2015 Observation Report

on China's Third Sector –

Building a Philanthropy Community

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Introduction

Community is defined in sociology as a social unit in which members have common values, shared norms of behavior, and a sense of belonging. The concept has become more widely used. It existed in ancient times: Aristotle described the significance of community in his *Politics*. The German sociologist and philosopher Ferdinand Tönnies stated that community is defined by shared lifestyle, social connections based on close relationships, mutual assistance, and exclusiveness. He believed that community grows naturally from the bonds of blood, emotions and ethics. The basic kinds of community are those defined by family relationships (kinship community), neighborhood (geographical community) and friendship (spiritual community). Community emphasizes the close relationships, common spiritual awareness and a sense of belonging. In recent decades, due to globalization and developments in communication, the connections and exchanges among people and groups are no longer limited to kinship and regions. The original forms of community are breaking down but are reconstructed in different contexts. In these new contexts, community arises because that people are attracted to each other based on common values, emotions, or professions. Groups are formed based on values, norms, and a sense of belonging. Community has important function of promoting social participation and expression of interests, and improving ability to self-governance.

In thirty years of development, the number and types of China's NGOs have increased, areas of activities have expanded, interactions among philanthropy organizations have emerged, and mutual exchange and cooperation have increased. Many philanthropic activities developed from an original organization to expand to other institutions or fields. China's philanthropy organizations are not alone any more. They have started to build a community. The inter-organizational communication, cooperation, and joint projects have increased. Communities have developed from the initial stage to an advanced stage. The philanthropy community has facilitated professional development, improved competence, and protected the interests of the philanthropy sector and helped them express their needs. As the philanthropy community grows, its role will become more influential.

In light of the current and future impact of the philanthropy community, we have created this report. It analyzes the potential impact of the community, interprets the prerequisites of community, and contains facts about the current and future development of China's philanthropy sector.

I. Philanthropy community and its characteristics

A. What is the philanthropy community?

Community is collaborative, are often brought together in the pursuit of a common goal. Therefore, philanthropy community should define a common goal. Tönnies believed that community is "an entity with the same values, norms, and objectives, in which each member regards the common goal as their own goal. The community is not only about a group of people, but more about an entirety." Without a common goal, it is only a crowd. The community also does not refer to a group of people getting together temporarily in some place at some time. Tönnies stated that, in community, the common beliefs are seen as the community's will.

Values will guide and shape norms of behavior. Taylor believed that the practices of public life in the community reveal the most important norms. These are the most crucial aspects of each member's identity. In addition, each member commits to these practices in public life, and in doing so perpetuates these practices. Amitai Etzioni believed that the basic element for building a community is a certain level of commitment to a set of common values, norms, and meanings, as well as a shared history and identity.

The establishment of a community depends on a sense of belonging which arises from shared emotions, memories, history, legends, and habits. Tönnies said in his *Community and Society* that a community is a social organism built of natural wills (such as emotions, habits, and memory, etc.). This is a long-lasting and real common life, "a kind of vibrant organism," which is the essence of a community. Zygmunt Bauman explained the relevance of feelings to community. First, a community should be a cozy place-- warm, comfortable, and like a home. It is like shelter that protects us from storms; it is like a fireplace where we can stay close and keep warm on cold days. Second, in a community, we can rely on each other. If we fall down, others can help us stand up; if we make mistakes, we can confess; someone will hold hands with us when we feel depressed. These examples are all experiences of a sense of belonging. Max Weber believed that common characteristics, situations, and behaviors did not guarantee the existence of a community. Community is only produced when people are "marked with a sense of belonging to an entirety" in addition to their simple "feelings" of a common situation and consequences. Individual psychological process requires four stages: social comparison, social classification, social segmentation, and so-

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cial identification. This results in a "sense of we-ness" and condenses into a community. From the perspective of social identification, which is defined as an individual identified to an organization, the social identification process is completed once an individual identifies him/herself as "we" when asked the question "Who are we?"

In this paper, "philanthropy community" refers to a group or collective organization within China's philanthropy sector. It is comprised of philanthropy organizations that have common values, shared norms of behavior, and a sense of belong to the group or organization

B. Basic characteristics of philanthropy community

The core characteristics of the philanthropy community are common values, shared norms of behavior, and a sense of belonging.

a. Common values

One prerequisite of becoming a community is common values and mission. In the philanthropy sector, the pursuit of common values and missions are advocated by one or more organizations. Then they receive response and support from other organizations. In this way, individual organizations' actions become a collective movement. Nowadays, there are diverse types of collective actions in philanthropy sectors that embody common values and missions. There are many structures of collective actions: some are relatively stable network platform while others are temporary combination; some are umbrella alliance with one key organization while others may be network structure comprised of several organizations; some are regional joint action while other are national joint initiatives; some are joint action of one field while others are joint action of certain type of or-

ganizations; some are collective assembling within some certain systems while others may be hold a big event participated by elites and leaders in the whole philanthropy sector. Meanwhile, different philanthropy communities have different goals. Some wish to improve the credibility of the industry, some wish to share resources, some wish to learn from each other and share experiences. No matter what kind of structure they use, organizations have formed a community due to common values. We will illustrate this point through the following four cases.

The first is the umbrella coalition, in which several organizations surround one core supporting organization. With the support of the core organization, the goal of the coalition is to coordinate exchanges, share resources, and build capacity among organizations. For example the core organization has a mission to promote social innovation and foster public services personnel, and incubate grassroots community organizations to achieve this. It provides them with information, consulting, business training, and financial support. NPI (En Pai), one supporting organization, officially announced that it has provided support to more than 1,000 nonprofit grassroots organizations, cultivated nearly ten thousand public services personnel, and raised more than 300 million RMB for operating funds for thousands of philanthropy institutions.

The second type is a joint action based on taking part in some certain philanthropy events, which is the most evident case in the field of environmental protection and disaster relief. In some emergencies, disaster relief organizations work together naturally. They form a grassroots disaster relief network. For instance, on May 12, 2008, after the Wenchuan earthquake, local communications were interrupt-

ed for more than 50 hours. They had no connection to rescue efforts in Gansu Province. The next day, four nonprofit organizations met in Gansu Province and decided to organize a volunteer team to survey the most damaged areas in Gansu province and assess the situation. After the meeting, the Grassroots Joint Action Group in Gansu was formed to coordinate efforts and organize action. In the following months, the group carried out a series of actions, including emergency assessments, publication of initiatives, resources collection and rescues. It was disbanded in September. The Grassroots Joint Action Group in Gansu was a temporary relief network which originated from nongovernmental organizations working together to cope with disasters. Since China has now experienced an increasing number of disasters, an increasing number of philanthropy organizations have involved in disaster relief and more sustainable relief communities begin to take shape.

The third structure is a network based on a loose alliance of philanthropy organizations. They establish mechanisms of exchange, such as holding regular or ad hoc meetings and taking actions together. For instance, representatives of all the major environmental organizations in the country gathered together in the All-China Annual Meeting of NGOs for Sustainable Environmental Development. This meeting has been held annually since 2006, and its purpose is to build a platform for communication and exchange, involve more social forces, care about the ecological environment, and encourage government to take a role in promoting sustainable development.

The fourth structure is a joint action that advocates self-regulation, accountability, and transparency, which are values and ethics for all outstanding philanthropy organizations. The

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Meimei Guo incident caused a serious trust crisis in the philanthropy community. Publicity, transparency, and accountability became major topics for all philanthropy organizations. More philanthropy organizations realized that only by allowing oversight from the public could they adapt and survive. . An increasing number of self-regulation alliances emerged. Many excellent philanthropy organizations have struggled with self-regulation for more than twenty years. One example of this structure is the China Foundation Center website, which is dedicated to accountability.

Case study: a community for self-regulation– China Foundation Center website

The Birth of the Community

With the establishment of foundations, some interactions among them and self-regulation in this industry emerged naturally. Although transparency has not been explicitly stated, people have already produced some thoughts of self-regulation for foundations. In 1990, the first China Non-governmental Foundation Conference was held in Chengde, Hebei Province, with fourteen participating foundations. In 1993, the second China Non-governmental Foundation Conference was held in Beijing, with over thirty participating foundations and academic institutions. In 1994, over ten national foundations formed the Zhonghua Foundation Planning Committee.

In 1998, the China Foundation and NPO Information Network (now renamed China Foundation Center), a virtual online organization, was registered by the Zhonghua Charity Foundation and seventeen other foundations. Its purpose is to promote information exchange among nonprofit organizations and establish their public trust. At the same time, the Foundation Center's network domain (www.foundationcenter.org.cn) was regis-

tered. In 2001, the China Foundation and NPO Information Network was renamed the Beijing Enjiu Information Center and registered in the Beijing Administration for Industry and Commerce (BAIC) as legal entity. The center director was Yusheng Shang. In 2002, the Beijing Enjiu Information Center held China NPO International Symposium for Public Trust. In 2003, the NPO Public Trust Training Conference was initiated by Mingfu Yan, president of the Zhonghua Charity Committee, and sponsored by American McClelland Foundation Center. In 2003, led by the Beijing Enjiu Information Center and the American McClelland Foundation Center, domestic and foreign experts collaborated on teaching material named Series of Training for Public Trust, which provided high-quality training to more than one thousand directors of nonprofit organizations. In International Senior Forum for Multinational Corporations and Philanthropy Organizations, China's Nonprofit Organization (NPO) Credibility Standards drafted by the Beijing Enjiu Information Center was published and signed by dozens of NPO directors.

Since 2000, the growth of the Internet has been the most powerful driving force for accountability to the public. There have been tremendous changes in internal and external environments for foundations. Transparency and establishment of public trust are not just goals for a few excellent foundation centers but demands from the public. The common goal of most foundations is to build a platform for information disclosure that improves transparency and establishes public trust. Foundations are moving quickly towards self-regulation. At the China Charity Conference in November 2005, the China Youth Development Foundation, the China Foundation for Poverty Alleviation, the Amity Foundation and the Beijing Enjiu Information Center co-hosted NPO Self-regulation Forum and initiated China NPO Self-regulation Action. They valued the principles of "voluntary, self-

regulation, and self-assistance" in order to strengthen norms of behavior in the NPO sector, build public trust, and use self-regulation guidelines to promote the development of philanthropy. In April 2008, the China Philanthropy NPO Self-Regulatory Guidelines were officially released at the International Symposium for NGO Accountability" held at Renmin University of China. In January 2009, the Beijing Enjiu Nonprofit Development Research Center was registered at the Beijing Civil Affair Bureau. In July 2009, the China Private Fundraising Development Forum was held. They issued a Declaration of China's Private Fundraising Foundation Regulation. In October 2009, a delegation of senior members from China's Private Fundraising Foundation visited the United States, and reached a consensus: self-regulation should start with information disclosure and the establishment of a China Foundation Center is imperative. In November 2009, a steering committee for NPO self-regulation held a meeting in Nanjing. They agreed to work with China's Private Fundraising Foundation Development Forum to develop the China Foundation Center website and prioritized this as an important goal. In December 2009, the China Foundations Center website was launched, sponsored by more than thirty foundations.

In February 2010, a planning committee from the Foundation Center Project went to the United States to conduct in-depth exchanges and discussions with the United States Foundation Center and Hauser Center for Nonprofit Organizations at Harvard University. The team gained valuable knowledge and techniques, and laid a solid basis for the China Foundation Center. On May 31, 2010, commissioned by the Beijing Enjiu Nonprofit Development Research Center, the Narada Foundation submitted A Referral Report for Supporting the Establishment of the China Foundation Center Website" to the Ministry of Civil Affairs. The ministry approved it and showed their support. On

July 8, 2010, after six months of intense but organized preparation, the Beijing Enjiu Nonprofit Development Research Center held the China Foundation Center Website Initiative and Transparency Conference, and officially launched the China Foundation Center website. Thirty-five organizations sponsored the website and named Yongguang Xu the director. Other foundations immediately corresponded and encouraged this action. The Foundation Center, with the mission of "establishing a platform for information disclosure and providing capacity-building services to nonprofit sector," has gathered common values, especially on accountability. The China Foundation Center identified three aspects of work related to accountability. First, it established a platform for information disclosure. Second, it facilitated access to various resources and conducted professional analysis. Third, it provided supporting services at the same time, including trainings for capacity building and self-regulation. All three aspects of work have facilitated capacity building in nonprofit sector and the establishment of self-regulation mechanism.

The Pursuit of Common Values

The Foundation Center has become a platform for the pursuit of common values. At the end of August 2012, the Foundation Center released the China Foundation Transparency Index (FTI), a measure of transparency in operations at foundations. The FTI is currently used measurement of transparency. For example, on April 20, 2013, for disaster relief after the Ya'an Earthquake, forty-two foundations established the China Foundation Regulation Alliance for 4.20 Relief Operations , and promised to make the process of accepting and distributing the donations transparent, to accept supervision from both societal and government donors, and to bear all legal responsibilities. In this way they would gain public trust in philanthropy organizations. The Alliance created criteria for the operational process; the content,

channels, and timeliness of information disclosure; documents prepared for audit and accountability; and cooperation and exit mechanism. On August 29, 2013, the 3rd annual conference of Foundation Center Transparency and China Foundation Center Website was held in Kunming, and the key themes were self-regulation, evolution, and development. The main event was the initiation ceremony of the China Foundation Regulation Alliance for 4.20 Relief Operations. Daofeng He, Executive Director of the China Foundation for Poverty Alleviation, was declared as the chairman. He announced the China Foundation Regulation Alliance Convention for 4.20 Relief Operations, and all members signed up. Daofeng He reported on how the Foundation Center promoted self-regulation and transparency, explained the significance of these concepts to the Alliance, the role of transparency in the development of the Foundation Center and the entire philanthropy sector, and described the future plans of the Foundation Center. The establishment of the Alliance is expected to help the transition of foundations to practices of self-regulation, transparency, and standardization: from passive to active information disclosure; from receiving supervision to self-regulation and actively seeking supervision from the public; all disclosures change from general to specific and concrete information to facilitate the supervision. Today, the Foundation Center is the most prestigious platform for disclosure of information about non-governmental organizations.

Case study: Assembly of Environmental Protection Foundations—China Environmental Grantmakers Association

Thinking about reality

On June 21st, 2013, Fifth China private fundraising foundations and development Forum hosted a workshop entitled "Searching for the Beauty of China" at the Beijing Nanguan Park Citizen Education

Center. They announced following statistics: there are 64 environmental protection foundations in 21 provinces and autonomous regions; environmental protection foundations account for 2% of foundations in China; their net income is 3% of net income of all foundations in China; the income from donations is 2% of total foundation donations in China; philanthropic expenditure accounts for 3% of total foundation philanthropic expenditure in China. Environmental protection is not one of the top ten concerns of foundations. Environmental protection foundations are not prominent. And environmental protection foundations have showed few interests in supporting environmental protection organizations. The All-China Environment Federation published "The Blue Book on the Environment" in 2010 and stressed the current situations of environmental protection organizations. Ninety percent of environmental protection organizations in mainland China receive funds from embassies and overseas. However, it is not easy to acquire funds. Organizations need to apply for the funds and file records with the government, which is a very complex process. Domestic support for environmental protection organizations is far less than enough, which is not easy for non-governmental organizations that want to develop.

The statistics were unsettling to environmental protection foundations. They discussed the seriousness of the problem and reached a conclusion. The foundations that attended the workshop would create a "Planning Committee for China Environmental Grantmakers Association" and take action to solve this problem. They initiated a survey of China's environmental protection foundations, which would be designed and implemented by the SEE foundation and funded by the All-China Environment Federation. Meanwhile, they welcomed all partners to join the association.

Looking to the future

When the association was established,

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the SEE foundation was concerned about whether more foundations would be willing to become members of the association. However, this concern was eliminated shortly. The team soon received responses from environment protection foundations. Tian Gao of the SEE Foundation said that "It surprises me that many foundations support the establishment of the association, which indicates that they realize the seriousness of the current polluted environment and the weakness of environmental protection NGOs." On November 15th, 2013, After repeated discussions, the All-China Environment Federation, China Green Carbon Foundation, China Green Foundation (3 public fundraising foundations), Wanke Charitable Foundation, Vantone Foundation, Alibaba Foundation, SEE Foundation (4 corporate foundations), LAO NIU Foundation (1 Family Foundation), and Guangzhou Harmony Foundation (1 community foundation), the nine foundations formed the Planning Committee of China Environmental Grantmakers Association.

The China Environmental Grantmakers Association is currently in the planning stages. China's environmental NGOs have great expectations for it. It is agreed that the member of the association should share resources with each other and study oversees experiences; they should also summarize and disseminate best practices of domestic foundations, which include fundraising strategies and fundraising channels of public fundraising foundations, and investment system and advanced ideas of family foundations, both of which could benefit other types of environment protection organizations. More important, the main purpose of the association is to improve funding of non-governmental environmental organizations in China. Second, the exchange of information among foundations is imperative. It is not possible to achieve environment protection alone. It is important to rely on information exchange among organizations. The association will provide a platform for information ex-

change, cooperation, and capacity building among organizations. This is one of the motivations for establishing the association.

b. Shared norms of behavior

In practice, philanthropy community members act in accordance with shared norms of behavior. Complying with the norms of behavior is a way to self-identify and -answer the question, "Who am I?" The norms of behavior permeate every part of the community, and are key component of maintaining a community.

A clear boundary is necessary for a community, and it also ensures the existence and the operation of the community. In order to eliminate interference caused by concurrent communities and other possible factors, within the scope of the community, others are not allowed to coexist. Therefore members can effectively follow the shared norms. This is a self-protection mechanism of the community. The strongest feelings of community are reflected in the established culture tie and self-identity, especially when some communities face external threats. In their eyes, the fate and loyalty of the outsiders are obviously different from their own. The defense against outsiders is public. People limit their world to the size of the community, and show the exclusiveness to the outside of the boundary. The community has an independent and unified quality. Members are highly connected with one another and they either directly interact with or indirectly affect each other. Their roles and the norms of behavior associated with their role can influence others. In addition, as an integral and independent community that has influence on society, it does not need to depend on other social factors.

The value, tradition, habit, norms and law of philanthropy community form the norms of behavior that peo-

ple deeply depend on. Guided by the norms, members acquire the same behavior. Their commitment to the norms of behavior is even stronger than their actual affiliation with the community. In the philanthropy sector, every philanthropy organization has certified memberships in several different communities at the same time. Examples of communities are learning networks, forums, and platforms. As a result members have multiple identities which are embedded overlapping communities. To the extent members understand and identify each other, and to the extent individuals willingly accept and follow the title, work, and relationship set by the norms and are loyal to the norms of behaviors, a community is formed.

Case study: Members comply with the norms of behavior—USDO (Union of Self-Disciplinary Organizations) 1030 Agencies

During the development of the USDO, members expressed a strong identification with each other. On October 30th, 2009, USDO was established. One hundred and twenty eight philanthropy organizations attended the conference. After eight hours intense and well-ordered discussion, debate, and a vote, 102 organizations passed and signed the "USDO Social Organizations Self-regulation Standards" and "USDO Regulations." This was the official beginning of an Internet community in which the core value is NGO self-regulation. All of the attendees were given the label as "1030 agencies," which gives the organizations shared memories and experiences. As part of this joint initiative, these 1030 agencies developed a mutual identity and a "sense of we-ness," which are not only due to their similarities, but shared motivation.

Formal members need to comply with the same norms of behavior

The 1030 agencies were not automati-

cally accepted as members of USDO. At the conference on October 30th, a resolution was approved concerning organizations that want to apply for USDO membership. The applicants need to prove their qualifications by submitting documents that meet five basic criteria. With the approval of the USDO coordination group, they can become a member of the USDO. This process reinforces members' commitment and adherence to the norms of behavior.

Once the USDO reached a certain size, newcomers had more difficulty achieving the same level of "sense of we-ness" as long-standing members. Newcomers needed direction in terms of the norms of behavior to bring them into the community. To do so, the USDO has done a lot. First, they regulated the use of logos. The USDO specified that members of the USDO were encouraged to put the USDO logo next to their own logos to identify themselves as members of the USDO. The USDO also urged more organizations to join the exploration of self-regulation. If anyone finds non-member organizations using the USDO logo, they are encouraged to report this to the coordination group to protect the credibility of the logo. Second, they initiated a joint action and proposal, and held a salon to empower individuals to get involved with the group. For example, on September 27, 2010, the USDO and the Beijing NGO Friends co-hosted a called seminar NGO Friends Information Disclosure and Transparency Development in Beijing. Philanthropy organizations encountered a crisis of confidence after the Meimei Guo incident, in 2012. The USDO drafted a proposal entitled "Self-Regulation and Demonstrating Your Philanthropy." They invited members of the USDO and other social organizations to investigate their own financial statuses. In the first two weeks, forty-two social organizations participated and more than 1,000 search results appeared in Baidu. The Philanthropy Journal of Nanfang Metropolis Daily reported on these investigations in

the publication "Account Books Posted on the USDO forum: Financial Records of Grassroots Organizations are Uncovered." Third, NGOs should strictly comply with USDO Rules of -Self-Regulation. In March 2010, the NGOCN, an official USDO organization, proactively reported that they had an issue balancing their account books and opened a public investigation. NGOCN agreed to be investigated by Beijing NGO Friends, a member of the USDO, about their adherence to the USDO Rules of Self-Regulation. In May 2011, the NGOCN was highly praised by the USDO for their courageous self-examination, self-regulation, timely disclosure, and positive attitude, which set a good example for all members of the USDO. At the same time, according to their principle, "Easy to Join, Difficult to Leave," the USDO decided to name the NGOCN as a probationary member of USDO and provided instructions and guidance. The NGONO accepted this decision.

Help New Members to Build "Sense of We-ness"

As of November 6, 2012, the USDO Self-Discipline Forum had 117 members, including 71 formal organizations and 46 observing organizations. On December 22, 2014, the USDO website stated they had 148 member organizations, comprising 113 formal organizations and 35 observing organizations. Since 2012, it had added 31 organizations.

The USDO Self-Discipline Forum focused on spreading USDO's vision of self-regulation. In March 2012, "NPO Financial 3A training program" was officially established. The program took place in Beijing, Guangzhou, and Chengdu. About 150 organizations applied and 72 organizations were enrolled in the program. The program provided systematic NPO financial management training for executive directors and financial personnel. The program held 244 sessions and served 144 people. It has promoted the

management skills, auditing, and budgeting control of the participants, and helped them to establish sound and well-operated financial management systems. In addition, it has improved the current weakness of financial management and facilitated the ability of financial performance. From July 12 to 13, 2012, the USDO held a behavior art show titled "Transparency Supports Philanthropy" and sponsored a salon entitled "Transparency in Philanthropy" at the first China Charity Fair, which were both supported by the twenty-eight membership organizations that exhibited in the fair. In addition to conducting salons and trainings, USDO also helps membership organizations in other ways. For example, at the beginning of August 2012, the USDO secretariat helped twenty-one membership organizations establish verified accounts on Sina Weibo (Chinese Twitter).

USDO respects diversity and emphasizes autonomy. Discussions and debates among membership organizations are based on mutual respect. Once they find a problem, they will solve it immediately. Membership organizations actively express their thoughts and provide comments, which promoted the "sense of we-ness" of newcomers. When the distinction became clear, symbol and emotional experience will in further strengthen the categorization process.

Why do the members of the community comply with the norms of behavior? We can use the theory of "organization commitment" to analyze. In the organization commitment, members finalized the angle and degree of connections with the organizations, especially the establishment of the code of conducts, which is impossible to establish in formal texts. From main orientation of the organization commitment, the commitment can be divided into three different types. One of them is *emotional orientation*, which is that members believe that the mis-

sion of the organization is meaningful and valuable, and they are willing to make efforts for the organization's interest and there is a strong desire to maintain the membership in the organization. Second is the *instrumental orientation*, which is people staying in the organization based on calculation of costs (time, effort, and opportunity costs) and benefits, for example, social status they have obtained, welfare they will be acquired in the organization, and other opportunities. The orientation of this kind of commitment is "need." Since its main characteristic is to figure out whether to remain in the organization, it is also known as "continuation commitment," "stay commitment," or "instrumental commitment." The last one is *standard orientation*. Members are agreed to make a commitment to the organization under the pressure of "acting in terms of benefits and purposes of the organization." This is like a commitment that "may not like it, may not necessary, but once start doing it, you should do your best." This commitment emphasizes obligation, so it is called standard orientation.

After being put to the test by disasters, the development of China nongovernmental rescue forces has apparently appeared aforementioned three orientation characteristics of organization commitments. The first stage occurs after a major disaster happens. Nongovernmental forces form an ad hoc joint action network to combine resources and strengthen the capacity of joint action. The main characteristic of this stage is that it is temporary. Most members of the network have "continuation commitment, or "instrumental orientation." In the second stage, nongovernmental relief forces form a regular network, and they are able to conduct joint action for relief of minor and medium disasters. The third stage occurs when the inte-

grated nongovernmental relief network, which is more professional, establishes a mechanism of interaction with the government. The interaction between nongovernmental relief forces and the government is the main characteristic and the process tends to be standardized. On May 12, 2013, *the Ya'an Earthquake Relief Social Organization and Volunteer Service Center* was established by Sichuan Province and Ya'an. It coordinated social forces and played an active role in earthquake relief. Earthquake relief in Lushan, a county in Ya'an, opened a new stage of development in joint disaster relief, in that the cooperation among nongovernmental organizations became more effective and professional. Nongovernmental organizations have actually become an important force in disaster relief. The interaction and cooperation with the government are becoming more standardized, which would facilitate more effective functions of both nongovernmental organization and government, in order to better serve in the disaster relief.

c. Sense of Belonging

A sense of belonging is the emotional experience that occurs when individuals self-identify with groups, and feel some degree of satisfaction and attachment to the group. For individuals living in groups, they must have some similarities with other individuals in the group, such as similar attitudes, emotions, values, and behaviors. Individuals who have a high degree of similarity with others are more readily accepted by other group members, and then they start to feel a sense of belonging to the group. The psychological mechanism of development of a sense of belonging is similar to mechanisms for the formation of other identities, such as those based around religion, language, geography, culture, class, social status, profession, and

gender. The unique characteristic of a sense of belong is that it is the group itself attracts group members and leads to group integration, rather than the similarities of personalities among individuals or interpersonal attraction caused by mutual dependence and exchange. That is, the formation of a "sense of we-ness" is the psychological basis for a sense of belonging and ties that maintain the community. The formation of "sense of we-ness" means that individuals belong to a group and identify as group member. Only by promoting the "sense of we-ness" can members of the organization work together in difficult times. Therefore, the organization is "ours" instead of "his/hers" or "theirs." The psychological mechanism of the formation of the sense of belong is the individual's identification, the formation of psychological groups, and eventually the attainment of group cohesion.

Members of the philanthropy community share the values of volunteerism and altruism. Therefore it is easy to form a familial belonging among organizations and groups. Some think the ultimate goal of community is to create strong physical, emotional and ethical connections among all kinds of social members through equal and mutual assistance among citizens, and to eventually form a great community of the human society through mobilization and facilitation of citizens' self-development. Through various joint actions, more communications emerge among similar organizations, and they become familiar with each other. Then they interact more closely and begin to build greater emotional attachment to each other. Eventually, they become partners in the same circle. In this circle, philanthropy organizations are not only co-workers, but also friends. They have shared feelings, memory, history, and customs, which make them a close community. However, even if there is

no substantial interaction among organizations based on similarities, such as in identity, area of activities, and situation, a sense of belonging and "sense of we-ness" can be formed in the community. Common history, feelings, memory, and customs are ways to create a sense of belonging.

In most cases, after activities, similar but unacquainted organizations become familiar with each other and form agreements. Histories and customs are passed down and normalized, and then the sense of belonging is formed. For example, after the Wenchuan Earthquake, nongovernmental philanthropy organizations jointly responded to this major natural disaster and their joint action became normalized later, which was shown in subsequent disaster relief operations such as those following the Yushu Earthquake, the Wangmo Flood, and the Yiliang Earthquake. For example, during the disaster relief against freezing in the winter of 2011, more than twenty nongovernmental organizations from Guizhou Province, Yunnan Province, Guangxi Autonomous Region, and Hunan Province held the *2011 Southwestern Region Freezing Disaster Relief Preparatory Meeting* in Guiyang on November 26. The meeting facilitated the formation of *The Network of One Foundation • Southwestern Region Freezing Winter Disaster Relief Nongovernmental Joint Action* and decided action strategies, including buying and reserving relief supplies in advance, coordinating actions across regions, focusing on affected children in disaster areas. In the following three months, they held thirty-seven activities for warm package send-outs. Fifty organizations and 750 volunteers participated. They sent out a total of 8,389 warm packages in twenty-six counties in four provinces. In February 2012, in the *Closing Meeting for Freezing Disaster Relief*, the participants agreed to dissolve the Com-

mittee of Southwestern Region Frozen Disaster Relief Joint Action, and established a normalized Committee of One Foundation Southwestern Region Disaster Relief. The worth of the Southwestern region freezing Winter disaster relief joint action to China's nongovernmental joint disaster relief is that previous disaster relief joint actions focus only on major disasters, in contrast, this time, this joint action worked as a landmark that focused on minor and medium disasters. Another important significance is that they reached an agreement to build a normalized nongovernmental joint action network. Previous organizations for disaster relief joint action were set up temperately after the disaster occurred and announced the dissolution after their joint actions. However, this time, the join action directly facilitated the formation of the network of One Foundation disaster relief joint action, which will be one important nongovernmental force to participate in disaster relief in the future.

Another example is the *Development of China's Private Fundraising Foundations Forum*. It does not have very rigorous and explicit documents that constrain participants' behaviors, but participants share common customs and rules. Since the first forum, more than ten foundations supported the forum together each year and each of them paid a part of the costs. The president for each year was in rotation and is from those foundations that supported the forum. The president is responsible for organizing the forum and directing the secretariat to finish the work assigned by the Forum Organizational Committee. This rotation system does not cause any dispute. The forum was on time each year and the organizers of the previous year followed the agreements and rules that were made years before and handed over the structure of the forum, the

sections of the forum, and the contact information to the organizer of this year. The organizer will follow the customs. These rules are the shared memory and custom, which are not required by the superiors, but are followed willingly by everyone. It also makes organizers to do their best in this work, because if the work is not well done, the organizer will be scolded. The community of private fundraising foundations will think this agency is not well and its authority and influence will decline. The agency will lose face and its future activities in the philanthropy circle will be inconvenient. In contrast, if organizers have done a good job, it can win extra points and gain recognitions and protection from the community.

II. The Function of a Philanthropy Community

The concept of community highlights the interactions and relationships among individuals and groups. Based on these relationships, the community exerts a positive effect on philanthropy community members and the philanthropy sector.

A. Function for Philanthropy Organizations

a. A learning opportunity

The Chinese philanthropy sector, especially grassroots philanthropy, is still in its infancy, and has problems with a strong sense of elitism, a lack of professional knowledge and skills, weak organizational abilities, and insufficient governance structures and mechanisms. China's grassroots philanthropy organizations can't resolve all the above problems through their own efforts. However, they can quickly enhance their financial capacity, human resources and access to information via community efforts and long

-term systematic training.

First, the reason why Chinese nongovernmental organizations are financially disadvantaged is that they are deprived of public fundraising and cannot issue tax-exempt receipts. Financial problems are a barrier to the existence and development of a NGO. In terms of financial and human resources, the community would provide a convenient method to allocate resources effectively. For instance, the China Social Welfare Foundation United Way Center is one such emerging community. After an investigation of current situation, the China Social Welfare Foundation decided to set up a United Way Center to lower barriers to entry. The purpose of this center is to help more nongovernmental philanthropy organizations obtain access to a national public fundraising platform and to over come barriers of nongovernmental organizations that are not qualified to engage in public fundraising. On May 28, 2013, the China Social Welfare Foundation United Way Center started to recruit some qualified philanthropy organizations and provide a national public fundraising platform. Meanwhile, the center organized fundraising training and activities. Zengyun Gao was put in charge of the China Social Welfare Foundation Disability Services Fund. In addition, he was named the fundraising officer of the Beijing Huiling Community Service. Since Huiling is registered as a business, when it conducts business with for-profit companies, the most troublesome issue is that it cannot issue tax-exempt receipts. This is especially embarrassing when it fundraises. Therefore, when Gao learned that the China Social Welfare Foundation established the United Way platform, he immediately negotiated with them and soon reached an agreement. Huiling is the fourth organization that joined the United Way platform.

Second, community members provide convenient platforms and facilitate information sharing channels. For example, a linkage operation mode named "Website + Microblogging + Wechat + QQ" was adopted by the Philanthropy Forum, which was established on December 5, 2006. The forum spread the modern philanthropy culture and philanthropy common knowledge to the public by publishing philanthropy information, organizing discussion topics and providing consulting services to individuals, businesses and philanthropy groups in order to help philanthropy organizations explore the wisdom of doing good via self-reflection and mutual learning and exchange. After years of development, Philanthropy Forum has become one of the influential public forums for dissemination and exchange in China. Currently, Sina Microblogging @ Philanthropy Forum has over 130,000 followers and it was once elected in 2011 as one of China's top ten nongovernmental microblog accounts; its official Wechat account, loongzone2006, has over 20,000 fans. In addition, there are more than a dozen national and regional QQ groups whose members are mainly full-time philanthropy staff and volunteers across the country. The sections of the website include Philanthropy News, Philanthropy Think Tank and a philanthropy column. Philanthropy News covers local news and national news. Philanthropy Think Tank covers the topics of philanthropy wisdom and philanthropy resources, and includes a philanthropy encyclopedia. The philanthropy column includes *Learning How to Do Good Together*, a philanthropy organizations column, a NGO information disclosure platform and *DMEL Question of the Week*. These rich resources are written by forum users and shared by them.

In order to help philanthropy or-

ganizations obtain the opportunity to learn and grow, some advanced overseas alliances collaborated to develop a learning and growth alliance of China's grassroots organizations. For example, as a respond to Global Call to Action Against Poverty (GCAP), seven international NGOs in China, including Oxfam Hong, established the Global Call to Action against Poverty – China (GCAP - China) in Beijing in 2005. It is an alliance in which international NGOs collaborate with local NGOs. It is also an interdisciplinary alliance and has extensive contacts with nationwide NGOs in China. GCAP - China is committed to promoting the Millennium Development Goals in China, with a particular focus on the key areas of China's progress in eliminating poverty. GCAP - China is committed to promoting NGOs' ability to advocacate and to support advocacy through research, training, funding, and seminars, thus promoting civic participation and eliminating poverty and injustice.

GCAP's work can be divided into three parts. The first part is information exchange. Through online and offline platforms, GCAP released information of national and global development issues and methods of advocacy, and promoted exchange and discussion among relevant NGO partners. GCAP- China management's *"Email Group for Online Learning"* already has more than 700 members and most of them are NGO workers, especially advocates, in various fields. People can refer to the page on the website entitled "E-mail Subscriptions" to see how to apply and join the group. The second part is capacity building. Through capacity building for advocacy and small money funding projects, GCAP can promote NGO advocacy ability. In particular, the ability to conduct survey and policy analysis. Since 2007, GCAP - China has collaborated with

the Women's Media Monitoring Network, Oxfam Hong Kong and other institutions to host eight workshops on capacity building for advocacy in Beijing, Chengdu and other locations, and provided more than thirty NGO with funding for small survey and advocacy initiatives. GCAP - China constantly makes efforts to indigenize their members, issues of concern, and practical methods in response to China's domestic demands of anti-poverty. GCAP. The third part is joint advocacy. By reviewing research and writing policy recommendations in the report, GCAP - China coordinates NGOs from all areas to vocally advocate for joint action when there are local and international policy advocacy. In 2007, GCAP – China coordinated with more than a dozen NGOs to compose a shadow report of Millennium Development Goals (MDGs) on the status of their achievement in China. Presently, GCAP - China's main follow-up advocacy opportunities include the BRICS Summit, the G20 meeting, and the post -2015 development agenda of the United Nations.

b. Protection and Support

Social legitimacy means *legitimacy* and *reasonableness*, characterizing an act or an existence that meets people's moral requirements for entity or procedure. People volunteer to accept and obey it, not due to any coercive reasons. For philanthropy organizations, this usually requires openness, transparency and accountability to win the public's trust, recognition, and support, thus gaining social legitimacy. Many philanthropy organizations have achieved a degree of social legitimacy by their own efforts. They are confined to a limited space and can only carry out activities in a restricted way. Therefore they are unlikely to win the public's trust, and this will impede their philanthropy activities, especially

in the case of grassroots philanthropy organizations that are also restricted by their registered status.

In order to overcome the constraints of limited social legitimacy, philanthropy organizations need to join the community. On the one hand, NGO no longer feel lonely. They wear the community certified "hat" and receive legitimate protection and support. Philanthropy organizations take an active role in society by their own efforts as well as the help of the community; they eliminate doubts that government and society have about them, gain trust and support, and win more favorable conditions for their own survival and development. China's philanthropy organizations have implemented the policy of transparency and accountability for twenty years, but increasing questions from the public indicate that their efforts are far from sufficeint. A small number of outstanding philanthropy organizations' efforts on openness and transparency lead the changes of philanthropy, but it is not possible for them to represent the entire industry. When the Internet entered the Web2.0 era, charitable donations' transparency was extensively questioned by the public. The public believed that most transparency only existed on the surface. Existing information channels did not function well for the expression of public opinion. A trend of rising public accountability is inescapable. Therefore, it is urgent to build social legitimacy of philanthropy organizations. It seems that a community that commits to self-regulation can provide a feasible way to achieve a breakthrough in the problem of the legitimacy of philanthropy organizations.

For instance, the China Foundation Center website is an example of industry self-regulation. Its self-regulation is mainly reflected in its encouragment of information disclo-

sure. Many people believe that transparency is both self-regulation and self -save of the philanthropy sector. The nongovernmental philanthropy industry's self-regulation begins with foundations, and foundations' self-regulation begins with information disclosure. The purpose of establishing the Foundation Center was to use public pressure to promote self-regulation, promote the industry's transparency and achieve accountability. Yongguang Xu said, "The establishment of China Foundation Center was due to responsible leaders in this sector and a number of outstanding foundations. They hope that the entire nonprofit industry can develop in a healthier way, and expect that transparency and the healthy development of the industry can not only increase their reputation, but also promote the transparency of the entire philanthropy industry and of Chinese society. Finally the transparency of foundations will contribute to integrity and transparency in China."

At the Foundation Center, the information disclosure platform is the main project that promotes openness and transparency. This includes establishing a data center and issuing the Foundation Transparency Index (FTI). The information disclosure platform established by the Foundation Center aims to help related organizations and people understand whether a foundation is qualified, professional and efficient. The foundations can also use this platform to present themselves to the public and build credibility. The FTI is an important part of the information disclosure platform of the Foundation Center website. The website dynamically updates the FTI list, which exerts pressure on foundations for openness and transparency. This increases foundation management capabilities and promotes foundation accountability. "FTI publishes scores on daily basis

and continuously influences the media and the public," said Hongzhou Liu, the Secretary General of the Narada Foundation.

Self-initiated action written in *Nine Codes of Conduct for Philanthropy and Commercial Cooperation* advocated by the Foundation Center provides good support for foundations as well. On December 17, 2011, the *"Nine Codes of Conduct for Philanthropy and commercial cooperation" Self-regulation Conference* was held in Beijing and twenty-four foundations joined the self-regulation action right away. After the conference, Foundation Center received a constant flow of inquiries and phone calls for registration. By January 31, 2012, thirty-nine foundations enrolled in the self-regulation action. The nine codes of conduct included: basic principles (honesty, equality, mutual benefit and win-win cooperation, fair trade, do no harm to the public interest); and comply with the rules set by philanthropy mission; due diligence, prudent use of philanthropy brand, philanthropy promotion, business investment, ensuring philanthropy spending, risk control and avoid conflict of interests.

c. Self-Worth

According to Niklas Lehmann, human existence is contingent and no one wants to leave the world without having made a mark in it. People try to extend their worth by creating their own culture and reproduction, so that their limited life continually extends to infinite existence. Then the worth and significance of individuals can be seen in this process in the history.

And so does the philanthropy sector in the community. Some philanthropy organizations extend their own worth by attaching their own worth to the community and in the process of continuous community development, their worth are extended.

B. Function for the Philanthropy Sector

a. Enhancement of Overall Strength

Community exists based on integration of developments of collective cohesion and individual power. Members of the community promote their development by sharing information, resources and each other's views and experiences. Through individuals' dependence on the collective and selfless dedication to the community, the power of community is enhanced. Such increasing community power changes the balance of power between the philanthropy sector and the government, as well as promotes the credibility and influence of the philanthropy sector. Community empowers the overall power of philanthropy sector, protests their right to speak and enhances their influences in their communication with government. For example, in November 2009, the Ministry of Finance and the State Administration of Taxation issued "A Notice by the Ministry of Finance and the State Administration of Taxation on the Issues Concerning Tax-exempt Income in Enterprise Income Tax of Non-profit Organizations" and "A Notice by the Ministry of Finance and the State Administration of Taxation on Issues Concerning the Determination of Tax-free Eligibility of Non-profit Organizations," which described regulations on NGO tax-exempt income range and eligibility, respectively. However, since they have too many restrictions on tax-exempt income and NGO tax-exempt eligibility, it is nevertheless against NGO legitimate rights and the public interest. On December 22, 2009, nine foundations, including Narada Philanthropy Foundation, Youcheng China Social Entrepreneur Foundation, and China Youth Development Foundation challenged this issue and they co-

signed the paper that required the State Council to conduct a law review. In addition, they sent a letter to the Financial and the State Administration of Taxation to request communication on related issues. Three days later, another fifteen philanthropy foundations joined and signatories reached the number of twenty-four. This is not the first time that the foundations made a statement on tax issues. In June, five foundations including the China Youth Development Foundation and the China Foundation for Poverty Alleviation co-signed a letter and raised objections to a Corporate Income Tax that the State Administration had levied. At that time, the Ministry of Finance, the State Administration of Taxation and the Ministry of Civil Affairs developed policies regarding Foundation's legal eligibility. The two notices were issued in November which clarified that donations can be tax-exempt income, but agencies need to have tax-exempt status. If not, they still cannot be tax-free. The foundation's for-profit income was not included in the two notices about exemption categories. This prompted the foundations to make joint advocacy and express their opinions again when faced with practical problems.

In addition to "fighting against" the government, the increased power of the philanthropy sector also leads to that government begins to pay more attention to it and seeks cooperation. For instance, in recent years, China has suffered from many disasters. Non-governmental rescue forces grew fast, which prompted more and higher quality non-governmental rescue teams, including the One Foundation's Two Networks of Rescue Alliance and Joint Relief, the China Foundation for Poverty Alleviation Humanitarian Network, the China Social Welfare Foundation and Youcheng Foundation of Relief Networks. However, these

relief networks have problems of monopolizing resources. Therefore, the question of how to establish joint collaboration rather than duplicate resources and relief organizations is a common problem faced by relief organizations and the government. After the Ludian earthquake on August 3, 2014, each of the established relief alliances and networks acted swiftly and effectively in earthquake relief operations. New community was formed as well and dialogue with the government was more effective.

In addition, the philanthropy community makes the voice of philanthropy sector more credible and influential by publishing joint open letters and advocating joint initiatives. For example, on June 7, 2013, twenty-five philanthropy institutions in Guangdong Province jointly submitted a "joint proposal by Guangdong women's and children's rights protection organizations on building a campus sexual assault prevention system in the Guangdong education system" to the Guangdong Provincial Department of Education, expecting the education sector to be the first to take action in response to the demands of society. These twenty-five social organizations included university research centers, gender equality and philanthropy advocacy organizations, as well as a number of professional organizations of social workers, which work on protecting rights of women and children. The Provincial Education Department responded that this proposal letter shares same views with the Provincial Education Department in many aspects. The letter includes short, medium and long-term plans, and very comprehensive. In September, twenty-seven philanthropy institutions, including the Gender Studies Center of South China University of Technology, the Guangzhou Yuexiu District Sijin Cultural Research Center, and social work agencies working on gender equality and philanthropy advocacy, sent a letter entitled *Guangzhou Sexual Assault of Minors Prevention Ordinance (social organizations proposal)* to the Guangzhou Municipal People's Congress Law Committee, which raised public concern. The Minister of the Department of the Guangdong Provincial Women's Federation appreciated it and stated that the issue of sexual assault of minors has indeed touched society's most sensitive nerve. The twenty-seven philanthropy organizations voluntarily drafted legislative proposals and pushed local legislation to protect adolescents from sexual assaults. All of these are necessary for building a civil society.

b. Enhancement of Industry Autonomy and Self-Regulation

Admittedly, there has been real social identity crisis and the public are currently skeptical of all of these, which can be evidently seen from people's questioning attitude toward philanthropy sectors. The Meimei Guo incident shifted the public's focus to the philanthropy sector. For the philanthropy sector, this was both a challenge and an opportunity. Many philanthropy organizations recognized that industry self-regulation is the top priority of building China's philanthropy. The improvement and purification of philanthropy industry are inseparable from industry self-regulation and now it is a historical opportunity in front of Chinese society. Industry self-regulation should be dedicated to enhance the ability of industry organizations. The primary goals of self-regulation are increased autonomy; improvement of management skills, management ability, planning, and response capabilities; as well as increased credibility.

First, the rational purpose of philanthropy is to maximize public interests and social values, in contrast to rational-economic man's maximizing personal interests in market. The philanthropy sector can be seen as a social commitment, a transition towards goodness, and an achievement of fair and social justice. Therefore, community in the public sector has lofty values and its ultimate purpose is to maximize the public interest (not the individual interest) and social welfare through efficient allocation. No matter they are communities of exchange and learning, common action or industry self-regulation, and no matter their purposes are to enhance the capacity, or get access to information and resources, the ultimate goal of all these communities are to maximize social benefits. Philanthropy sector is altruism oriented, emphasizing the public interest and emphasizing the voluntary action of citizens. The ultimate goal of philanthropy is to establish strong bonds in the physical, emotional and values among citizens through equal citizens assistance and ultimately form a large community of human society through helping citizens by mobilizing their own growth.

China's nongovernmental society organizations, especially those formed from the bottom, such as environmental organizations that protect human rights, to some extents, do not pursue their own material interests. The purposes of their activities are to care for others to achieve social justice and other human spirit. Such values make their members have a self-achievement, autonomy, a sense of belonging and other spiritual satisfaction. Thus, the philanthropy community not only gathers members together, but also recruits stakeholders such as recipients, forming a common home with a sense of belonging and identity of the modern community. In this sense, the values and activities adhering to philanthropy sectors and nongovernmental organizations are influ-

ential in terms of improving industry self-regulation

III. Factors of Formation of Philanthropy Community

The philanthropy community in China is established by several elements. It includes internal pursuits from the philanthropy sector, external pursuits from the government and society and the positive influences from overseas powers.

A. Internal Reasons

a. An Internal Need of Philanthropy Organizations

Having a social identity and a sense of belonging are basic human needs. They are also needs of organizations. Philanthropy organizations and their staff are motivated by these needs to establish a community. The community meets the social needs of both humans and organizations. For humans or organizations, lacking social contact or being isolated is extremely difficult. Therefore, even though there is no economic reason, the need to be a member of a group could drive the individual or organization to join a community. If there were no available communities, they would likely establish one.

Community changes the structure of interaction among members. Because of its stable, persistent, equal, organized model of interaction, a community provides members opportunities and resources for information exchange, function complementation, emotional communication and value implementation. This open structure helps everyone involved have the opportunity to participate in community and function in it. At the same time, because they follow the same standards, new members will form a social network of small groups, and this promotes collaboration. Contemporary

philanthropy community is a mechanism of social interaction, built by modern information technology. The participation process is extremely convenient and involves dissemination and analysis of information. The modern media, such as radio, television and the Internet, are mostly used for the dissemination. This is an equal interactive process of "de-identification." Therefore, social members from different places and backgrounds are willing to join community and the process is easy for them. By negotiating, discussing and compromising, it decreases the cost of information exchange and promotes different groups reach a consensus.

b. Achieve the Goals through Community

Community is an organic unity of interests of members and collective interests. Karl Marx articulates the main features of "a true community" and its differences from a society. Marx thinks "in the previous substitutes for the community, in the State, etc. personal freedom has existed only for the individuals who developed within the relationships of the ruling class, and only insofar as they were individuals of this class. The illusory community, in which individuals have up till now combined, always took on an independent existence in relation to them, and was at the same time, since it was the combination of one class over against another, not only a completely illusory community, but a new fetter as well. In a real community the individuals obtain their freedom in and through their association." In Marx's terms, the nature of the relationship between an "individual personality" and a "true community" is typically presented as the unity of special interests and common interests. This unity is showed in the unity of egoism and altruism: egoism repre-

sents special interests and altruism stands for common interests. The relationship and awareness between individuals in "a true community" will not only be egoism or altruism (such as self-sacrifice, principles of love, etc). Community is a collaborative system, and an authentic collaboration is produced when people have the same aim. The great collaboration, such as complementary advantages, between collaborators, who seek for a same aim, could achieve a great efficiency. It means that by joining a community and collaborating, philanthropy organizations can be effective in pursuing their own interests and achieve their purposes.

It should be noted that sometimes, community goals and objectives of individual members are inconsistent. For members, the common goal is a public good. Therefore, even if the achievement of the goal brings more total revenue than the total cost of realization, as long as a member feels his share of benefits is less than his share of the costs, he may not participate in the community, and take free ride attitude.

c. The Development of the Philanthropy Sector

The development of China's philanthropy sector creates necessary conditions for building a philanthropy community. First, the organizations of China's philanthropy sector are increasing in number. The *Charity Blue Book: China Charity Development Report* (2014) pointed out that at the end of 2013, there were 541,000 social organizations, compared with 499,000 in 2012, which is an increase of 8.4 %. Among them, there were 286,000 social associations, compared with 271,000 in 2012 and it is an increase of 5.5%. There were 3,496 foundations, compared with 3,029 in 2012, which was an increase of 15.4%. Private non-

enterprise units numbered 251,000, compared with 225,000 in 2012, which was an increase of 11.56%. According to estimates, in 2013, the total number of volunteers was about 73.45 million, or 5.65% of the country's total population of 1.3 billion. They performed about 830 million hours of voluntary service, valued at 8.3 billion CNY. Other grassroots organizations not included in the official statistics had 3 billion volunteers, who performed 300 million hours of voluntary service values at 3 billion CNY. The total value of services donated by national volunteers is about 11.3 billion CNY. The total national social contribution and the number and size of charitable organizations are continuing to expand, and the development of voluntary service is extensive.

Secondly, the philanthropy sector has consistently become specialized and divided into more types. There have been three stages of division of China's philanthropy sectors. The first stage is external cooperation. Philanthropy organizations often consider activities from the point of view of efficiency and see cooperation as its peripheral activity in order to minimize their time investment. For both sides, at this stage, the operational mode is to minimize communication and interaction, such as by attending a particular meeting or training organized by the government. The second stage is called trading cooperation. Most relationships at this stage are a two-way exchange of value. It could provide clear benefits for each other. At this time, cooperation focuses on a specific activity; for example in 2005, a number of environmental organizations united to achieve environmental and economic development objectives and started the "26 degrees centigrade air conditioning" action. At present, China's charity sector has entered the third stage: the establishment of a public service eco-

system. At this stage, the philanthropy sector can be regarded as a public service department ecosystem. In this ecosystem, different subjects play different roles and have different functions. Organization types gradually diversify. Organizations carry out their own duties, but at the same time they are independent to each other, interdependent, coexistent, symbiotic, and form a clear division of labor and collaboration. When division of labor and cooperation are relatively reasonable, this kind of division of labor and cooperation will allow every subject to fully play to their strengths and avoid their weaknesses. In this case, specialization occurs, which means different subjects have their specific resources, skills, knowledge, and experience to qualify for the role. Obviously, cooperation with other subjects could highlight the advantages of the division of labor and cooperation, and also facilitate specialization and efficiency. For example, the fields of activities of the foundations are expanding outward. From 1981 to 1990, there are eighty-seven foundations in the field of education, and these foundations occupied 50% of the total. At present, foundation activities have been expanded to many other areas including education, medical assistance, poverty alleviation, starting business, and public safety. Among them, public safety, animal protection and other new areas were not covered ten years ago.

There are more similar philanthropy organizations so that more organizations have the same needs. As time goes by, during more practices, they began to come together, take joint action, reflect themselves on common action, form a common goal, establish a common code of conduct, and increasingly get sense of belonging. In this way, a community is born. For example, non-governmental philanthropy organization-Beijing Stars &

Rain Institute Education of Autism, which was established in 1993 and provided services for children with autism and their families, was the only organization in the field for almost ten years. Then, due to seeing the development of autism services and also seeing the challenges of development, more organizations were established for providing services for children with autism and their families. However, these organizations were generally faced with a lack of policy support, economic pressure (contradiction between charges and cost accounting), and technical pressure (how to provide technology-based professional service, how to train teachers and how to obtain the trust of parents, etc.). In order to develop autism services organizations, in 2005, funded by the German Missal Foundation, Beijing Stars & Rain Institute Education of Autism launched the Heart-Alliance Network to share their own growing experience and technical resources with new organizations by a series of training activities. At the same time, it built a platform to share experiences and resources with each other and promoted the development of autism services organizations. In addition, joint actions and exchanges for self-regulation in philanthropy sector increased, such as China NPO self-regulations, China Foundation Center, 512 Earthquake Relief Alliance, and China Private Foundation Forum.

d. Pioneers of Ideals and Actions

Although every individual has a strong need for community, this common goal is a necessary but not sufficient condition for the formation of a community. The community needs an opportunity, created by members' sense of situation and leaders' authority, to drive the participation of other individuals. Community is similar to an organism, and it needs to have a

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"brain." A few people often make the decisions which influence a community, and these people are called "leaders." The leader's remarks are genuinely recognized and accepted by community members. At the same time, under some conditions, decision-making also requires democratic ways. In the early stage of human history, heroes were always leaders of communities.

After two decades of development, there have been a number of leaders who have pursued the unity and cooperation, such as Yusheng Shang, Yongguang Xu, and Daofeng He. Yongguang Xu is China's leader of philanthropy. Currently, he is the vice president of the China Youth Development Foundation and the president of the Narada Foundation. Yongguang Xu resigned from head of the Organization Department under the Central Committee of the China Communist Youth League in 1988. Then he created the China Youth Development Foundation and founded Project Hope. In 2007, he created the Narada Foundation to support nongovernmental philanthropy and promote the development of the philanthropy industry and social innovation. Yongguang Xu accumulated twenty years of experience in this industry, and his extraordinary influence, strong networking and wide appeal on the industry, the specific sensitivity on the development of industry, forward-looking and innovation, and concerning agencies and the industry more than his own make him become a figure. In the establishment of the China Foundation Center, Yongguang Xu was a key builder and chief architect whose determination to build the center and promote accountability became one significant element to establish the China Foundation Center. In the meantime, with his influence, Yongguang Xu has made a series of attempts such as the industry alli-

ance, industry self-regulation, and industry transparency, which have made great achievements.

In addition, there were group leaders who had practiced cooperation and unity of thoughts, and were influential and had high executive efficiency within the philanthropy sector. With the development of an active network platform, a group of young philanthropy leaders have begun to use new methods of propagation to obtain more social understandings and resources, and these methods facilitated the dissemination of the young philanthropy leaders' influence and ideals of philanthropy. Moreover, it also made community more easily established. For example, Fei Deng is the director of the department of journalists of the *Phoenix Weekly* in Hong Kong. In 2011, Fei Deng jointly initiated the famous free lunch project with more than 500 reporters. This project provided free lunch for students who lived in impoverished areas, helped them to be free from hunger, and established an innovation model of nongovernmental philanthropy. In the beginning, the project cooperated with local authorities, schools, companies, and media, and it could achieve win-win situation. In the first six months of the project, they raised money over 25 million CNY, and there were more than 20,000 students who lived in 11 provinces and 158 schools benefited from the free lunch project. The catfish effect of the free lunch project in China's philanthropy industry has far exceeded the value of the project itself.

On July 19, 2011, the Chinese government decided to start the free lunch project in the fall of 2011 in rural counties. They identified Ningxia Province as the pilot province. Fei Deng has transformed from a media person into a philanthropy leader with capacity of appeal and execution.

B. External Reasons

a. Government Influence

Reform brings changes to the government. Its attitude towards non-governmental philanthropy organization shifts from sweeping prohibition to selective support. As for the organizations' collaborative action, the policies are growing opening.

The government's attitude towards philanthropy sector development is increasingly liberal. According to the blueprint for National Governance system proposed in the Third Plenary Session of the 18th Communist Party of China (CPC) Central Committee, social organizations are permitted to serve a more comprehensive, clear and specific role in the society. The government will correctly handle the relationship with social organizations, intensify efforts to separate government administration and social organizations, and encourage the social organizations to clarify their rights and to enforce self-management and to play their role in accordance with the law. Social organizations should be commissioned to provide public services that they are apt to supply and tackle matters that they are able to tackle. The government will support and develop volunteer service organizations. Within the time frame, trade associations and chambers of commerce should achieve true independence from the government. The government will prioritize fostering and development of such social organizations as trade associations and chambers of commerce, scientific and technological associations, charity and philanthropy organizations, and urban and rural community service organizations. These organizations can directly apply for registration in accordance with the law when they are established. The government will strengthen the management of social

organizations and foreign NGOs in China, and guide them to carry out their activities in accordance with the law. From these favorable policies, social organizations receive many benefits: registration threshold for certain of them is gradually lowered; their scope of activities continues to expand; more resources are accessible; their functions attract more attention; their social status improves. As the government initiates to curb the power of bureaucrats and rein in government spending, it is possible for the philanthropy community to scale up.

Along with its expansion, the Chinese philanthropy sector sees its level of self-management increasing while its relationship with the government changes. At the beginning of rescue and relief efforts after 2013 Lushan Earthquake, only in one day, the total relief funds and materials collected by Shenzhen One Foundation Charity Fund, which was registered in 2010 as a non-governmental public fundraising foundation, substantially exceeded that from the Red Cross Society of China. By September 20, 2013, the One Foundation had received a total of CNY 350 million in donations from more than 6,000,000 people. For the first time, in light of public fundraising, a non-governmental foundation outweighed a government-run foundation, which will possibly marked a milestone in Chinese philanthropy development and will exert a wide and profound social impact on future development. On the other hand, the approval from the Ministry of Civil Affairs in this case also demonstrated the government's supportive attitude towards non-governmental philanthropy organizations in social market. The year 2013 was the second year of the trial project in Guangzhou Province, which allowed the establishment of non-governmental public fundraising foundations. The project shows that

the opening up of public fundraising rights will not disturb the market of fundraising.

However, in terms of some specific aspects, the government tightens control over philanthropy organizations, especially politically sensitive NGOs. In politically sensitive areas, community can be easily formed yet hard to sustain. The Grassroots Organizations Study, for example, ceased. Considering their powerlessness, limited resources, and strict governmental control, the politically sensitive philanthropy organizations find their group and scale are disadvantaged. Though there are some leaders, the government can easily stop them from maintaining the organizations.

A deadly threat can be a driving force for the establishment of a certain community. Presented in a certain system of values and benefits, by comparison with others, individual self-assessment plays an essential role in an individual's daily experience and reflection. When individuals assess the existence of external threats, consequently, they would choose to form a community with other philanthropy organizations to fight against the threats. But if external threats are too serious, the community will fall apart.

b. Social Influence

Forming industry self-regulation is the initial motivation for China's philanthropy community's development. Meanwhile, a self-regulated community is the initial form of the philanthropy community. In the process, social pressure promotes the development of industry self-regulation as well as the development of the philanthropy community.

In need of support from donors and potential donors, only by accepting social constraints can philanthropy organizations earn public trust, survive in market competition, gain social

legitimacy, and thus make progress. But since it is impossible for philanthropy organizations to make prompt public report about their every move, a properly transparent operation system should be established to facilitate public supervision on how the organizations help the beneficiaries as promised. It is the obligation for philanthropy organizations to achieve accountability through transparency. To improve transparency, information disclosure and industry self-regulation are essential so that the organizations are able to be free from corruption and enhance their efficiency, and hence win public trust and have access to the resources necessary for survival and development. On the one hand, without third-party proof, claims made by philanthropy organizations themselves are lack of credibility. On the other hand, building their own channels of information disclosure requires immense financial and material resources, which, for small organizations, is unbearable. Therefore seeking for public trust and sharing a common goal of industry self-regulation, the philanthropy organizations form a self-regulation community in the beginning stage.

Of course, in China, there is another challenge. It remains difficult to realize a voluntary industry-wide self-regulation in philanthropy community. Regarding most of government-run philanthropy organizations, they adopt governmental system, have deficiencies in internal governance, and are less concerned for fundraising. Consequently there is no urgent need for them to establish self–regulation in order to win public trust. In some cases, chances are, for their own or individual interests, certain groups might harm interests of the society and damage their own images.

But except pressure, there is also impetus provided from the society.

The disparity between rich and poor continues to widen, which results in a huge population of people in need. Given the fact that philanthropy covers broader areas and faces increasing needs, social factors obviously are favorable to the development of philanthropy undertakings. Faced with grim reality, social forces under the influence of the market economy begin to grow, awakening awareness of individual rights. At the same time, the social climate is improving in reforms. The public has rising expectations of philanthropy. Not only do the low-income or disadvantaged groups hope to get social help through the development of philanthropy community, but also people, who get rich first or are capable to help others, seek for approaches to repay the society. The public has the ability and are eager to independently and voluntarily contribute in philanthropy. Expecting a strong philanthropy community, these social forces continue to strive for legal rights to engage in philanthropic undertakings and more resources from the government.

Meanwhile, technical support from the society has become a tool to promote the formation of philanthropy community. In particular, the Internet plays a crucial role in integrating philanthropy sector. By June of this year, Chinese netizens have totaled 306 million while the broadband users have reached 320 million and that of mobile Internet are 155 million. The huge number actually demonstrates that the Internet not only changes values and lives of netizens but also serves as an integrating platform in building up philanthropy community. In terms of encouraging more philanthropy organizations' participation, the interactivity and convenience of the Internet can facilitate dissemination and communication to integrate philanthropy community.

c. Overseas Influence

Overseas influence accelerates the development of China's philanthropy community. International NGOs gave a great boost to the early development of Chinese philanthropy. In 1979, for example, the Asia Foundation launched projects in China. One year later, the World Wide Fund for Nature (WWF) entered China. Afterwards, foreign organizations, such as World Vision, Oxfam and the Salvation Army started to carry out projects for disaster relief. In 1988, the Ford Foundation and other international organizations set up offices in China.

There are three aspects of overseas influence. The first is the intangible assets, including ideas, concepts, knowledge, skills, and organizational forms. The fundamental concepts of the philanthropy sector in China derive from the Western world. For instance, as defined by Lester M. Salamon, the third sector is organized, non-governmental, nonprofit, self-governing, and voluntary. The concept of a civil society, which could be embedded in philanthropy organization management, emphasizes the ideal balance of the government, enterprises and the society. Other universal ideas, like democracy, equality, and social participation also make a difference. The second is the tangible assets, for instance the capital. In order to realize the ideal blueprint, instead of simply spreading ideas, foreign NGOs provide enormous resources, especially financial support, to Chinese philanthropy sector. It is estimated that in recent years the annual foreign investment reaches 100-200 million USD. Even some grassroots organizations basically rely on the support from foreign foundations or foreign NGO's since their inception. Last but not least, cooperation among organizations is influential. For example, in 1997, the Nature Conservancy (TNC) signed a memorandum of a cooperative research program, named "Conservation and Development Program in Northwestern Yunnan," with the Yunnan provincial government in China. The Yunnan Office was set up, aiming at long-term ecology and nature conservation in northwestern Yunnan Province.

There are three main reasons why foreign organizations had an impact on the establishment of China's philanthropy community. First, in the 1980s, largely depending on the government, China's philanthropy sector didn't make good use of social resources. For enterprises and individuals, the concept of philanthropy was ambiguous. As a result, early grassroots NGOs could hardly seek domestic funding. Second, relatively more mature, foreign foundations have conducted activities in China for a long time and are familiar with China's social environment. Examples include the Ford Foundation, Oxfam, GGF, and Rotary International. They are capable of accurately determining if the organization is a real nonprofit organization. Some Chinese NGOs, which are registered as enterprises, therefore, can also receive foreign funding. Third, in recent years, learning more about foreign NGOs, the Chinese government gradually released limitation and exclusion on them. The governmental advocacy of building a harmonious society made the philanthropy sector draw increased attention. The number of foreign foundations and their projects in China increased. Surveys show that the majority of Chinese grassroots NGOs are assisted by foreign foundations; some organizations are even relying entirely on foreign foundations' projects to sustain themselves.

Foreign organizations have three major approaches to help the Chinese philanthropy sector—they are demonstration effect, direct training and in-

troducing foreign experience. These approaches are composed of a variety of projects, including personnel exchanges, visits, international conferences, training projects, study abroad projects, cooperative schooling, capacity building, and translation and publishing of literature and textbooks. Foreign organizations, such as the Ford Foundation, Oxfam, Winrock International Institute for Agricultural Development, and the World Bank (for example "Labor Market Development Project"), have contributed to Chinese grassroots organizations' systematic capacity building and meanwhile trained a group of Chinese philanthropy leaders. For instance, with help from the Asia Foundation, the Ford Foundation and the Maclellan Foundation in forms of forum, training project and workshop, Beijing Eniiu Information Consulting Center became one of the first organizations in China to start NPO capacity building. In 2002, financially supported by the Ford Foundation and the Maclellan Foundation, the Enjiu Center initiated Chinese NPO Training and Capability Building Program, which has developed 20 courses and assessment tools through combining foreign experience and domestic innovation. Since then, 83 field training and evaluation activities have been conducted all over the country (except for Shanxi Province but including Hong Kong and Taiwan) with up to 3,380 participants.

The overseas impact on community self-regulation is also significant. Creating the China Foundation Center website is one of the illustrations. In October 2009, the delegation from Chinese private foundations paid a visit to the United States. During their visit to US Foundation Center, Yongguang Xu, a member of the delegation, was amazed at the high transparency of US philanthropy organizations. The center provides clear and accurate infor-

mation on all US foundations whose number exceeds 90,000. For instance, when searching for "US donations to China" in US Foundation Center website, you will see all the details about the donors, the beneficiaries, and the amount of donations from 2003 to 2009. Learning about the high level of transparency in US philanthropy sector, at the briefing of the visit, Yongguang Xu pointed out it was necessary to establish China Foundation Center. In February 2010, the preparatory group of Chinese Foundation Center project came to the United States and had detailed discussion with the US Foundation Center, the Hauser Center for NPOs at Harvard University and other organizations. The discussions offered them opportunities to gain valuable knowledge and technical support, which laid solid foundations for creating China Foundation Center website. Regarding information disclosure at the website, US Foundation Center provided strong support to it China's counterpart. "US Foundation Center will provide full support to create China Foundation Center website. We are willing to share the experience we have accumulated for 50 years, including information, technology, publications as well as some of major databases. Information about at least 50,000 US and international foundations is searchable for Chinese foundations." The Ford Foundation also provided financial and technical support for setting up the website.

IV. Initial Evaluation: the Current Development of a Philanthropy Community

The three characteristics of community discussed above are also the three aspects we use to evaluate the formation of a mature community. First, whether the members of commu-

nity have common values; second, the members abide by shared code of conduct; and third, a sense of belonging is formed. Has China's philanthropy community met the requirements?

A. Common Values

Various communities in the philanthropy sector emerged one after the other and a trend has been demonstrated of movement from disunity to joint action. However, common values and shared goals in the whole sector have not yet formed. Currently, most joint actions in the philanthropy sector only aim at pursuing interests for small groups. There are few pursuits of common interests for the whole sector.

However, within the philanthropy sector, to some extent, there are basic consensuses, such as the pursuit of equality and justice, charity, nonprofit, information transparency, and accountability to the public. These ideas, at least verbally and intellectually, are broadly accepted by various philanthropy organizations. These consensuses are only accepted to some extent though. That is to say, there are differences in interpreting those values, which are profound. The most serious differences come from different "identities." The issue is directly related to the structure of China's philanthropy sector, which shows division between government-run and grassroots philanthropy organizations.

After reform and opening up, philanthropic activities began to revive and philanthropy organizations began to emerge. But at that time, most philanthropy organizations in China only looked like, but were not real philanthropy organizations. They were established and run by the government, and became an extension of various levels of government agencies, equivalent to government agencies that implement-

ed administrative policies in the context of the planned economy system. For many years, the government regulated society using subjective judgments and ran the philanthropy sector by itself. The identity of government-run philanthropy organizations was unclear and their structures, social functions, and patterns of behavior were similar to government agencies. Government continued to follow the governing model inherited from the planned economy system and built philanthropy organizations accordingly. The offices were even located within government buildings. Even today, some organizations are still by nature government-run administrative organizations. With the growth of the market economy regime, the market sector began to take shape. However, a philanthropy sector has not been formed. Government-run organizations have occupied the "vantage ground" of the philanthropy sector for a long time and bring "bureaucratic habits" to it. Inefficiency, loose management, non-transparency, and even misconduct occur occasionally. Non-governmental philanthropy organizations cannot develop well in this philanthropy sector. As of now, the two groups have not reached common values.

In addition to this major difference, there are also some minor differences. For example, there are differences in function, such as advocacy and practice organizations, operational and supporting organizations, organizations whose projects focus on survival and those whose projects focus on development, and organizations pursuing micro or macro objectives.

Besides "identity," merely from the perspective of operation, the majority of China's philanthropy organizations are still at the initial stage. Most of their projects are related to social assistance, such as poverty relief, financial aid for students, and services for the disabled. But in fact, China's philanthropy organizations can do more to play a greater role. Now some philanthropy organizations have already cooperated to pursue common values of philanthropy. They have begun to realize that transparency is important, but more important are providing social services, to be a role model of philanthropy, and to guide and educate the public to respect philanthropy. Through media, they can popularize and advocate the values of philanthropy to the public, to attract more of the socially elite to participate in philanthropy. Fei Deng's example demonstrates this: in philanthropic practices, the free lunch project helped individual children; however, the organizers paid more attention to its effects of advocacy on policies. Eventually, through institutional reforms promoted by society and government, overall public interest has been generated. In this way, philanthropy creates changes on a macro level, rather than simply helping individuals.

B. Code of Conduct

The code of conduct can be literal, in the forms of legal documents, government documents, regulation of association, trade declarations, or occur in other forms, such as informal customs and even subconscious, which operates daily but is always neglected.

Some codes of conduct are written, and some of them are even laws enacted by the state. However, it might not well received by certain persons or groups and hard to implemented willingly. This kind of code is an external rule. An external rule can only be implemented by external forces. In contrast, internalized norms are implemented without any external forces (supervision, reward, and punishment).

As one developing country, China can learn from the experience of developed countries and can introduce mature codes of conduct directly from those countries. China does not need to start from scratch and gradually establish a reasonable system of codes of conduct. There are examples of legislations adopted largely from other countries.

Currently in China, the most systematic codes of conduct for philanthropy organizations are embodied in relevant legal provisions. Codes of conduct for philanthropy organizations are not primarily habits and customs formed over time, but provisions written down and authorized through a legislative process. Although these provisions have been widely publicized, it is difficult for them to be followed. Therefore, they are still external rules, not internalized norms.

Generally, codes of conduct in communities are in the form of norms and customs. Once members of the community violate these norms or customs, they will face severe punishment. In the community, everyone is a judge. The violation of norms or customs results in not only punishment, but also condemnation from everyone.

The codes of conduct for philanthropy sector have not formed either a powerful force or a situation where everyone is a judge. Some codes are useless even though they are written down. For example, Regulations of the Administration of Foundations specified that administrative structures of China's foundations should adopt a dual model of "council - board of supervisors," including principles that decision-making agency of foundation should exercise powers according to the regulations listed in clause 21. Specified in clause 22, foundation should set up board of supervisors. Supervisors must attend council meetings and have the legal right to raise questions and provide recommenda-

tions to the council. They should also report the situation to the registration department, professional authority department, and tax department. However, this administrative structure has not been implemented. The administrative structure of the majority of foundations is still patriarchal, or interfered too much by government and the Party. Also, in "Donations Law," "Regulation on the Administration of Foundations," "Regulations on Disclosure of Foundation Information," "Regulations on Conducts of Foundation (Trial)," and "Philanthropy Donation Information Disclosure Guidelines," there are comprehensive requirements for transparency. However, the current transparency outlook is not good. The China Foundation Transparency Index (FTI), developed based on the above legal documents, reflects the overall transparency of China's foundations. China's transparency index is an evaluation system, integrated of index, weight, channels of information disclosure, degree of integration, and other parameters, presenting the transparency of foundations by rankings. Out of a full score of 107.2, the total score for basic information is 18, financial information is 24, project information is 35, and information of donations and inner construction is 30.2. On December 22, 2014, the overall index was 49.26. Public fundraising foundations scored 49.84 and private fundraising foundations scored 48.81. Compared to the maximum score of 107.2, there was still a large gap.

The nonprofit accounting system established by the Ministry of Finance has not been followed very well. According to a survey, nearly half of the philanthropy organizations do not have professional accounting personnel. 44.8% of philanthropy organizations in China have fewer than three full-time employees, who in most cases are the head of the organization and program officers. It would be very good if organizations had one part-time financial employee. At the end of 2012, the decimal incident at China Charities Aid Foundation for Children (CCAFC) exposed shortcomings in financial management, which was previously unknown. What is more serious is that there are no curriculum contents about nonprofit accounting system in current accounting education system. Even certificated professionals may not be able to adapt to financial work for nonprofit organizations. On October 30, 2009, One Foundation, associated with 128 philanthropy organizations, launched USDO (the union of self-disciplinary organization). USDO hopes to overcome the shortage of financial management by holding information disclosure training classes around the country. In March 2012, USDO published a USDO financial information disclosure template. Yilei Tang, USDO coordinator and director of support department of One Foundation, said that many financial staff filled out the financial information of their organization using the template and published them online. Several accounts are incorrect. Many financial staff did not even know they made some mistakes. An individual who asked to remain anonymous said that most philanthropy organizations still kept the records of accounts manually, and the contents of the accounts were filled out under the guidance of nonprofessionals.

The spirit of philanthropy is to fulfill the basic needs of the beneficiaries. As being respected is one of the basic needs, we should respect the wishes of beneficiaries and treat them as equal partner, which is ought to be the principle of philanthropy. However, the culture of philanthropy in China is different, where the donors and the beneficiaries are unequal. Donors usually hold condescending attitudes and it is difficult for beneficiaries to protect their dignity and privacy. In January 2014, a fourteen year old girl named Lingling (pseudonym) from Sichuan Province received much attention from the public due to the fact that she received support. Because of her indifferent attitude during her first meeting with Mr. Feng, who had subsidized her for four years, Mr. Feng said he would discontinue the funding. The media continued to dig into the story and found Lingling's so-called indifference was due to her conflicting feelings of inferiority and self-esteem, which resulted in that she did not know how to face her sponsor. Is that due to that Lingling did not act appropriately or Mr. Feng's vanity? This incident has triggered intense debates online. However, respecting beneficiaries has not been recognized as a consensus. Looking back on these years, from the controversial "violent charity" by Guangbiao Chen, to the criticized "ranking of the poorest students" to receive student subsidies, and to some poverty relief activities, in which the organizers ran everywhere to propagate and advertise, and the list of the poor were exposed to the public by media, the beneficiaries although received assistances, suffered severe mental illness.

C. Disunited Philanthropy Sector

As the number of philanthropy organizations continues to increase and philanthropy sector continues to expand, there are more and more joint actions, which propel the formation of small groups and small collective actions at local level. Accordingly, sense of belong to small group begins to emerge. The emergence of such sense of belong is attributed to altruism-orientated values and codes of conduct in philanthropy sector. Altruism means that human can fight and even

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sacrifice themselves for the benefits of others. In fact, self-sacrifice for the continuation of human species and responsibility for groups are common in nature and human society. Altruism can be seen as a human nature as people are social animals and accustomed to a collective lifestyle, which fulfills a higher level of human needs - the need to mentally integrate into a community. In the philanthropy sector, many philanthropy staff and participants have strong sense of altruism and idealism, which makes it easier to create a sense of belonging. However, because there are huge differences between the identities of government-run philanthropy organizations and grassroots organizations, as well as significant differences in their activities, it is difficult to form a community that can include the whole philanthropy sector as well as develop a sense of belonging to a unified philanthropy sector.

The development of the philanthropy sector represents the direction of the development of China's philanthropy. Although it is difficult to clearly separate the collective contribution of the philanthropy sector from the development of philanthropy, there is no doubt, that if the wisdom and effects of the philanthropy sector are abandoned, China's philanthropy would not have achieved its current development and success. Generations of philanthropy organizations have come forward to propose suggestions for public affairs. Their actions have promoted the establishment of common values and codes of conduct, and have propelled the development of a community. The community worked in the past, works in the present, and will continue to work in the future to launch a quiet revolution. Through continuous development and improvement in the functions of a community, the development and improvement of the entire philanthropy sector can be achieved, and thus contribute to development in China.[1]

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