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NGOs IN CHINA:
WHAT'S THE STATE OF NONSTATE ACTORS TODAY?

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P R O C E E D I N G S

MR. LI: Good morning. Welcome. My name is Cheng Li. I'm the Director of the Thornton China Center here at Brookings. Thank you for taking the time to join us today, for what I know will be an illuminating discussion.

A well-functioning society depends on a civil discourse with diverse voices, and depends on the dynamic participation of social organizations. Such a well-functioning society or civil society is essential for stability, liberty, prosperity and dignity in the governance of any (inaudible) country.

China's remarkable economic development over the past three decades, especially the rapid rise of the Chinese middleclass has been accompanied by the reemergence of Chinese civil society. But as has been widely reported, civil society in China has come under increasing pressure during the past decade. Media censorship has tightened while detentions and imprisonments of human rights lawyers and activists have increased.

Many foreign observers of China are particularly concerned about the new Foreign NGO Law which takes effect on January 1st. Among the most worrisome aspects of the new law, are that the foreign NGOs must register with the Ministry of Public Security. They must find official Chinese sponsors and they must fulfill many new requirements. They raise the barriers to enter China for educational and research institutions, environment protection groups, charitable foundations, volunteer organizations and other NGOs.

According to the official Chinese sources, about 7,000 foreign NGOs currently operate in China. They have a long time operated -- For a long time they have operated in a legal gray area, and they now may face a future that seem to be far more restricted than before. It has also been noted, however, that the Chinese authorities

have gradually acknowledged the importance of maintaining an expansive civil society.

At least in Syria, arguably, also in practice, the new Charity Law which took effect on September 1st, makes it easy for domestic NGOs to register and fundraise, and even permit certain unregistered organization to exist.

Roughly, 675,000 social organizations are registered in China today, estimates of the number of unregistered social organization reached as high as 3 million. All of this, seemingly, contradictory development calls for a more thoughtful and a more balanced scholarly assessment of NGOs in China, which is the objective of today's program. While there are ample reasons to be concerned about the future of civil society in China, and it relates to both domestic and foreign NGOs, there are also reasons to be optimistic.

And now, without further ado, I turn the floor over to my colleague, Jamie Horsley. She's the newest member of the Brookings China Center, and who has previously, ran the Yale China Law Center for many years. And it's so wonderful to have you, to join us. And she and today's other distinguished speakers, will share the valuable light on the challenges and opportunities that NGO faces on the ground in China now. Thank you very much. Welcome. (Applause)

MS. HORSLEY: Thanks so much, Cheng. And thank you for having suggested that we hold this program, and to Brookings for hosting it, and hosting me here for this year's Visiting Fellow as well; and, to all of you braving the rain and weather to come out for this very interesting program.

As Cheng mentioned this has really been a turbulent several years for civil society in China. And of course civil society is a term that is not liked in China because it raises associations with color revolutions around the world. And NGOs are not referred to as NGOs, nongovernmental organizations in China; instead they are

called social organizations for the same reason. And these sorts of sensitivities just illustrate the ambivalence of the Chinese State with the whole development and existence of what we will refer today as Chinese civil society.

Cheng has talked about some of the development, the numbers keep flourishing. In fact, for the past several years the numbers of registered social organizations in China have been increasing by about 10 percent a year despite the restrictive environment. This year they are down a little bit maybe because of the very, very uncertain environment we are facing because of the Foreign NGO Law. The Foreign NGO Law which Cheng mentioned, of course that's a backdrop for today's discussion, but it's not going to be the main topic, although of course we can discuss that in the Q&A later.

Instead, I wanted to focus, and our discussants will focus, on trying to better understand what is happening within Chinese civil society so that anticipate how the new restrictions on the foreign NGO activity and funding might impact them, but more broadly just to get a better sense and educate ourselves as to how Chinese society is developing and even flourishing within and authoritarian state.

Now, I'm a lawyer, and so I study the laws and the legal framework and the regulatory environment as well, too. So I thought I'd give a really quick overview of sort of a context in which we can think about what's happening in Chinese civil society.

So, the Foreign NGO Law of course, is the first comprehensive law to regulate NGOs, which were largely not regulated before except for a few foundations. It requires, as Cheng said, all the foreign NGOs who want to be in China long term, to find an official government sponsor, and to register with the Ministry of Public Security.

So one of the concerns raised is that this law is definitely seen as part of an evolving national security law framework within China as well. On the other hand, we

should remember that the whole idea of the National Security and National Security Commission which was established first under Xi Jinping, was initially raised, not in the context of foreign affairs, and spies, and espionage, the idea of establishing this commission was presented to the public in the context of improving social governance innovation.

So the whole concept of national security in China, is heavily focused on the domestic situation as well, and foreign NGOs are part of domestic NGOs are caught up in that as well. Now, if you are temporary, you only want to do temporary activities in China, the new law was relaxed after having gone through a public comment proceeding, so that you have to find a Chinese partner, and then the partner files with the Ministry of Public Security still for your temporary activities.

But both of these forms of activity are subject detailed reporting requirements, restrictions on funding, Chinese partners, and also on the scope of activities you can undertake. We are all waiting for more guidance from the Ministry of Public Security on what is an activity, and what are the favored or preferred forums, or permitted forums of activity for foreign NGOs. We know they can engage in economics, education, environmental protection, public health, poverty alleviation, et cetera, and that they cannot be engaged with, or partner with for profit-making -- profit-making institutions, or engage in political and religious activities.

But beyond that we don't know more except that whatever you do, it may not threaten China's national reunification and security, ethnic unity, must not harm China's national and social interests, or the legitimate rights of others. We see the same language though, is now also being applied to all the domestic NGOs. So, clearly, this law does raise some security concerns although it's not at the forefront of what the objectives were.

One of the really fascinating things that Cheng also mentioned was, at the same time this law was being deliberated, and adopted, China's National People's Congress had accelerated the work on establishing China's first Charity Law which was a project that's been underway for over 10 years, and just one month before the Foreign NGO Law was adopted, the Charity Law was adopted. And people were very pleased to see that it actually liberalizes or relaxes the entry requirements for Chinese domestic charities.

It gets rid of this requirement to first find an official sponsor. This has been the major barrier, a political barrier, if you would, to a lot of, maybe thousands, maybe millions of domestic NGOs being able to register and legalize their own presence in China. So the charity law gets rid of requiring a public or official sponsor and allows you to go directly to the Ministry of Civil Affairs, or through a more simplified registration procedure.

Moreover, the law adopts a broad definition a relative broad definition of charity, so it also includes environmental protection, and public health, as well as the more traditional areas, of poverty alleviation, et cetera. So that will cover a lot, for example, foreign NGOs involved in environmental projects that are often also partnering with foreign NGOs as well.

In addition, the law uses the fundraising requirements, and it attempts to foster a culture of charitable giving through the improved information disclosure by charities, and by fraud provisions because there have been a lot of scandals with certain well-known Chinese charities, and it provides incentives such as the promise of a strengthened tax benefit regime, which we hope will actually be implemented.

Also at the same time then, or shortly thereafter, the State Council put out for public comment proposed revisions to the so-called three regulations, which

govern the registration and management of the three types of Chinese social organizations. They also put out a new regulation on volunteers and voluntary associations, all of these regulations would also eliminate the need for getting an official sponsor for four favorite types of organizations. Your charities, which are now also covered by the Charity Law, but also business associations, technology and science groups, and what they call community service organizations.

Some organizations will still need to get the sponsor including prominently foreign NGOs under that law, but for the big majority of Chinese NGOs their barriers to entry, if you would, have been eased substantially by raising that -- by eliminating that requirement. Now, of course these regulations also have drummed up a bit of the prohibition on engaging activities that might endanger national security in China. And a lot of observers, including Chinese academics, were concerned to see, for I think is the very first time, to have written into a regulation or a law, the requirement to establish branch organizations of the communist party.

This has always been required under the party rules and constitution, but it's the first time that the requirement has made a legal requirement, so it's one of these further blurring of the lines, between the party, the politics and the party, and what is a legal requirement. So, we have to see whether that requirement remains, and there's going to be a final version of the regulations once they are adopted.

Also at the same time, we've seen a continuation of high-level policy support for the positive and constructive role that social organizations can play in China, even while we are seeing this harassment and detention of a lot of civil activists. Most recently, in October, there was a joint policy document from the Party and the State Council on the healthy and orderly development of social organizations. And it actually envisions three important roles for social organizations in today's society. And they

include conveying the concerns of the people to policymakers, well that's advocacy.

It also includes participating in what they are now calling co-governance with the government, the market and individuals to address all the pressing concerns and issues that we are dealing with today. And another important role that's envisioned is delivering social services. And this is often under contract with the government agencies that used to do that, so it would elder care, orphanages, health related things, et cetera, et cetera. HIV/AIDS is a big one.

So under this policy environment, this new legal environment that's emerging for the domestic NGOs, we've seen NGOs continue to grow, they are quite dynamic, we are going to hear more about that from some of our other presenters today, local governments continue to work closely with a lot of NGO groups, including a lot of them are supporting these so-called incubators. I've seen them set up to encourage entrepreneurs to innovate but also one of the earliest things you would have heard about incubators doing was being set up, with government support, to help promote the development of new NGOs, try out new ideas, very innovative things.

So how do we make sense of all of these conflicting trends? Again, is the main question today; and I want just briefly to close with how I sort of look at this emerging regulatory environment for civil society in China in a broader context. Of course it's coming out within a political environment of heightened security concerns, we've got the anti-corruption campaign continuing rolling along, we have a resurgence of party ideological orthodoxy, and an apparent decreased tolerance for certain kinds of activism and expression.

But at the same time in terms of the overall regulatory process, what we are seeing is a long-term movement toward a more transparent participatory and law-based regulatory model, which seeks to reduce government intervention in the market

and in society, but while tightening what the State Council refers to is the ex-post regulation environment.

So, we are opening up the doors to new companies being established, and there are many, many private companies that have been set up in recent years, and now the doors are being opened to make it easier for nonprofits to get set up, domestic nonprofits in China. But once all these new folks, these flies are out there, how do we make sure that they behave themselves. China is riddled not only with corruption, but also with massive fraudulent behavior, which is of great concern to the party today.

And so part of this exposed tightening up of the regulatory regime to make sure everybody behaves well, includes such things as increased reporting requirements by companies and civil society groups, information disclosed to the public so the public can help supervise their behavior as well. And then what you may have read about is this emerging social credit system, a big database collecting all kinds of information on companies and individuals that will be used to impose real life consequences on people who engage in, not only illegal behavior but non-trustworthy behavior.

So, Xi Jinping has thought of bringing power within the cage of regulations, we can think about everybody in China being subject to a cage of regulations; markets, civil society as well as government. My own view is that this cage continues to expand, but it's very real, I think that the big role the party sees for itself, is part of that cage of regulation, you might think of it as part of the internal corporate governance for both companies and entities as well. And the consequences for trying to break loose from that cage appear to be getting harsher.

So, to help us delve further into these questions, we are really fortunate today to have three discussants with us. We are going to first turn to Professor Carolyn

Hsu, from Colgate College, who will discuss their strategies, Chinese NGOs have used to deal with, and flourish under an authoritarian state.

And then we are going to ask Professor Rachel Stern of Berkeley, who will share her research on Chinese lawyers, both activist lawyers as well as the more traditional bar.

And our third discussant, Fang-Yu Chen from Taiwan, who is a Visiting Research Associate, George Washington Sigur Center for Asian Studies, who will give us a comparative view of civil society development both before and after Taiwan's democratization, and the rise of civic nationalism.

So first, I'll turn it over to Carolyn Hsu. Thank you very much. (Applause)

MS. HSU: So, let me begin by thanking Jamie for inviting me, and also to Cheng Li in Brookings for hosting this event. It's not difficult to argue that Chinese NGOs are operating in a difficult environment. That China is a difficult environment for civil society in general. In addition to the difficult legal environment which in some ways, as Jamie has pointed out, has gotten a little bit better lately, at least for domestic ones, they also operate with a problem that NGOs are seen as a foreign type of organization, alien to traditional Chinese norms that are seen as a Western import.

Now, I have an argument against that, but that's how they are -- you know, that's at least how my interviewees claim that it would be, and yet despite this, over the past three decades what we've seen, as both Jamie and Cheng Li alluded to, is this explosion, this growth, this sort of astronomical growth, in Chinese NGOs. There's research from the '90s where Chinese researchers look around in China in early '90s and mid-'90s and see almost no NGOs working on social problems.

And then now you've got hundreds of thousands of legally registered ones, and as Jamie pointed out, more every year. I mean the curve is slowing down, but

it still is more every single year. We've gone from 10 percent to 5 percent growth in the past year, and millions more unregistered ones. So, what I'm going to look at today, what my research is about is: How did Chinese NGOs flourish in an authoritarian environment?

And really my research is about what it looked like before the new Charity Law, because that just passed, so we don't know what it's going to look like from here, but how their strategies in some way shaped the practices and institutions of Chinese NGOs in some ways that led to the law. The law actually looks like it's a reaction to what was already happening, I think, on the ground in good ways.

And most of this research -- well all of this research actually -- is in a new book of mine coming out with Rutledge, and hopefully in February, it's called Social Entrepreneurship, And Citizenship in China. I promised my editor I would make a plug if I ever got into a room with a whole bunch of people. So, I'm doing. Okay; so, Rutledge U.K., probably on Amazon.

Okay. So, I find the concept of social entrepreneurship useful because, well entrepreneurs are people who find opportunities where other people don't see them, and then take risks to use those opportunities, and of course social entrepreneurs are people who do that for social good. And the reason I find it useful is because the people who started NGOs in China over the past two or three decades, were people who saw opportunities in situation in which we, as China scholars, were only at looking at constraints.

So what opportunities did they see, and how did they utilize those opportunities? And today I'm going to be talking about three strategies very quickly, that were used, they are what I call the state subcontractor strategy; the state influence strategy, and the online volunteer strategy. So first, the State subcontractor, or becoming an unofficial R&D Department for a State organization.

Now, before we talk about the strategy, I wanted to point out something that you all probably know, but we need to stop looking at the Chinese State as monolithic boogeyman that might destroy civil society. It's much more useful to look at the Chinese State as a conglomeration of bureaus and departments and offices all with their own interests, sometimes in competition and even conflict with each other, especially in the market socialist era during a time of state downsizing.

So, when we understand that government organizations are like -- government offices operate a little bit like independent organizations with their own problems, we can see how social entrepreneurs saw this as an opportunity to leverage. Now, government organizations did not advertise any of their problems to NGO founders or the NGOs, but these people tended to know about them, because most of the people who founded NGOs, or at least successful NGOs in the first generation in China, were former cadres. There's, lots of reasons for that, I can talk about it.

And they were married to cadres, and related to cadres, so they knew what was going on in the State. Or more specifically, they tended to know what was going on in a specific department. They knew what cadres were going through in that place. Now this is something we need to understand, NGOs in China often have very entangling relationships with the state, but they don't have it with the State, they have it with a department or people in the department, the relationships are between people. Right? And because they knew about the specific problems, they could do something about it.

So, Chinese social entrepreneurs could offer these party state officials, their friends they have (inaudible) connections with, a way to solve their problems. The NGO could propose a project, or policy that can make that party state department look good, by addressing the social problem that the NGO cared about. Essentially the NGO

would operate like the unpaid research in development arm of the party state office, testing out some sort of project and once it worked they would give it to the state to adopt.

I'm going to give you a quote from an NGO founder. "I feel that what an NGO can do is come up with a new concept, or a new idea, and if you want to apply that locally, you do it on a small scale. When you have enough experience and you get the model to work well, you can then inform the government, and provide the government with something to copy and paste. So eventually when the government is copying your model, and promoting it on a large scale, it will have a huge effect. Now, when NGOs did this, they almost always did it unofficially, and very few, almost no NGOs have official contracts with the government, and they almost always didn't get credit for it either."

And NGO founders actually were, strangely to me, okay with that, with not getting credit for that. But they did receive benefits, the benefits they received was, with the relationship with state officials they would be able get access to whatever they wanted access to, usually to client populations. They would also get to scale up whatever they wanted to do in the world, on the government's time, and they would also gain protection, knowing that you had relationships with a powerful government official would give you leverage, it would protect you from harassment or supervision, even, from lots of people in the government in that way.

So the second strategy I wanted to talk about was creating moral panics. Now, before we are going to do this one, I want to talk a little bit about the Chinese State again. Now, the Chinese Party State, the ruling regime, views itself as a democracy. Now when I say this to Westerners, when I say this to my students, they all laugh and assume it's all about hypocrisy, right, you know. How can a Chinese Government be a democracy?

Well, Elizabeth Perry has an excellent argument, I think it's in the newest issue of JES, where she talks about the difference between a Western, or American at least, view of democracy as electoral democracy, and the Chinese view of democracy is populist democracy. From an electoral point of view, democracy means multiparty elections, and apparently whatever happens after that you just deal with it. I'm sorry.

From a populous democracy point of view, a democratic government is one that benefits the populace and reflects its will. That reacts to popular concerns. Maybe we should try that too. So, because the ruling regime bases its political legitimacy on the discourse of populous democracy, it has to look like it's responding to popular concerns. So, if Chinese social entrepreneurs through their NGOs manage to whip up a moral panic about something, then the state has to respond.

So we can see this, probably most successfully in the case of environmental NGOs, or ENGOs. So in the late 1990s, I'm going to talk about the case of air pollution, which is a very good case of this. Chinese citizens tended to pay very little attention to environment problems, and tended to sort of see quality of life, measure only in economic terms. So, for ENGOs a lot of what they needed to do is just get people to freak out about the environment.

So, let me talk about one ENGO that did that did this. Before 2008 only environmentalists and scientists would ever hear of PM2.5; you all know what PM2.5 is, right, it's measuring particulates in the air that are smaller than 2.5 micrometers, I'm not a scientist. Okay. Now, before 2008, the Chinese Government was not measuring it down to that level, right, because of course if they did they would realize how bad the air pollution was in China.

But beginning in 2008, you probably all know this, the U.S. Embassy starts putting out data every day, at PM2.5, and of course its numbers are much worse

than the Chinese Government's number. And of course the Chinese Government then comes back and says, correctly, that one data point is not enough to measure -- you know, to state with the air quality. I used to live pretty close to the China Embassy at this time; it made me very nervous. So that, you know, this 1 data point is not enough to say what the air quality is in China.

So, in 2011 a Chinese ENGO, called Green Beagle, comes up with this brilliant idea of handing out free air pollution monitors to anybody who wants one, and you wonder around the city and you take readings, and you post them online, and it's called the: I Monitor the Air for My Country Campaign. And they swathed this thing in patriotism. Like, if those Americans are going to put up these terrible numbers to harm our nation, we the masses will show them. Right? And so they do this.

Now, to no one's surprise the I Monitor the Air for My Country Campaign confirmed rather than undermined the U.S. Embassy's numbers, and everybody found out that the air pollution was much worse in China. But really -- and there's copycat campaigns all over China and other cities as well. Now, really what this does though is that it gets air pollution into everybody's consciousness. Right? Everybody starts becoming increasingly worried this, and by 2013, according Peer Research data, when Chinese citizens are asked, you know: what's a very big problem in China? 47 percent of them list air pollution as that. This then puts the government in a position where it has to react to things.

Okay, I have one minute left; I'm going to do the last one super quick. The third strategy is to sort of avoid the real world altogether and to move into cyberspace. I'm going to give you the example of an NGO that does this, and just from the example, you'll be to figure out how it works.

So, the NGO is called Du Gongin, which is 1 kilogram. It's founded in

2004 by Andrew. At this point in time, online backpacking clubs are very popular among urban middleclass youth in China. You go online and you find a backpacking partner, Good Route, or something.

What this NGO does is it puts a twist, which is that you, in your backpack, will put in 1 kilogram of supplies to a poor, rural village that is on your route. So you can go on the website, figure out what school supplies they want, what they need, then you pack that, you go there, you give it to them, and then when you come back you go online again, and say what they need now, for that.

So, this strategy allows groups to sort of avoid the state completely. Allows them to scale up through volunteers, and it allows them to say that they are not an organization at all, and so therefore they are not subject to any of the laws that Jamie talks about. So, I'm going to end here, if you have any questions I'd be delighted to take them later. (Applause)

MS. STERN: Hi there; and good morning. I'm Rachel Stern from UC Berkeley. I'm delighted to be here in D.C. with you today. I've been asked to talk about lawyers. I teach at UC Berkeley Law School, and I spent the last couple years writing and thinking about the development of the Chinese bar, and the Chinese legal profession.

So, I want to start by just giving two minutes of context to say how lawyers came to be part of a panel on civil society in China. Because when I was in graduate school getting on to be 15 years ago now, and if we were talking about civil society in China, we were talking about NGOs, and that's still pretty much where the bulk of our conversation is here today. But it's come to a point where it makes sense to talk about lawyers as well. And this is really the flip side of the historic process of legal construction that has happened in the post Mao era.

So, the leadership's efforts to build up law and legal institutions, thousands and thousands of new laws on the books, educating citizens about how to use the law to protect their rights, has led to a dramatic expansion of the Chinese bar. So concretely what we are talking about today is 22,000 law firms and 244,000 lawyers. And I have to look up those numbers every time I talk about this, because then sure it would have gone up since the last time I talked about it.

And as Cheng Li has pointed out in his own recent book, which I will plug for him, the increasing numbers of the China leadership have also received law degrees. So, if you look at the Politburo, you've got 24 percent of the people in it have a law degree of course, famously including Li Qi Cheng. So it's this turn towards law that has fostered the rise of legal activism; that has opened up this opportunity to use law to push along social and political change.

So what we saw in the 2000s was the emergence of what I would call activist lawyers, lawyers who were interested in using law and litigation for a cause. So, the cause varies. This is even within activist lawyers, so that's a diverse group of people. Some people are talking about government accountability, some people are talking about environmental protection, some people are talking about women's and children's rights, it's all over the map.

But what this sort of loose group, who are not in communication with each other, it's very fragmented, what they had in common was the belief that law and litigation could serve as a tool of political activism. And then it's okay to even lose in court, because the point is that by bringing a court case, it opens up a space to talk about an issue and to bring attention to a cause.

I think this is a really familiar idea for those of us who are American, or grew up in the United States, because courts cases are so often used this way in our

society. This is the Brown v. the Board of Education method of making law and social change.

These lawyers re fitting into a broader context of deep-rooted government ambivalence about law, and mixed signals in this area of policy. So, I think in terms of this question about civil society and optimism versus pessimism, depends a lot on where you are looking, and some of you just spend just a little bit of time talking about mixed signals in this area, and differentiating between two different types of lawyers, and talk out activist lawyers of the kind that I've sort of introduced. And also some time talking about what I would call the medium lawyer, your average lawyer, and the commercial bar.

So, if you look at the landscape of activist lawyers, there's just absolutely no question that this is a group that has had an extraordinarily difficult time, pretty much as their emergence, but definitely over the last 10 years. So we've seen a surge and surveillance and arrests. The Head of the 2008 Olympics, in response to the 2011 Jasmine Revolution, during the run up to the anniversary of Tiananmen in 2014, and most recently in the summer of 2015 when over 300 lawyers were detained across the country.

And I mention this landscape just to say that isn't something new that has come up suddenly under Xi Jinping, but to say that this is a group of people who's been having a tough time for a long time. And I think this dates back to the Wen Jiabao and Hu Jintao Government. Most recently of course, and this is always in the headlines, so last month there were arrests of three other lawyers, Jiang Tianyong, Huang Qi and Liu Feiyue.

So there's been this continuing crack down on the most politically active segment of the Chinese bar. And I think this has been done very much with one eye on

other countries, particularly Taiwan and Hong Kong, but really a large number of other countries, where lawyers have played a role in demands for political liberalization.

So, if you look at lawyers in a comparative perspective, some of my colleagues at Berkeley have really been involved in this research, lawyers are a segment of society that what starts out as kind of limited legal claims often starts to snowball in demands for civil and political rights. So I think the Chinese leadership is well aware of this comparative example, and has a lot invested in making sure that that doesn't happen in China.

The most recent signal in this area that seems really significant to me, is the measures on the administration of lawyers' practice, which came into effect last month, that says explicitly for the first time, that supporting the leadership of the Chinese Communist Party is a basic condition of practice, the basic condition of what it takes to hold a lawyer's license, and bans lawyers from generating pressure through public opinion, which would be like calling the media, and also from supporting or participating in protests.

So this is a real effort to control and limit the scope of lawyers' activities. I don't think there's any other way to read that. And the ongoing arrest of what we might call civil rights lawyers, or what I'm calling activist lawyers, is real. This is a disturbing trend that I don't to in anyway soft pedal, or dismiss. What I do want to do though is also draw our attention to two other segments of the bar that I think complicate the picture a little bit.

The first is to say that there's a long state tradition of legal aid and direct provision of legal services that I think remains really robust. So, for those lawyers who are interested in using their profession to push along social activism, I think there's room to do that, by providing pro bono help to individuals, and especially to individuals who

have worthy claims in the eyes of the Chinese Communist Party. And there are plenty of individuals and even organizations doing this.

So, when Carolyn and Jamie look at a landscape of over half a million NGOs, some number of those NGOs are providing legal aid. You will see them in a large number of Chinese cities on causes that are relatively uncontroversial, labor rights, working with the disabled, working with children's rights. When I talk to lawyers on the ground about what the -- So how do you know what's okay, and what's not okay? How do we understand this landscape of activism?

What they talk about is the difference between lawyers who are working inside the system, what they call *tǐzhì nèi*, and lawyers who are working outside the system, *tǐzhì wài*. And of course it's a little challenging to figure out what exactly that means, but I'll tell you what my interpretation of that is. That there is a lot of room for people who are willing to work inside the system, particularly to provide individual legal aid to causes that have the official stamp of approval from the leadership.

Working outside the system is drawing attention to new issues that aren't necessarily on the agenda or on the Chinese leadership's radar screen; and also this real crackdown on tactics, on using media, whether traditional medial or social media, and then also protest, to draw attention to a case and to the underlying cause.

The other area of the bar that I want to focus our attention on is the medium lawyer. In any country; this is true in the United States as well. Activist lawyers are a tiny, tiny segment of the bar. What most lawyers are doing is commercial work. They are trying to make a living and trying to get ahead, and in particular the medium lawyer in China is probably someone who lives in Shanghai, Beijing, Guangzhou or Shenzhen, 40 percent of Chinese lawyers live in just those four cities, and it's focused on commercial and transactional work.

So, I think when we think about lawyers as civil society activists, that's where the main stream is, and the question is about the political values and consciousness of that group. But, again, if you look at that group, the parallel story to the crackdown on most politically active lawyers, is the dramatic improvement over the same time period, I'm think about 2000 to the present, in the quality of Chinese legal services.

So at the same time as saw the emergence of these politically in climbers, we also saw the emergence of a circle of what are sometimes called the Red Circle Law Firms. So the elite Chinese law firms that are providing a very high quality of professional service. So, I'm talking about law firms like, Jun He, Fangda, King & Wood Mallesons, that routinely compete now with international law firms for business and are becoming very, very, very serious players in the market for illegal services. They are expanding outside China's borders as well.

And so at a time when we are also talking about the Foreign NGO Law, and a clamping down of cooperation between -- or potential clamping down, we are waiting to see how it's going to play out, of cooperation in one aspect of civil society. I think it's also important to recognize that there's been huge cooperation between foreign and Chinese law firms in this commercial sector.

In a variety of different ways, we are still seeing these experiments play out, both in the Shanghai Free Trade Zone, there have been a number of tie ups, and then also of course the merger -- it's not quite a merger -- the Swiss Verein that's linking Dacheng and Dentons to make it the sixth biggest law firm in the world in terms of revenue, and number one in terms of headcount with over 6,000 lawyers. So, it's another space and I want to suggest that we look very closely at, as we look at the development of civil society.

Let me close by just telling you what I think the underlying theme and

vision is here. I take Xi Jinping extremely seriously when he says that he's interested in improving the legal system, and promoting fair and efficient dispute resolution. I think that's true, and I think that there have been a number of legal reforms in recent years that are oriented towards this end. I hope we get to talk about some of them during the Q&A.

I see this as a priority area for the leadership, and I think they are serious about making the courts work better in the myriad of everyday cases that pass through them. However, this is a country in which the Party State is in charge, and this is an area in which they want to continue to take the lead. I think for those of us who are students of Chinese history and society, this is not a surprise to learn that it's a priority area that the party wants to be out in front of society. And I think we'll continue to see them guard very seriously against the possibility that the bar could turn into a site of political opposition. Thanks very much, and look forward to the conversation. (Applause)

MR. CHEN: Hello, everyone. I'm from Chinese Taipei. Thanks to the single phone call that now everyone knows that Taiwan cannot even be mentioned in the international community, as a diplomatic protocol. Okay. The main difference between Taiwan and China is that, it's a democratic system that includes the freedom of speech, assembly, association, and many other civil rights.

There was a long fight against the dictatorship of Chiang Kai-shek's Nationalist Party, and the emergence of the grass-root protest movements and the civil groups involve various issues and led to democratization in 1990s. If we examine some important indicators today, we can basically conclude with some optimism of the development. That, for example, the number of registered civic association in Taiwan keeps growth at 3 to 8 percent annually. And in the monitor, nations per capita and the number of volunteers Taiwan is first ranked as the Top 30, about Top 30 in the world.

So, Taiwan is now a full-fledged democracy. And growth was not built in

a day, so generally speaking I divide three periods of time to analyze the state society relations. First state (inaudible) found late 1940s when the KMT retreated to Taiwan, so they did not assist any independent operating organizations. The second period of time starting from late 1970s, one witnessed the flourish of opposition movements, with various issues, lawyers also play a very important role in this era, especially those who defended for political prisoners, and later became the mainstream of the opposition party. Until today, lawyers are still very active for human rights activities.

So the development of the civil society can be attributed to several important factors. The first one is the modernization theory that the change in socioeconomic structure, the rising levels of education, brings in the demand for political - - brings more political demands by the people; so which also occurs in China.

Second, there were competitive elections in the local level in Taiwan, so the local elites somehow collaborated with some civil groups in order to get some mobilization purposes. By competitive I take the (inaudible) definition that elections are unfair but real. So this is one of the most important institutional difference between Taiwan and China in the authoritarian era.

Third, the American factor is also very important, activists overseas play important roles to lobby American congressmen, and the Congress did hold several hearings and made resolutions that gave considerable pressures to the dictator, Chiang Ching-kuo, and finally led to liberalization in the lift of martial law in 1987. So, compared with China today, it is more difficult to balance the power of asymmetry between the state and the regime.

Let's move to the next period of time, democracy: democratization, legally enabled NGOs in Taiwan to enter politics for advocacy and lobbying activities. So, in 2000 DPP won the Presidential Election as a first regime turnover, and many

social activists became politicians or major consultants. There were indeed some successful and progressive outcomes; however, they might have failed to bring some more structural reform to people expected.

So, despite of some declining mobilization momentum, one of my friends who works in NGO told me that that, the new waves of civil movements have already started to grow under DPP's first term. In 2004 the movement for the Losheng -- the reservation of Losheng Sanatorium for Leprosy is a long-lasting and influential one to the new generations of participants until today.

So, now we'll move to President Ma Ying-jeou's era. In 2008, KMT, Kuomintang came back and won nearly three-quarters of the seats in legislature. So in the Ma administration, social movements were active and developed under two major lines. First, the China factor, and second the progressive or the liberalist factors on social justice issues.

So, let's start with the China factor. President Ma did achieve a much better cross-Strait relations compared to Chen Shui-bian, but people concerned, the speed and scale that Taiwan -- opens to Chinese capital and personnel. So, also the side effects, the rise in income inequality. So, after all, it is better not to put all eggs in the same basket, where China always insist that Taiwan is the renegade province, and does not give up use of force.

So people actually do not oppose interaction with China. We cannot avoid that, but people are demanding for more careful reviews and checks by the authority. So, (inaudible) begin from 2008, the Wild Strawberry Movements, to protest against police brutality when Ma -- President Ma received China's Emissary, Chen Yun-lin, the first time in history.

In 2012, people had been ready to be against the media merging, called

Anti-Monopoly Movement, to a China-based Chinese businessman, Want Want, de (phonetics) China Times and TV Networks. Another line, in addition to China factor is the social justice issues, so after a long time, the Farmers' Movement reappeared because of the compulsory land acquisition. In June 2010 the Miaoli Dapu event led to public attention to the Anti-Eviction issue.

And environmentalists also made some success for rejecting the Kuokuang Petrochemical Project, and in Eastern Taiwan, after a decade-long effort, the final verdict gave triumph to NGOs this year for fighting for the preservation of Mei de Wan, that is a beautiful coastal area, a bay area where luxury hotels were illegally developed. So, by the way, I want to congratulate environmentalist in Dakota. Actually it is always very -- a long journey, and most of the time frustrating for the activists.

So, one of the turning points, maybe, in 2013, that the death of Hung Chung-chiu, a soldier in the army who died under suspicious circumstances of abuse. So, the military tried to cover everything, which led to a very big -- large mass protest in Taiwan. The event gathered people from various backgrounds and stimulates the public awareness for political process. So, in general, the rise in public attention to the due process, the social justice along with concerns with interaction with China, all contribute to the success of mass mobilization in the Sunflower Movement in 2014.

In March 18, 2014, the student-led groups stormed into the Legislature and turned into a 24-day occupation. The mass protested against the government signing of a Soviet trade deal with China, but rejects any reviews. So the Movement fundamentally changed the political landscape of Taiwan's parties and politics.

So, in summary, Taiwan's civil society is active and we can say that it is progressive compared to Asian countries in many ways. For example, it is considering hosting Asia's biggest LGBT Festival, and may become the first country in Asia to

legalize gay marriage.

This year Taiwanese people elected President Tsai Ing-wen by a landslide margin, and gave DPP a majority in the Legislature for the first time in history. However, so far she has been disappointing many, and she is too cautious, and struggles for the backlash from the Conservative factions within the party. So, recently mass protest gathered again, especially on labor issues and gender equality issues.

The last part of my presentation will be on some limitation and prospect. So, the institutional limitation include that we still have very old laws, including National Security Law and parade and assembly law. So these laws waste a lot of time and labors for NGOs. And sometimes it gives the authority to disturb the activities. So, right now, NGOs are still fighting for the legacies -- and reform the legacy of the authoritarian regime.

And the second major limitation may come from the juror status of Taiwan, and it's being excluded from the international governmental organizations. The civil society is desperate of participating in global events, and the global community. And I believe that Taiwan has ability to make considerable contributions. However, we are always rejected everywhere due to China.

And for the prospect, in DPP's first term a decade ago, some say that the momentum of NGO and mobilization may decline, but this time I think the environment is different, as younger generations become less firmly on partisan ideology and more issue oriented. So that, and we also observe new technology and social media that change the approach of mobilization. So that, I think, we still can expect more progressive agendas to come.

And last but not least, let me have maybe two more -- final minutes to talk about the law of the U.S. So according to some journalists' observation, Chinese

public opinion is very happy that Americans elected a President that does not care about democracy and human rights, and so many progressive issues. But soon they found that the GOP has many foreign policy hawks that do not like China, and are friendly to Taiwan due to the long tradition of anti-communism.

And last Friday, President Tsai Ing-wen of Taiwan, and President Elect Trump had a 10-minutes phone call, and the media overwhelmingly claimed that the President Elect irritates China. The mainstream media, the IR experts, show much more anger even before the official low-key response from China.

So, as a Taiwanese, and as 100 percent liberal here, I feel complicated and ironic to see the overreaction of the media, because this may -- and this maybe the first time in history that I consent with Fox News, and feel worried about some biased opinions from, medias like New York Times.

So, how can one support Hong Kong and Tibet, both China's territory? But every time Taiwan, the only democracy in the Chinese speaking world, is a troublemaker and should be avoid for not angering China. I'm curious about this. And how come the media praise the U.S. President who can invite Dalai Lama to the White House, but cannot even have a phone call with Taiwan.

So, both angered China (inaudible), so the labor elites of which democracy and human rights be the main goal, seem to have put, do not irritate China, as the top priority for a very long time. And this double standard may do some harm to the civil society when the NGOs want to mobilize according to some international activities, in the global context. So I think Taiwan is the fundamental base for so many social activists in Asia, and we do export the experiments of the civil society organizations, especially to Malaysia, to Hong Kong and to many other places.

So, I think the U.S. is still a superpower that has ability to shape global

agenda, and support NGOs, especially political advocacy NGOs. So, Mr. Trump and his team will reshape the agenda for sure, but may not be what we expect in terms of pursuing democracy and human rights.

So, I hope the media and the liberal elites can rethink the goal of democracy and universal values. So, the most important one is that, do not keep the double standard toward China. And I know that the civil society in Taiwan, the U.S. and in China, based on the existing interaction and networks should have and will have much more to do for the challenging years to come. Thank you very much. (Applause)

MS. HORSLEY: So, thank you everybody for that. We are going to have just a quick conversation up here among ourselves given the time I'll limit it to one question, and then we are going up for the questions from the audience. So, would all my fellow panelists join me up here, please? Great!

Can you all hear; all the technology here? So, interestingly since we have so little time, but following up on some remarks that you just made, Fang-Yu, I was going to raise one point that sort of come out. The Chinese Government is very worried about the foreign NGOs for influencing, and in fact directing the development of civil society and lawyers and others in China.

So I thought I would throw out to you. To what extent, in the work you've been doing, have you seen an influence from Western NGOs through funding and program development that is helping shape the trajectory of Chinese civil society? And to what extent is this really much more indigenous or organic in development that they are doing it on their own? And from the China experience too, but then also Taiwan you talk the U.S. influence, but what about today? Are there still, you know, four foundation, and U.S. NGOs inactive in Taiwan, and how do you see their influence or not? (Inaudible)?

MS. HSU: I would be happy to start. I think actually if you look historically, and I'm not going to remember the citation, there is research that shows that in places in non-Western countries where foreign NGOs can go in, that actually suppresses the development of grassroots NGOs for little while, and it's very hard for them to catch up. I think ironically, perhaps the robustness of domestic NGOs in China actually comes from the fact that it was very difficult for foreign NGOs to operate there.

Now, with the loosening up, one of the influences that we see now, is workshops and training sessions and so on, where North American and European foundations come in and hold these things so that Chinese NGOs can figure out how to do best practices, which means look just like us. Right?

And Anthony Spires says; excellent research on this that shows that domestic NGOs have to contort themselves to get foreign money. I think it's very interesting that Westerners are very concerned about the ways that the Chinese State constrains NGOs and civil society in China, and does not seem to notice the ways that Westerners do it through our dollars and euros and pounds by saying, you know, you have to do these ways.

Now when I interview Chinese NGOs, social entrepreneurs in China, they talk about that a lot. You know, they talk about how to get the money from foreign foundations you need to do things this way, it's stupid, but we have to do it this way. We have to write reports this way, we have to claim our projects look like this. They only like this kind of project, so even though that's not the best thing to do. the one that drives them crazy is accountability and assessment. Right?

Just like it drives us all crazy; I mean, that you need to know what your results are going to be before you do the project. They are like, how are we supposed -- I mean the point the point of doing the stuff is that we don't know what's going to work, and

yet these crazy westerners think that you can crunch all these numbers and know in advance what's going to happen. And we have to do it that way. So I do think that it has an effect, and that it in fact was increasing, with the overseas NGO law one could look at it as a way to sort of almost protect the domestic NGO sector from competition from foreign NGOs, who have much deeper pockets, and much more status, and power. I have a lot to say about the Overseas NGO Law, which I will not do.

MS. HORSLEY: And Rachel, from the point of view the sort of lawyerly community, do you see --

MS. STERN: I think it's interesting to think about Western influences and how it works. I think it depends what segment of the bar you are looking at, so give a -- the difference segments of the bar that I was talking about. A number of the activist lawyers in those organizations have benefited from foreign funding in the past and have gotten significant foreign funding, especially starting out, from groups like the Ford Foundation, and others.

So there's no question that the foreign funding helped start out some of this, but it's gone way beyond that. I mean, there's also lots and lots of activist lawyers who are not interacting with the foreign community at all. I mean this is an indigenous movement as well as one that has received Western funding. In terms of the mainstream borrower, what's interesting is the extent to which lawyers are increasingly educated outside of China as well as inside of China.

So the question of many, many lawyers go to the United States and to the U.K. to get an LL.M, for example, that's become a degree that has some currency, in terms of trying to rise to the ranks of partners in this elite group of law firms that I was talking about. So I think it's kind of an open question whether or not those educational experiences -- what the impact of those educational experiences are, as we move

forward.

MS. HORSLEY: Okay. And Fang-Yu?

MR. CHEN: So, as I just mentioned that the Chinese NGOs are best -- are connecting to international world, so, for example, the Losheng Preservation Movement, they are connected to the U.N. Consultant Group IDEA, and there are some very active international organizations like International Amnesty in Taiwan. So I think there are active interactions there. But I don't think they have a lot to do with fundraising, because most of the fundraising are now happening within Taiwan. So, that's it.

MS. HORSLEY: Okay. Given the time, I'd like to open it up now for questions from the audience, and if when you ask your question, first, please, introduce yourself, and try and limit yourself to questions, and just one at a time, to get started. Okay. Yes, we have someone in the back already.

SPEAKER: Hello, my name is Carson Val, and I'm a Professor of Chinese Politics up at Lowell University up the road. And my question is really about the effect of legal consciousness. Rachel had talked about how activist lawyers are seen as a potential threat, and that this -- a new law that came into effect last month is kind of to limit the scope, and I guess I'm -- I study a lot of church state relations, as you know, in contemporary China.

So, I'm curious, do you see some of the activism translating from the lawyers themselves into communities, where the communities are gaining in their legal awareness, and starting to use -- become aware of what is an illegal search, demanding a search warrant from police? So, beyond what I imagine is a small cadre of activist lawyers, to a broader community.

And then the second question really is that process. In studying the activist lawyers, do you see them as choosing the law because it's a way that they can

forward or push activism? Or, do you see it as a process whereby medium lawyers are using the law and then seeing issues arise, and then becoming more activists? Thank you.

MS. STERN: Yeah. I'm trying to -- Where should I pick that up? I think the activist bar is really dynamic. I don't think it's a static thing. I think you see entry and exit all the time. I think you see entry of median lawyers become -- there's a lot of de facto, pro bono in China, where people will take a case because of human sympathy, because there's a personal connection. And through that kind of de facto, pro bono, people are sometimes pulled into what I call legal activism. And I also see a lot of exit from the rigs of activist lawyers, for the all the reasons you would expect, because the work is hard, and dangerous at times, and also exit as people get their licenses revoked or perhaps detained. So I do think that it's not a static thing at all.

In terms of legal consciousness, I do think there's rising legal consciousness although I think that for me the main mechanism of transmission is a little different than the activist lawyers going out and raising consciousness within a community. I think that the activist lawyers tend to be much more, that the cases come to them, and what I see, again, is like this law has emerged, there's a vocabulary and a venue for political participation, due to the state's own efforts.

So it was the state's own efforts that opened up this opportunity. So I would say what I see as the main mechanism, is the legal information, dissemination campaign that's been going on for, like, 30 years now. To educate people on what the laws is and now to use it, of course that has an impact, and that has an impact on everybody, not just lawyers.

MS. HORSLEY: And in fact, some people just question whether it's really likes consciousness as opposed to other kinds of things. But in areas I study which

are use of the government, the freedom information statute there, or new channels to public participation. We definitely see a rising rights consciousness, and people are asserting their right to information, their right to participate, and these are ordinary people as well, as ones with lawyers. So, I think that there's, yeah, a big spread of legal consciousness, and as you say it's been promoted.

In fact, now it's being promoted within the government as well, as a new program to get all civil servants to take courses regularly about this as well as with the people. And so it's definitely this rule of law and governance, is definitely a serious initiative on the part of the governing party state. Do you have anything you wanted to add.

MS. HSU: I only wanted to add that also for, I guess, recent NGOs it's become a bigger way of pushing, right. That the way that you get what you want done, is to try and make laws change, and we see that. Go back to the example of the environmental NGOs that I talked about, that the environmental law of 2013, the New Environmental Protection Law. NGOs pushed to be able to sue people who are in violation of environmental regulations, even if they were government organizations, like OPDAT. And that's part of creating a moral panic, but also the fact that they would choose to do that in a way so that they would get legal rights, so that they would be able to bring out law suits, I think shows the sort of legal consciousness.

MS. HORSLEY: Another question over here?

MR. DILLON: Ken Dillon, Scientia Press. Do any Taiwanese NGOs work on the Mainland? And do any Chinese NGOs work in Taiwan?

MR. CHEN: Actually what I know is that Taiwanese NGOs often mobilize in the China issues. For example, the Taiwan's Association for Human Rights

always have rallies for the Tiananmen Square Memorandum, and many -- and there are activities for the Tibet and Hong Kong democracy activities. But I don't really know how they work in China, because it is restricted. So, for example, recently we know that many social activists are rejected to enter even Hong Kong. So if they cannot enter in the territory they cannot work there. So it's a highly restricted environment in my view.

MS. HORSLEY: But if I can say, informally, without establishing registered offices, there is a lot of exchange across the Strait in areas, for example, China has passed the new Anti-Domestic Violence Law, and there's a lot learning from Taiwan, on how they are implementing various practices, employment discrimination, et cetera, et cetera, et cetera. So, you have groups going to Taiwan to learn the Taiwan experience as well as bringing Taiwan's experts to China, just sort of one-off workshops, or training sessions as well.

So I think there's quite a bit of that going on now, and in fact, based on what I know, a lot of academics and activists in China working on the development of the civil society framework really take inspiration from a lot of what's been happening in Taiwan as well.

MS. STERN: In terms of officially I don't know of any cases, officially what I know is Chinese NGOs sometimes working in countries that are poor and were soft in China not -- So, in other words, you start a project in China, let's say, on environmental development -- environmental protection that also allows for economic development in the area, and then maybe you would take that to Myanmar, or to other countries. I don't see that many NGOs move in the other direction, I guess, it's going to countries where they see things as doing better than China. Does that make sense? But, yes, that kind of unofficial stuff is definitely going on.

MS. HORSLEY: Another question back there?

SPEAKER: Hi. Thank you so much. I really enjoyed the presentation. My name is Toshi. And I'm from General Electric. And my first visit to China, I worked with a NGO, it was the Women's Legal Aid Center, the lady with Beijing University which now is no longer in existence. But my take on NGOs in China has always been that -- its engagement has been through different waves. For example, Chen you mentioned there was a case of a subcontractor, stay influenced or on online strategies, and I think that the lawyers engagement, legal, on activism is also part of that wave. And I think it's part of the response to changes going on in China, whether it's party consolidation, new laws.

I'm kind of curious to know, in the next five to 10 years strategies will evolve, whether looking influence, more so with more globalization and more -- more of an internal look with Brexit, Presidents like Trump. I mean, the elections are coming up. There's a sort of -- There's a potential for friends, and other European countries to take more of that internal look. Like at any --

MS. HORSLEY: Do you have a specific question?

SPEAKER: Yeah. What would that mean as far as, like, Chinese NGO engagement as the world is changing, not only locally -- only specifically in China, but as far as the world, globally, with the more internal look?

MS. HORSLEY: Do we see Chinese NGOs going out for (inaudible)?

MS. HSU: I think predicting the future is a way to be on tape looking like an idiot. You know, I think for what it's worth, the people who are activists in China, whether they are lawyers, or people who run NGOs, are savvy, and clever, and looking for opportunities, and they are looking for what shows up. And things change all the time, right? They change domestically all the time, they change internationally. What you see, for example, is when funding becomes available, you know, globally. When global funders wanted to put a -- you know, were interested environmental problems in China.

Environmental NGOs in China figured out how to get that money. Right?

When the global -- you know, when AIDS money became available, when LGBTQ people -- organizations became interested, it's like the lag time is really quick before people figure out how to turn -- use those angles. And then money dries up, and then you need to figure out how to deal with that situation. It is a constantly changing situation where your tactics need to change. I would say probably domestic stuff matters more.

You know, if people in China are interested in donating more, if people become more aware of NGOs, and interested in volunteering and working for them, and donating more, that's probably going to make a bigger difference, realistically speaking. The international situation is very unclear. Like, is this sort of turning inward and nationalism going to mean less money available from international funders? Or, is it not, right? I don't -- I just weaseled out of that question by not really answering it.

MS. HORSLEY: Do you have anything to add here?

MS. STERN: Let me jump in for one sec, because I wonder if I'm on the page. When I was thinking about -- putting together my remarks for today, I'm so used to having this conversation really, about Chinese domestic politics. Like, that's the train on which I've used to having this conversation. In the wake of the U.S. election, I was just thinking about how some of the dynamics we see in China are really global trends.

Like, globally, I see every old distrust and discomfort with civil society growing, and I think that's a global story. That I see signs of any in the United States as well as China. I'm thinking about the international NGO law that's coming down -- that's coming into implementation with China. They are on the same page as similar developments in Russia, which may be would expect, but also in India, which maybe we wouldn't expect. So I think that these are challenging time for civil society worldwide, and

that's an important context for this whole conversation.

MS. HORSLEY: On the other hand, some Chinese NGOs are working overseas already. So it would interesting to see if they ran into the same thing, and they have the support of the Chinese Government, and it's part of the soft power kind of promotion. So, you've got (inaudible), Juvenile Justice NGO is the first one to be recognized by the United Nations, I forget which agency it is, and that was definitely how -- the Chinese Government support, you have China Poverty Alleviation Foundation going into Africa together with Sinocan, or something, to build hospitals, et cetera.

So, clearly just as there had been in a way pushed to have Chinese companies go overseas, I think there is support to have the NGOs go overseas as well. Which is a very interesting development given what's going on both domestically, and then international trend that Rachel mentioned. Okay. So, first we have the woman on the aisle here?

SPEAKER: Hi. Thank you for the wonderful panel. My name is Chen Chu. I used to work for International Food Policy Research Institute, but we joined Greenpeace East Asia, to promote sustainable food movements in China in collaboration with social organizations. So, in my interaction with social organizations that work on sustainable agriculture and food system in China, I felt that they usually claim themselves as public good organization, (inaudible) rather than social organization.

And when they talk about public good, it's saying that it's a very admirable, like, thing to do. And I wonder if there are research about the perception change about social organization, and public good organization over time. And how does this public opinion affect the number of social organization in China, does it play a role in making the social organization thrive in China?

MS. HORSLEY: All right. So maybe we are running out of time. We

could take two more questions and we'll handle them all together. So, yes, Steve?

MR. ANDREWS: Hi, my name is Steve Andrews. I'm with the Congressional-Executive Commission on China. Thanks for your presentations. I was curious if you could comment on, the case of Le Long, who, just this past week the Chinese procurator said they were going to bring charges against five of the police officers. This was the Beijing environmentalist who was killed in May, and due to public outcry, you know, they ended up, actually being positive actions to. So I'm curious if there were any lessons that you think could learned from this case? Thanks.

MS. HORSLEY: Okay. And then David?

SPEAKER: I wanted to ask about the role of businesses in China because they act through their NGOs, you know, there are NGOs like Chambers of Commerce, and in America, NFIB and so on. And what I'm thinking one particular example is, maybe 10 years, ago, the Chinese Government promulgated a regulation for labor protection, and the American Chamber went to the government and asked for its roll back, then I was rather stunned that that has happened and of course discussed with AmCham when they came to Washington to talk about their agenda, because somehow they thought the people in Washington would know what their activities were in Beijing. And they are rather surprised about the course of the conversation that I had in my office, but I'm sure that there upsides down sides, and I'm interested what the panel thinks about the role of business there, and their NGOs.

MS. HORSLEY: And then I'll actually take one more, this gentleman has his hand up for a while, too.

SPEAKER: Hi. My name is Hiachi. I'm a Visiting Fellow of CSIS. I want to talk about the incident of Peter Darling, he is a Swedish man, and he found a very small NGO in Beijing, he was arrested in January. At that time, I as in Beijing, I was very

shocked because he was arrested, and he was supposed to apologize on CC TV. I think it was the first time for foreign people to be treated like that. And I think it showed very strong hostility of CCP, against foreign activists, or the people who support NGOs. So, I suppose maybe the foreign people will also put the -- would face up to such kind of difficulties and pressures.

MS. HORSLEY: Sir, do you have a question we can get?

SPEAKER: Yes. So, my question is how, as a foreign organization can engage with the issues, such kind of issues, human rights issues in China? Is it necessary to change the way to approach? Thank you.

MS. HORSLEY: All right. So we have a question on public welfare, or public goods as you've called it; terminology for NGOs, the Le Long case, the role of business associations in China. And then this last one, the question on engaging with CCP as a foreigner.

MS. HSU: I think I can, on public opinion.

MS. HORSLEY: Okay.

MS. HSU: Bruce Dixon has some wonderful poll data on public opinion, and I immediately, like, buttonholed him and said: What do you know about NGOs? And he's like, oh, people don't trust NGOs at all in China. So I think one of the things have to remember as Westerners looking into NGOs is that the approval rating and trust rating for the government in China, is enormously high, so high that Americans cannot wrap their brain around it, because of course we don't think that way about our politicians at all.

But, you know, the idea, of do you trust NGOs, is very, very low. NGOs are not viewed as good -- you know, trustworthy things, and if you think about the strategies I described, they don't actually help that problem. State subcontracting and letting the government take credit for your work does not help. Creating moral panics

and making the state address things, doesn't help. Going online and pretending you're not really an NGO, also doesn't help. So, I think it's become more popular and more important and more trustworthy for a certain segment of very educated young people. If they can sort of -- have been trendy in the last 10 years, NGOs have. But for the general population NGOs, this is not. This is not.

MS. HORSLEY: But if I can, that's one of the big purposes of the charity law, is to rebuild the trust that's been lost, and they use that word public welfare or public good as part of the definition of charity, and partly through transparency, information disclosure, accountability, they are trying to build up that trust, and encourage a climate of charitable giving, and charitable giving and charity work, in voluntarism in China. So I think -- And as you've mentioned -- I think the role of millennials in China, as elsewhere, is a very important thing to look at because they are changing the landscape quite rapidly. Do you have anything to add on that, or move on to the question?

MS. STERN: Let me just -- I mean, Steve, I'd love to talk to you about the Lelong case but let's do it afterward, because I think we've got to wrap up. I'll say one word on the question international NGOs and the changing modes of engagement with China, I think that's the question that's on everybody's on everybody's mind. I mean where, I think, all three of us on this panel, we are all in academia, but our counterparts, including, I'm sure, some of you in this room, this is an active conversation that is happening, inside not just American but all international NGOs are engaged with China is what are the possibilities moving forward.

I think the detention last year scared the heck out of a lot of people, and you see people adjusting their strategies accordingly. So, ABA, Raleigh has moved from Beijing to Hong Kong until they can comply with the new NGO law. And I think that for a lot of organizations, the ones that are not focused on the bilateral relationship; that we

are going to see some exit from China. People have a global portfolio of issues and they are going to move their programs to places where they feel more welcome.

I think that that will happen. I think for the people who are committed I think there's still room for cooperation and that people are figuring out what this landscape looks like, and what the cooperation -- where the fertile ground is for cooperation moving forward.

MS. HSU: We do have a tiny bit of data, on what could potentially be true. I mean, obviously you are always trying to figure out what are the signals that the government is trying to send. Union Province had a very similar law that was implemented years before, and there was sort of -- it wasn't a public security issue, I should point out, but international NGOs had to register in the same kind of way, and had very similar kinds of rules.

And at that point a few organizations exited, many others said it was fine, and nothing happened. They went through the rules and they had a way to be legally present in China and to operate and now they knew they could be in compliance. Well, before they didn't know they could be in compliance. That's the best-case scenario. You know, it could happen that way. It could not. I don't think anybody knows the answer to that question.

MS. HORSLEY: If I could take quickly the business association question, and then I'm going to turn to Fang-Yu, too, for the Taiwan answer. So, any organization or company in China is taken seriously when it's talking about its own interest. And so of course business associations are going to lobby for things they see in their interest on the labor protection law as well.

But I have to say, they also really stepped up to the plate to issue comments and protests against the draft for an NGO law, because a lot of businesses

work closely with NGOs, and rely on them for a whole variety of corporate social responsibility, training, et cetera, et cetera, thing. So, the trade associations did actively lobby for, and I think we are part of what resulted in a slightly less draconian law at the time it came out.

So, I think business associations, you know, AmCham in Beijing and Shanghai, et cetera, they do have committees that work on CSR businesses to care about their reputation in China as elsewhere, too, so I think they are generally playing a positive role, and it's reflective the Chinese Government think so too, because they are one of the four favored entities that can go through this direct registration as well now.

But I'm wondering, in Taiwan, is it the same thing? So I know we have American Chamber in Taiwan, and Taiwan Business Council, and other things as well. So, if you care to comment on that, or any other topic, before we close.

MR. CHEN: Okay. Yes, because I do not do research on that topic, but I can add something on the public opinions, because in Taiwan people generally trust NGOs, more than governmental institutions. However, if we look at the issues, NGOs who always promote some progressive or liberal issues are always minority. So, finally I want to mention is that the word is -- so the mass is generally conservative, so for the NGO, for the activist or for the academics, we have to do more to connect to the real work. That's what I have to say.

MS. HORSLEY: All right. Okay. Well, our time has run out, but I want to thank my fellow panelists here, and thank all of you for being here. It was very interesting. And I hope you found it a worthwhile discussion. Thank you. (Applause)

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