jurisdiction of the central government, and 2 special districts; 50 areas (prefectures, alliances); 661 cities, including 4 cities directly under the jurisdiction of the central government, 283 cities of district level, 374 cities of county level, 1,636 counties (autonomous counties, banners, autonomous banners, special districts, and forest districts); and 852 districts under the jurisdiction of city. So totally, there are 34 districts of province level, 333 districts of city level, and 2,862 districts of county level.

II. The Administrative and Legal Policy Context

The Constitutional Basis / Mandate of Local Governments

Since 1982, when China's Constitution was first published, it has been amended four times: 1988, 1993, 1999 and 2004, but its content about local government hasn't been revised once. Among about 130 articles, the content about local government was covered in 27 articles. Section 5 covers "The local people's congress and the local people's governments at different levels", while section 6 cites that "The organs of self-government of national autonomous areas", some articles become the constitutional basis of local governments, some articles regulate the extent of the powers, functions and responsibilities of local government, and some articles mentioned the civil society participation.

In section 5 and section 6 of China's constitution, some articles highlight the legal basis of local governments and their organs. Article 95 states, people's congresses and people's governments are established in provinces, municipalities directly under the Central Government, counties, cities, municipal districts, townships, nationality townships and towns. The organizations of local people's congresses and local people's governments at different levels are prescribed by law. Organs of self-government are established in autonomous regions, autonomous prefectures and autonomous counties. Article 96 says, local people's congresses at different levels are local organs of state power. Local people's congresses at and above the county level establish standing committees. Article 105 states, local people's governments at different levels are the executive bodies of local organs of state power as well as the local organs of state administration at the corresponding level. Local people's governments at different levels practice the system of overall responsibility by governors, mayors, county heads, district heads, township heads and town heads. Article 107 indicates people's governments of provinces and municipalities directly under the Central Government decide on the establishment and geographic division of townships, nationality townships and towns. Article 112 states, the organs of self-government of national autonomous areas are the people's congresses and people's governments of autonomous regions, autonomous prefectures and autonomous counties. Article 120 cites, the organs of self-government of the national autonomous areas may, in accordance with the military system of the state and concrete

local needs and with the approval of the State Council, organize local public security forces for the maintenance of public order.

The Extent of the Power of Local Government

According to China's constitution and Organization Law of Local Governments of All Levels, local governments have the authority / influence in the aspects of organization, local economy, policy, culture, personnel, and so on. For example, local people's congresses at and above the county level have the power to examine and approve the plans for economic and social development, the budgets of their respective administrative areas, and their implementation. They have the ability to alter or annul inappropriate decisions of their own standing committees. The people's congresses of nationality townships may, within the limits of their authority as prescribed by law, take specific measures suited to the peculiarities of the nationalities concerned.

The people's congresses of provinces and municipalities directly under the Central Government, and their standing committees, may adopt local regulations, which must not contravene the Constitution, statutes and administrative rules and regulations.

At their respective levels, local people's congresses elect, and have the power to recall, governors and deputy governors, or mayors and deputy mayors, or heads and deputy heads of counties, districts, townships and towns. This equally applies to presidents of people's courts and chief procurators of people's procuratorates at the corresponding level. The election or recall of chief procurators shall be reported to the chief procurators of the people's procuratorates at the next higher level for submission to the standing committees of the people's congresses at the corresponding level for approval.

Local people's governments at and above the county level oversee the work of their subordinate departments and of people's governments at lower levels, and have the authority to alter or annul inappropriate decisions of their subordinate departments and people's governments.

People's congresses of national autonomous areas have the power to enact autonomy and specific regulations in the light of the political, economic and cultural characteristics of the nationality or nationalities in the areas concerned.

The organs of self-government of the national autonomous areas have the autonomy in managing / handling the finances of their areas. All revenues accruing to the national autonomous areas under the financial system of the state shall be managed and used independently by the organs of self-government in those areas.

The organs of self-government of the national autonomous areas independently arrange and administer local economic development under the guidance of state plans.

Function of Local Government

The standing committee of a local people's congress in the county discusses and decides on major administrative issues; supervises the work of the people's govern

ment, people's court and people's procuratorate at the corresponding level; annuls inappropriate decisions and orders of the people's government at the parallel level; annuls inappropriate resolutions of the people's congress at the secondary / subordinate level; decides on the appointment and removal of functions of state organs within its jurisdiction as prescribed by law. When the people's congress at the corresponding level is not in session, it recalls individual deputies to the people's congress at the succeeding level and elects individual deputies to fill vacancies in that people's congress.

Local people's governments within and those higher than the county level, as authorized and prescribed by law, conduct the administrative work concerning the economy, education, science, culture, public health, physical culture, urban and rural development, finance, civil affairs, public security, nationalities affairs, judicial administration, supervision and family planning in their respective areas; issue decisions and orders; appoint, remove and train administrative functionaries, appraise their work and reward or punish them. People's governments of townships, nationality townships and towns carry out the resolutions of the people's congress at the corresponding level as well as the decisions and orders of the state administrative organs at the succeeding level and conduct administrative work in their respective areas.

Responsibility of Local Government

The arms of self-government in the national autonomous areas independently administer educational, scientific, cultural, public health and physical culture affairs in their respective areas, sort out and protect the cultural legacy of the constituents and work for the development and prosperity of their culture.

Local governments at different levels are responsible, and report on their work, to people's congresses at the corresponding level. Local people's governments at the county and uppermost levels are responsible, and report on their work, to the standing committee of the people's congress at the corresponding level when the congress is not in session. Local people's governments at different levels are responsible, and report on their work, to the state administrative organs at the next higher level. Local people's governments at different levels throughout the country are state administrative organs under the unified leadership of the State Council.

Chinese Policy on Decentralization and the Key Aspects of the Decentralization Policy

With the economic reform, the relationship between central government and local government has followed a stop-and-go pattern (Przeworski's, 1991), or a *fang/shou* cycle (Harding, 1987). In the first full decade of post-Mao reform, from the Third Plenum of the Eleventh Central Committee (December 1978) to the tightening up (1993-4), seven complete repetitions of the *fang/shou* cycle were observed. "*fang*" is a plural move, an act of letting go, and granting autonomy and tolerance, which means local government getting more autonomy from the central government. "*shou*" is a unifying move, instinctively tightening, and claiming control,

unity, discipline, order and stability, which means local government getting less autonomy from the central government. Four short phases accurately illustrate the cyclical nature of Chinese reform. "*Yi fang jiu luan*" means that disorder follows openness, autonomy and liberalization; "*Yi luan jiu shou*" means that re-control and discipline follows this disorder; "*Yi shou jiu si*" means that unity and control leads to ineffectiveness and lack of dynamics; "*Yi si jiu fang*" means that ineffectiveness leads to another wave of openness, autonomy and liberalization (Baogang He, 1997).

Altogether, since the decentralization reform, compared with other countries, the power of Chinese local governments has been immense / broad. The local government can regulate local economy, with financial power / autonomy; it can manage state-owned enterprises, 80% of which are managed by local government in China, while 80% state-owned enterprises of former Soviet Union were managed by the Central Planning Committee; the scale of investment of local government is large and local governments affect credit greatly (Qian Yinyi).

Civil Society Participation in Local Governance

In China's Constitution, article 111 mentions the establishment of civil society and its participation in local governance. It says, the residents' committees and villagers' committees established among urban and rural residents on the basis of their place of residence are mass organizations of self-management at the grass-roots level. The chairman, vice-chairmen and members of each residents' or villagers' committee are elected by the residents. The relationship between the residents' or villagers' committees and the grass-roots organs of state power is prescribed by law. The residents' and villagers' committees establish committees for people's mediation, public security, public health and other matters in order to manage public affairs and social services in their areas, mediate civil disputes, help maintain public order and convey residents' opinions and demands and make suggestions to the people's government.

Chinese central government is now paying more attention to the establishment and development of civil society. For example, Central Government, in its program of "11th Five Year" points out, our task of reform is still challenging, especially in the reform of grass roots' democracy in rural areas. In order to construct a "New country", to accommodate the relations between central government and local government, between the country and civil society, and between labor and capital are very important.

First, to consider the relation between central government and local government, the social role of peasants is an important yet restrictive factor. In the initial stages of economic development, a strong central government is needed to mobilize the economic resources of rural areas and to sustain the development of industry. But after the economy development reached a certain level, the power of local government needs to be extended to boost up the local creativity.

Second, the key to modify the relation between the country and society is to develop a new structure is broken, and the social structure dominated by market transaction substitutes that dominated by "acquaintance relationship", the need for democratic

policy will come into being. That is to say, the peasant society should be turned into a civil society.

Third, it is necessary to address the association / connection between labor and capital is to resolve the problem of equality. In the early stages of social transition, most provinces will face the problem of rural surplus labor looking for refuge / security in their own country. The laborers, after entering the city, will find it difficult to form their own organization, and are located in a passive position. So the contradiction between capital and peasant should be turned into the contradiction of inner civil society (Dang Guoying).

III. Focus on Civil Society in Governance

A Brief Situation in Civil Society in China

Chinese civil society research

Even though "Civil Society is a complex concept, fraught with theoretical and moral implications. Among Chinese scholars, many have come to see it as the 'missing link' between Western and non-western political experiences" (Heath B. Chamberlian, 1993), but "To apply (or misapply) the term to contemporary China is to affect profoundly the way we perceive and treat that nation. That is to say, it matters a lot how we define the concept and employ it" (Bao Jinghua, 2004), so it is the first step to understand the definition of civil society.

In contemporary China, the idea of "civil society" is derived from Western historical experience, so it may prove to be a problematic way of understanding social change in societies with very different historical trajectories (paths) and social characteristics. In a contemporary analysis of China and other societies, one can detect two underlying concepts of "civil society" which are often used interchangeably and contribute to the confusion, which surrounds the term. We could call these the sociological and the political conceptions. The sociological conception is that of an intermediate associational realm situated between the state on the one side and the basic building blocks of society on the other (individuals, families, and firms), populated by separate social organizations, and enjoy some degree of autonomy from, the state and are formed voluntarily by members of society to protect or extend their interests or values. The political conception, which derives most clearly from the Anglo-American liberal tradition of political theory, equates "civil society" with "political society" in the sense of a particular set of institutionalized relationships between state and society based on the principles of citizenship, civil rights, representation, and the rule of law. In effect, this view of "civil society" makes it virtually indistinguishable from a standard conception of a liberal democratic polity (Gorden White).

Chinese civil society reality

Since 1949, there has been a dual dynamic in the emergence of a civil society. The first is a political dynamic, which reflects the impact of totalistic political institutions on a society and the political tensions and conflicts to which this gives rise.

In this context, civil society characteristically takes the form of resistance to state control on the part of groups and organizations with implicit or explicit political agendas. The second dynamic of "civil society" is a market dynamic, analogous to the "Great Transformation" wrought by the spread of market relations in Western societies. In this context, civil society is a consequence of a separation between state and society resulting from the rise of a market economy and the concomitant redistribution of social power away from the state to new strata which are thereby empowered to rein in and restructure the state (Gorden White).

Based on this concept of civil society, Chinese civil society can be divided into two categories: political civil society and economic civil society. In most developing countries, there are organized economic civil societies, while it is difficult to form a political civil society due to the lack of democratization and low degree of social openness. It is certain that corporation (organization), core of economic civil society, has been present / established in China. The chronicled types of guilds and confraternity organizations once constituted economic civil society. But the comparatively independent civil society was developed after 20th century, and reached its pinnacle after 1978's openness reform. In 1997, the number of corporation organizations above county level in the whole country reached 180,000, among which made up of 21,404 organizations and 1848 at the provincial country level. Various civil organizations below county level are estimated at least 3,000,000, composed of 739,500 villagers committees and 510,000 grass root trade unions. After the reform, another kind of CSOs appeared, non-enterprises units run by local people. They are civil service cause units, non-profit organizations running on social compensation. Up to 1998, this kind of organizations has reached more than 700,000.

The Civil Societies Sectors are Playing a Key Role

Chinese civil society is playing an important role in the following sectors:

In the social sector:

In the social sector, based on their different functions, civil organizations play important roles in the following aspects: First, evaluation and appraisal. This kind of organizations provides evaluation and appraisal for the society, keeping neutrality (objectivity), so it results to impersonal, dependent, impartial, and technological. Second is validation. Such organizations are mainly comprised of accountant offices. Their broad range of operation covers evaluation, consultation, checkup, deputy and so on. Third is deputy. This kind of organization obtains / receives commission and deputy fee. Fourth is broking. In an economic activity, such organization give rise to trade, and receive commission. Fifth is business. These kinds of organizations do not conduct business directly, but are situated in various locations offering different types of services. Sixth is occupation introduction. These include labor market, occupation introduction (employment) office, talent market and so on. Seventh is consultation, that is made up of experts and these organizations provide intellectual service.

In charity cause

The main responsibility of charity organizations is to expansively collect resources that will enable them to locate and provide timely assistance, find people in the need of social salvation in time, and provide them with help and service. The year 1994 may be recognized as a charity year. After the first civil charity group, Hunan Charity Association, was set up on January 18th 1994, Zhonghua Charity Association and other 28 civil charity groups within the provinces or local levels were set up.

In commonwealth foundation

On September 27th 1988, China issued "Management Measures of Foundations", in which foundations refer to non-profit organs serving public cause, and imburse social commonwealth causes. Since 1980's, more than 1,000 foundations have continuously been set up involving social welfare, charity salvation (aid), educational assistance and training, medical treatment and health care, science research, culture and art, ecology and environment, international cooperation and so on. According to their source of funding, Chinese foundations can be sub-divided into foundations set up by government, by social contributions of individuals, the community and companies.

In environment

Most Chinese organizational environment protection activities are directly supported sponsored and organized by the Chinese government, which are in the form of publicity and educational activities, such as Environment Publicizing Month and Environment Day, with a few activities formed spontaneously by citizens. The civil environment organizations in Beijing, Guangzhou, Chongqing and Fuzhou are more active. According to data since 2000, there have been over 10 environment organizations in Beijing. Students environment groups have been frontrunners, including, Beijing colleges which have always been very active. There are more than 30 college-based students' environment groups in the capital. In recent years, many civil environment organizations have established their environment net, which probe into and publicize environmental causes.

In commonwealth volunteer service

Among Chinese volunteers, the Youth Volunteer is the biggest in scale, with the widest activity, with the most perfect organizational system, and the most influential in the society. Their activity involves: "one help one" troop service for long-run; the relay plan for helping the poor; they're playing an important role in the country's large activity and the urgent, difficult, dangerous tasks, protecting Mother's River (Wu Jinliang, 2001).

Comparative Advantages of Chinese Civil Society

Large scale civil societies of modern day China mainly began in 1980's, later than western countries, to learn from the western experiences and minimize the gap and

adapt the changing situation of China.

Chinese civil society can be developed on good foundation. The first is economic basis. In 1956, the system of private-owned production materials was reformed, and then in 1978 the system of state-owned production materials was amended. Since 2003 and 2004, the co-existing organic and integrated economic basis, "new model state-owned system" and "new model private-owned system" has been set up. It is in this economic background that contemporary Chinese civil society was formed. The second is the appearance of cities of non-political center, such as Shenzhen, Xiamen, Wenzhou, Suzhou, Dalian, etc. The third is the formation of net society, which changed the traditional social communication mode. The fourth is the reconstruction of traditional society by intellectuals. The fifth is the appearance of private corporation organization (Yao Shangjian).

In effect, Chinese civil society can be traced back to Tang Dynasty, Song Dynasty, etc. At that time, some market / business organizations were formed, which can be regarded as rudiments of civil society because they manifested / embodied the qualities / characteristics played by contemporary civil societies. That is to say, China has a good tradition and historical experience for civil society to develop on.

China is in its transition period in both politics and economy. Many laws and policies are being revised or created. This can create conducive environment for civil society to grow in.

How are They Funded?

The foundations set up by governments are funded by governments. In March 1981, when 4th committee conference of Chinese Academy of Sciences was held, 8 committee members brought forward to set up natural science foundation of the country funded by the country, and this was agreed and supported by the central government. In 1981, the Chinese Children and Juvenile Foundation was set up, initiated by 17 corporations and units. At present, China has established many foundations in various fields such as science research, technology extending (development), culture and education and social development. These foundations are all funded by the country.

Some Chinese foundations are funded by enterprises and individuals. For example, Chinese Youth and Juvenile Development Foundation is a triune organization of "civil foundation, public collecting organs, and social corporations". The Hope Project is a social commonwealth cause organized and executed by this foundation. At the beginning, the Hope Project sent 500,000 "convincing letter" to industry and private enterprises. And later, they published the letter in the newspapers, such as "Renmin Daily", "Renmin Daily Overseas Edition", "Guangming Daily", "Chinese Youth", "Economy Daily", "Workers Daily", "Chinese Juvenile", and so on.

In China, foundations sponsored by sole individuals are minimal. But with the growing of new rich estate, the improvement of logical systems concerned, and the boosting of the whole society's charity idea, the future of Chinese private foundation is bright.

The Enabling Policy and Mechanism for Their Participation in Governance

Chinese Central Government considers the work of civil organization management. The Party's 14th Congress points out that we should "exert the function of the guild association and the chamber of commerce". In the report of 15th Congress, "cultivate and develop social organization" was put forward. In 1996, the central government focused on the problem of management of social groups and non-enterprise units run by civil society, and decided to hand over non-enterprise units run by civil societies to Department of Civil Administration. Since it was reformed, the Chinese central government has given significance to the development of Chinese civil organizations, under the directing policy of "one hand for cultivation, the other for supervision and management", creating room for the development of civil organization.

China has improved in constructing systems dealing with civil society. First, in the field of government, the system of administrative procedure, administrative suit, and administrative compensation has progressed well. "Return rights to civil, return rights to society" has become the basic value direction (Deng Zhenglai, 1996). Second, in the field of economy, the status of private economy and private assets ownership has been established. And since the reform, a series of laws and regulations concerning civil society have been issued and implemented. Third, in the field of society, "Enrolling and Managing Statute of Social Corporations", "Temporary Enrolling and Managing Statute of non-enterprises units run by civil", and other local codes, department rules, and a series of policies have grown to support the establishment of different kinds of civil organizations. Fourth, which is the most important; the notion of Chinese legislation is evolving from managing citizens to safeguarding the rights of citizens. In the past 20 years, Chinese People's Representatives Congress and its standing committee have set down 268 laws, passed 118 decisions concerning the problem of law; the State Council has set down 860 administrative statutes; the People's Congresses and their standing committees of 31 provinces, self-government districts, cities directly under the jurisdiction of the central government have set down and ratified more than 7,000 local statutes; all the departments of the State Council and local governments with the authority to legislate, have set down more than 30,000 regulations.

IV. Issues, Concerns and Challenges on Civil Society in Governance

Legitimate Role of Civil Society in Governance

In China's system transition, civil organizations play their systematic role. The role mainly focuses in the following aspects.

Accelerate the transition of government functions

Civil organizations undertake part of economic and social functions, which are brought out in order for the government to adapt the market economy system. Because most of these functions are comparatively concrete and complex, when civil

organizations undertake them, the government can disengage from microcosmic management, and focus on macro-management.

Cultivate and standardize market

"The underdevelopment and faultiness of civil organizations is an important aspect among the underdevelopment and faultiness of China's market economy. All kinds of problems appearing in civil organizations reflect the problems in China's market economy" (Gao Shangquan). The civil organization is a sustaining system of market economy. It is not subject to government systems, which are often divided into strips or blocks, and its principles are impartiality, justness and impersonality, so it takes on the most important role in regulating the economic activity.

Impelling the transition of enterprises' operating system

To establish modern enterprise system, the translation of the enterprises' operating system is an important competitive part in economic system reform. The purpose of this transition is to free the enterprises from the direct control of the government, and enable the enterprises to operate, being responsible for profit and loss, developing and restricting. In breaking away from the government, enterprises would require of a civil organization to serve them, to arrange and communicate across with the transverse and lengthways relations, and to pass messages concerned.

Forming autonomic social order

The aim of establishing civil organizations is to separate society from government, and to form an autonomous social order through the conform function of civil organizations.

Capacities of Civil Society

The Administrative Science Research Department of China's Ministry of Personnel summed up the basic capacities of China's civil society in a report:

Social service

As a service social organization, civil society's basic function is to serve enterprises and to serve society. Different kinds of civil organizations have different form and content of service. Its service is different from that of government administration. The service relationship between civil organizations and other parts is of civil legal relation, while the service relationship between government and other parts is of administrative relation. On the condition of market economy, in principle, management of all the social fields should be undertaken by civil organizations, and only when the civil organization is unable to undertake is when the government would be needed.

Social communication

Through communications between government and enterprises, government

and society, government and market, civil organizations are integrated into the society under the effect of market mechanism, as a bond / link. On the one hand, civil organizations reflect the opinion and suggestion of enterprises to government, for reference when implementing policy and law; on the other hand, civil organizations help the government to publicize, direct and supervise the enterprises, prompting them to obey the policy, law and statutes better.

Social appraisal

In a market economy, enterprises are dependent market bodies, and no longer concerned about their opportunities for status, just like they used to do in planning economy. There are more production and utilization and in order to choose the best, they need groups with professional knowledge and specific establishment to appraise their choice objectively and justly.

Social decision

In a market economy, society needs deciding agencies without administrative distinction, without local restriction, and the party free to choose from, to undertake the function of decision. In the past several years, the arbitration companies in the fields of economy, technology, international trade and maritime affairs, have undertaken the function of social decision, easing the pressure off judicial offices, weakening the decision function of administrative organs.

Social modulation

In the market economy, the market plays a dominant role in the distribution of resources. But the market is complex, and it needs concrete modification and organization which it can modulate. At present, many civil organizations, according to market rules, are playing significant roles in allocating resources.

Comparative Advantage Issues

In the development of Chinese civil society, seven principal problems have appeared: improper orientation of functions and aims of civil society; dependency on the government, short of independence; absence of an even managing system, numerous intervention by the government, influencing equal competition; the diverse inner management, poor social credit; poor supervision from the government; imperfect laws and regulations concerning civil society.

Government — Civil Society Partnerships

The development of civil society requires cooperation of government and enterprises. According to foreign experiences, these can be the following modes:

Civil organizations dominated (directed) by government, enterprises can provide part of fund or contract to the government to manage, and all sectors of society participate which can be classified as "run by government, helped by commerce and society".

For civil organizations handled by enterprises, the government support with

policy and partial funding, and all sectors of the society contribute to can be identified as "run by commerce, helped by government and society".

As for civil organizations regulated by social corporations, the government helps with funding and supervision, and funded by enterprises, which can be classified as "run by the society, helped by government and commerce".

For civil organizations run by a combination of government, enterprises and society, no one will be given priority and each is responsible for his own. The most important function of government is lawmaking and policy making, helping with funding if necessary (Zhu Chuanyi, 1999). In the cooperation relationship, government take on the steering role, leading the resources of enterprises and corporations to social commonwealth cause.

V. Cases of Chinese Civil Society

China Environmental Protection Foundation (CEPF)

China Environmental Protection Foundation (CEPF) was founded on April 27, 1993. It is the first Non-government Foundation dedicated to environmental protection in China. Prof. Qu Geping, the First Administration for China National Environmental Protection Agency (NEPA), and the President for the Environmental Protection And Natural Resources Conservation Committee Of The China National People's Congress, is the President for the Board of Directors of China Environmental Protection Foundation. The United Nations awarded Prof. Qu Geping with the Environmental Prize for his outstanding contribution and leadership for China's environmental protection at the UN Conference on Environment and Development held in Rio de Janeiro, Brazil in 1992. After receiving the prize of US dollars 100,000, Prof. Qu Geping decided to donate the entire amount and proposed to establish the China Environmental Protection Foundation. This proposal had been widely supported. Mr. Wan Li, former Chairman of the Standing Committee of the China National People's Congress, and Mr. Huang Hua, former Vice-Premier of the State Council and Foreign Minister are the Honorary Presidents of CEPF. A number of experts, scholars and celebrities from China and abroad were appointed to be the CEPF special advisors.

The supreme organ of the CEPF is the Board of Directors, which is composed of celebrities from China and abroad, and representatives from governments, social organizations and enterprises. Under the leadership of the Board of Directors, CEPF has set up strict rules for fund raising, management and use. All of these activities have to comply with the state laws and regulations, and are subject to the supervision by the concerned government agencies, donors and the individuals both in China and abroad. In accordance with the principle of "from the people, for the people and the benefits the mankind", the CEPF exerts great efforts to raise fund through different activities to encourage and commend the organizations and individuals who have made outstanding and continuous contributions to environmental protection, to sponsor various activities and projects, and to promote academic and technical exchange and cooperation with other countries in the field of environment

protection and ecosystem conservation in China.

Environmental protection is a public cause of far-reaching significance. While everyone is entitled to a clean and beautiful environment, such an environment needs public care and protection. The CEPF desires to have mutual regard and collaboration with social organizations and individuals both at home and abroad, set up relationships of mutual support and cooperation, and work together for environmental protection.

The China Youth Development Foundation (CYDF)

The China Youth Development Foundation (CYDF), a non-governmental and non-profit organization, was founded in Beijing in March 1989.

The non-profit or "third" sector in China developed during a period of reform and opening-up. An open, dynamic market economy was gradually replacing a closed, centrally-planned economy, resulting in widespread social change and breakdowns in the welfare system. No longer able to rely on the government to ensure job security and social benefits, people became increasingly self-sufficient and more independent. The rejuvenation in Chinese society created an unprecedented friendly environment for the development of China's previously insignificant non-profit sector. As one of the earliest non-profit organizations to be established, the CYDF has seen remarkable success.

In the thirteen years since its founding, the CYDF has devoted itself to the well-being and development of Chinese youth, primarily with regards to education, science and technology, culture, physical education, health, and environmental protection. At the same time, the CYDF has played an integral and active role in the development of non-profit organizations in China by organizing and promoting international exchanges and cooperation.

The CYDF is best known for launching and managing its largest program to date, "Project Hope." Project Hope has sought to help school dropouts in poor remote regions return to school and complete at least an elementary education. By the end of 2002, Project Hope had raised over RMB 2.2 billion in donations, helped 2.47 million children from poverty-stricken rural families continue their schooling, built 9,508 Hope primary schools, presented Hope mini-library series to 10,000 village schools in remote areas, and equipped more than 3,000 Hope primary schools with Sunchime film library series and other modern teaching equipment. In addition, the foundation has set up a "Stars of Hope Award Fund" to support top-ranked Project Hope students in further studies and a "Hope Primary School Teacher-Training Fund" to allow teachers to sharpen their skills and expand their knowledge.

The CYDF now seeks to use the considerable experience gained through the success of Project Hope to launch new projects. For example, the CYDF is conducting the "Care Project" which combines business and non-profit resources for charity programs; the "Chinese Ancient Poem Recital Project" intended to foster an appreciation for China's traditional culture among youth; the "Green Hope Project — Save Mother River," which is dedicated to improving China's ecological environment. All of these projects have been selected and planned with their sustainability in mind,

both logistically and financially.

Another activity of the CYDF is the presentation of awards and prizes that encourage Chinese youth to develop their talents. The CYDF has cooperated with the All-China Youth Federation in selecting "Ten Outstanding Chinese Youths" each year and is involved in the selection of "Young Chinese Scientists Winners." The CYDF has also established, together with the United Nations Development Program, an annual International Youth Prize for Poverty Elimination.

In addition, the CYDF encourages learning through publications and the use of the Internet. The CYDF created the Hope Monthly magazine that covers public events, and the China Youth Science and Technology magazine, both of which are distributed at home and abroad. The CYDF has also organized the "China Internet Contest" to popularize the use of the Internet for young people, assisting the government in promoting information technology throughout the country.

Finally, the CYDF is active in the development of China's non-profit sector. The CYDF hosted a conference to examine the development of non-profit organizations in China and the lessons that might be learned from Project Hope in that development. Also, the CYDF is currently undertaking China's first-ever "grant making" program in the area of education with the help of funds provided by international organizations. Perhaps most important is the CYDF's efforts to "professionalize" its own senior staff as well as other senior non-profit managers in China through the establishment of formal training programs at the People's University and at the Chinese University in Hong Kong. In this way the CYDF hopes to improve the quality and quantity of social progress in China, raise standards for non-profit organizations, and encourage foreign cooperation and support in reaching these goals.

The "socialization, modernization and internationalization" of China are part of the CYDF's core mission. In pursuit of these goals, the first thirteen years of the foundation's work has been imbued with a sense of social responsibility, creative initiative, care for the development of young people, and a spirit of aspiring to high organizational standards.

Currently, the CYDF is planning to train senior managers for non-profit organizations in China in an effort to make a greater contribution to social progress and development.

China Welfare Fund for the Handicapped (CWFH)

China Welfare Fund for the Handicapped (CWFH) is an independent national non-profit charity organization. It was founded in Beijing on March 15 in 1984, initially raised by 20 famous doctors and social figures including Li Wei-han, Hu Zi-ang, Ji Fang, Hua Luogeng, Zhao Puchu, Huang Dingchen, Wu Zuoren, Zhang Bangying, Huang Jiasi and Wu Jieping. The purpose and mission of CWFH is to advocate humanitarianism and to advance the cause for disabled people, to gain by having use of social resources, for equal participation of persons with disabilities in social activities and for them to experience the fruit of social material and cultural progress; to appeal to all walks of society to understand, respect, care and help the disabled individuals and encourage them to develop self-respect, self-confidence,

self-improvement and self-reliance.

The governing board of directors of CWFH is composed of over 110 individuals from all walks of society. Also, about 20 former state leaders are invited to be Honorary Board Director. Mr. Liu Huaqing is Honorary President and Mr. Deng Pufang is current President of CWFH. The Secretariat Division acts as CWFH's executive body in charge of its daily activities.

Since its establishment with the banner of humanitarianism, CWFH has been advocating that disabled persons are equal creators of material and cultural civilizations as their peers without disabilities. It assisted the Government in conducting the first national sampling survey on disability and drafting the Law of the People's Republic of China Concerning the Protection on Disabled Persons, and cooperatively participated in the implementation of China's Five-year Work Program on Disability, the Eighth, Ninth and Tenth Five-year National Work Programme on Disabilities and Changjiang New Millennium Programme. Adhering to the principle of "From the society and for the undertaking for disabled", with care and support from government and all circles at home and abroad, CWFH has so far raised funds amounting to 480 millions RMB yuan, of which 280 million is already being used to achieve progress in areas such as rehabilitation, education, employment, culture and sports development for disabled persons and benefiting them practically. It hosted a lot of charity and fundraising activities such as Shenzhen Centennial Charity Fundraising Event at Occasion of International Day of Disabled Persons, The Great Wall Torch Run for Special Olympic China, Commemoration on the Tenth Anniversary of Promulgation of The Law of Protection of Disabled Persons, Commemoration on the Conclusion of The Asian and the Pacific Decade of Disabled Persons and Help Disabled Children for School. For its outstanding achievements, the United Nations presented to CWFH the United Nations Peace Passenger Citation in 1988, and to Mr. Deng Pufang a Special Award for UN Decade of Disabled Persons; and also to Mr. Deng Pufang the United Nations Prize in the Field of Human Rights in 2003.

Summary Statements

"The western mode of civil society belongs to western world only in the historic sense, but in the sense of sociology, it is of globality" (Jin Yaoji, 1999). So since China has its distinct and characteristic history as the background of the establishment of civil society, China may have its own mode of civil society. Obviously those who think Chinese civil society hasn't appeared are mistaken, and of course those who think China has got perfect civil societies are mistaken too. China has a long way to go to establish perfect civil society.

First, to deepen the reform of political system, and establish fine mutual relation between the country and the civil society are the most important. At present, chief fields to exert priority in: political democracy, transition of governments' functions, the Party's leading function, and promoting the procedure of political democracy. The result should be the realization of the four aspects: government functions with market property, government activity with law property, government decision with

democracy property, and government power with multi-center property.

Second, China should perfect the system of market economy, and conform to the premise and basis on which civil societies are built. So what China should do as soon as possible are: to establish modern enterprise system which adapts the require of market economy; to establish uniform and open market system and perfect system of macro-control; to establish income distributing system and multi-layer social ensuring system.

Third, social midst estate and corporation organizations should be cultivated, and the main body of civil society should be formed and developed. So China should let go the civil economy, strengthen the midst estate.

Fourth, the reform in the field of policy and culture should be pushed, and the character of independence should be forged. Socialistic political culture of law type is built on the basis of socialistic democratic policy, the main characters of it are: law is the uppermost, main body is equal, public participates, rights are ensured, powers are restricted, and affairs are handled in procedure (Wu Mingjun, 2004).

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