

Zhu Jiangang on the Development of Community Foundations in China

Thursday 22 March 2018, by [HE Shuyue](#), 何穗 (Date first published: 30 June 2017).

This is CDB's translation of an article that originally appeared in 中国社区基金会发展报告. The article includes a summary of a talk given by Zhu Jiangang (何穗), executive president of the Public Charity Research Institute at Sun Yat-Sen University and deputy director general of the Guangdong Qian He Public Charity Foundation, on the topic of community foundations in China, and an interview with Zhu where he further clarifies his views on the subject.

As a type of community organization that promotes the administration and strengthening of communities, community foundations have been developing for over a hundred years. In China, although the history of community foundations is shorter than ten years, the sector is already showing dynamic growth.

On June 3rd, a meeting on “Community changes and the infinite possibilities generated for Community Foundations” was held, co-hosted by the China Foundation Development Forum, the Chengdu Bureau of Civil Administration, the Jinjiang District Bureau of Civil Administration, and He Ping Tai. Zhu Jiangang, the executive president of the Public Charity Research Institute at Sun Yat-Sen University and deputy director general of the Guangdong Qian He Public Charity Foundation, started off his talk by saying that the number of Chinese community foundations has reached 98 to date.

“Community foundations are key parts of the value chain of community public welfare. They can efficiently mobilize community resources, and promote a ‘well-governed community’”. In the interviews with reporters subsequent to the meeting, Zhu indicated that the prospects for the development of community foundations and the role that community foundations play in community administration and even in social administration give cause for hope.

Community foundations should “take actions first”, and then make definitions

From the perspective of absolute numbers, 98 community foundations are not a lot. However 70% of them were founded after 2014. This represents a conspicuous development.

When it comes to their geographic distribution community foundations are quite concentrated, and two cities, Shanghai and Shenzhen, stand out. According to Zhu's statistics, Shanghai and Shenzhen have 52 and 24 community foundations respectively. He claims that policy incentives are the major factor. Policy guides such as the “Shanghai Community Foundation Development Guide (pilot stage)” and the “Shenzhen Community Foundation Development Training Tentative Work Guide,” released by the Shanghai and Shenzhen Municipal Government respectively, have since generated a great number of governmental community foundations.

Community foundations have their origins in the U.S. In China however, community foundations are not specific legal entities and thus not clearly defined. Some scholars have pointed out that if we

take the US standards for community foundations as reference, most community foundations in China would not qualify.

Zhu Jiangang defines community foundations loosely as “foundations that mobilize local resources, rely on local beneficiaries, and seek local solutions to problems.” **In his view, community foundations are globalized community charities that have diverse forms, including but not limited to US-based forms. In China community foundations are still at an exploratory stage, and we should not rush into making definitions, but rather “take action first”.**

Privately run community foundations will be the “mainstream”

Despite there not being many community foundations in China, Zhu Jiangang thinks that there are “bubbles” forming already, which are mostly concentrated in government-run community foundations.

“A lot of the community foundations that have been founded exist in name only, they are empty shells.” Zhu indicates that community foundations run by local governments are lacking vitality and creativity due to restrictions in mobilizing resources and in the local governments’ reaching capacity.

By comparison, enterprise-driven community foundations have more resources. Nevertheless, their key issues are how to build cooperation mechanisms and be open enough to avoid losing the trust of the community.

As a long-term advocate for citizens’ interests and public welfare, Zhu Jiangang is optimistic about the future of civil society-driven community foundations. Looking into the prospects of community foundations, he foresees that community foundations set up by civil society will be the “mainstream.” Some government-run community foundations will transition to being society-run due to the work of people at the grassroots.

Zhu’s predictions seem very optimistic. Policy space, as Zhu admits however, is the key to success. Without policy support and endorsement, community foundations set up by civil society will face dangers, especially during times when policies become more restrictive.

Zhu is nevertheless a pragmatist. The Qianhe Community Foundation, in which Zhu is vicechairman of the executive council, collaborated with the Nandu Charity Foundation, the Chengdu Jinjiang District Social Organization Development Foundation and the Zhengrong Charity Foundation to create “He Ping Tai”, whose aim is to promote the development of domestic community foundations.

A conversation with Zhu Jiangang: the development of community foundations needs policy space

Reporter: in December 2016, you attended the Global Community Foundation Summit at Johannesburg in South Africa. What did you observe about the development trends of community foundations in other countries and regions, and what can China learn from them?

Zhu Jiangang: The global development of community foundations is very diverse and takes various forms.

Take the example of an NGO in Vietnam, which is not formally registered as a community foundation. In carrying out capacity building for grassroots NGOs, financial assistance, and social project development it can play a role in mobilizing local resources, connecting beneficiaries and

finding workable methods to deal with local problems. This is a model too, it's the Southeast Asian model.

In Africa there are many community foundations which focus on agricultural ecological development and ecological protection. In the US, on the other hand, there are traditional, conservative community foundations in places like central Indiana that are interested only in community things. Then there are the ones in Silicon Valley that are interested in global issues.

Therefore community foundations can be very diverse, and all of them are worth learning from.

Reporter: "Community foundations" do not have a clear definition in China. How would you define them?

Zhu Jiangang: We don't need to make definitions right now. In China you can't start off with a definition. We need take action first, and then based on that find the definitions. Community foundations are still at an experimental stage in China, and whatever you think is valuable is worth a try.

Reporter: Other than funding programs, what are the other roles that community foundations play within the community?

Zhu Jiangang: I think their most important role lies in fostering human resources, supporting community activists, and supporting and fostering social organizations within the community.

Reporter: What are the obstacles in developing community foundations in China?

Zhu Jiangang: It's hard to say in a few words. There are all kinds of obstacles.

The problem with government-run community foundations is that, upon receiving the administrative order to start a foundation, local governments do not have the drive to really create anything, because the people working for them are too busy and tired. This means that many community foundations, after being founded, remain empty shells with nothing but a name.

In comparison, when it comes to enterprise-registered community foundations, the problem is to build trust in the community. Without trust, citizens will not be motivated.

However, civil society-run community foundations can provoke anxiety and over-sensitivity from the government. If civil society is so strong, what do we need the government for? Therefore, the government has to impose lots of restrictions.

Reporter: What do community foundations mean for the general development of the foundations sector?

Zhu Jiangang: They mean a lot.

The primary function of foundations is to elicit funds. They don't need to do everything. However in China, most foundations are operational. Although they lack professional skills, they have to carry out their work on their own. This is a huge problem.

On the one hand, big foundations have a lot of money which they don't know how to put to good use; on the other hand, grassroots NGOs are completely lacking in funds. There has to be something in the middle to connect both ends and build trusts between them. This is the real problem we are facing.

If there were this sort of community foundations, many big foundations would not need to rely on themselves, or pour money into grassroots NGOs. They could just give it to the community foundations. The latter could make use of the technical skills and strengths of their community experts, and give the money to social organizations. This way they would be of excellent use as intermediaries.

Reporter: What role do you expect He Ping Tai to take on in the development of community foundations?

Zhu Jiangang: He Ping Tai will function as a hub. Firstly, it will form a web which connects community foundations and people who want to work in this field to study, communicate, and share. Secondly, it will carry out some capacity building. One big advantage of community foundations is their professionalism. Community foundations are like a social expert that understands the community, which is why people are willing to fund them. Their professional abilities are community foundations' real capital, which can be developed through training and learning. The third function for He Ping Tai lies in promoting international communication.

Reporter: In recent years China's community foundations have been rapidly increasing, most notably in the past two years. Will this increase in the last two years become the basis for the future?

Zhu Jiangang: It depends on government policy. There are 98 community foundations in China, most of which were founded in the past two years. Community foundations are still increasing rapidly in China. However, the majority of them were generated by the government, so I feel that there still has to be a process of eliminating bubbles.

If the state allows communities to work on their own, giving them more space, then I think community foundations can develop faster. But if the policies tighten up, will this still be allowed? The state's power is the key factor.

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Translated by **Shuyue He**

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