

Chapter 9

Separation of Government Administration and NGO Management: Key to Deepening Innovations in Social Governance

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At current stage, the key for China's social governance innovation lies in promoting transformation of government functions, implementing the principle of separation of government administration and NGO management, endeavoring to delegate powers to the society and release more public space, and trying to establish a new cooperation mechanism between the government and NGOs, in a bid to cultivate a healthy and open virtuous ecology for NGOs and invigorate the NGO system.

The Third Plenary Session of the 18th National Congress of the CPC expressly proposes to reform social governance, stimulate social vitality and promote modernization of national governance system and governance capacity. At current stage in China, to stimulate social vitality, the key lies in promoting separation of government administration and NGO management and the priority is to stimulate the vitality of NGOs, and enable them to become the real subjects of social governance. Over the recent years, Party and government departments at all levels in such regions as Beijing, Shanghai, Zhejiang and Guangdong have made active efforts in exploring social governance innovation, promoting reform of government agencies and transformation of government functions, exploring reform of NGO management system and reform of community governance system through various ways, cultivating and developing NGOs in an attempt to establish a new cooperation system between the government and NGOs. They have gained some experience in these fields. Since last year, the Ministry of Civil Affairs have made great efforts to promote reform of NGO management system, and push on with construction of a modern NGO system in accordance with the deployments by the central government. In this area, preliminary achievements have been made.

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In line with the spirits of the Third Plenary Session of the 18th National Congress of the CPC and with reference to the practical experience by Party and government departments at all levels in promoting social governance innovation over the recent years, I arrive at the following conclusions: at current stage, the key to social governance innovation in China lies in two aspects: on one hand, we should further push on with transformation of government functions, speed up with great determination the separation of government administration and NGO management, and endeavor to delegate power and release more public space to the society; on the other hand, we should take active measures to support NGOs in strengthening their capacity, foster a healthy and open virtuous ecology for NGOs and encourage NGOs to stimulate their own vitality and get extensive involvement in social governance innovative practices and activities at all levels. Moreover, with the guidance of the government and collaboration from the society, we will create a healthy and open virtuous ecology for NGOs so as to establish extensive cooperative relationships and stimulate the vitality of NGO system.

(Subtitle) Stimulating Social Vitality: Practicing Separation of Government Administration and NGO Management by Clarifying the Government Functions.

(Core viewpoint) “Separation of government administration and NGO management” is not meant to weaken the public management capacity of the government, but to demarcate the boundary of government functions while continuing to deepen government reform and pushing on with social structural reform, so that the government can better manage those affairs within its responsibility and more efficiently deliver those public services that it should provide.

The essence of separation of government administration and NGO management is reform, which means, with the advance and implementation of government reform, demarcating the boundary of government functions, delegating powers to the society on a progressive basis to stimulate social vitality, and establishing through reform a social collaborative situation where the government and the society cooperate with each other. “Separation of government administration and NGO management” is the core of deepening government reform and pushing on with social structural reform, and also an important premise for comprehensively promoting social governance innovations. Only by separating government administration from NGO management, can it be possible to mark out the functions of the government in social field, and can it be possible to change from a unlimited government to a limited one, and to reform the conventional system in which the government takes charge of any and all affairs in social and other aspects; only by demarcating the functions of the government and reforming the old social system, can the pattern of a big society be likely to emerge and can NGOs in various forms be likely to have a broad space for them to develop and play their roles.

It needs to emphasize that, “separation of government administration and NGO management” is not meant to weaken the public management capacity of the

government, nor to let the government exit from the society, but to emancipate minds, innovate mechanisms, and demarcate boundary of government functions while continuing to deepen government reform and push on with social structural reform, so that the government can better manage those affairs within its responsibility and more efficiently deliver those public services that it should provide. Meanwhile, we should strip from government functions those matters that the government is not authorized to manage, or cannot manage well, or should not manage or cannot manage at all, and energetically cultivate and develop NGOs of various forms and encourage social innovation through multiple mechanisms such as cultivation and development, incubation and support, and purchasing services, so as to propel NGOs to get involved in public services, social management and other public affairs and create a social collaborative situation where the government and NGOs cooperate with each other in the course of reform.

To separate government administration from NGO management, there are two key links that deserve our attention: first, while stripping part of its public affairs, the government should at the same time hand over to NGOs such public powers and resources as are necessary for the support of these public affairs. It should be avoided that the government only transfers functions and responsibility without transferring public powers and resources. Otherwise, NGOs, not in a position to afford to undertake such functions and responsibility, will lower their service quality, which will later lead to the occurrence of more social conflicts and problems. Second, the government should take active measures to cultivate NGOs and enhance their capabilities, and transfer to them certain public powers and resources in phases once NGOs are developed and have the capacity to undertake corresponding functions and responsibilities. Cultivating NGOs and supporting their development is an important responsibility that the government is supposed to undertake while pushing on with separation of government administration and NGO management.

(Subtitle) Stimulating Vitality of Organizations: Building a Supporting System and Carrying out Capacity Construction.

(Core viewpoint) This set of supporting system is mainly a sum of all kinds of supportive policies and regulations of the state with respect to cultivation and development, support and encouragement of, and preferential subsidies for NGOs. It is a state institution whereby the state exercises public powers and mobilizes public resources to cultivate social forces, strengthen social construction and promote healthy development of NGOs.

To stimulate the inherent vitality of NGOs, we should take development of organizations as our objective, or set our key objective on cultivating and enhancing NGOs, expanding NGOs, giving to full play their positive roles, and boosting their development, so as to build a policy system which contributes to the cultivation and supporting of NGOs. Meanwhile, we should guide social forces in supporting the development of NGOs and urge NGOs to improve their capacity construction. To achieve this, the following requirements should be considered: on one hand, the

government and social forces should make active efforts to cultivate NGOs and encourage them to more extensively get involved in social fields, so as to establish a supporting system conducive to the development of NGOs; on the other hand, NGOs should carry out capacity construction by themselves, so as to enhance internal governance level and improve service quality.

First of all, this set of supporting system constitute the sum of all kinds of supportive policies and regulations of the state with respect to the cultivation, development, support, promotion of NGOs, and preferential subsidies for them. Specifically, it includes regulations for cultivation and development of NGOs, priority in participation in purchasing service and other supportive and promotion regulations and preferential tax system. It is a state institution whereby the state exercises public powers and mobilizes public resources to cultivate social forces, strengthen social construction and promote healthy development of NGOs. In China, due to huge pressure from government reform and social transformation, the development of NGOs is far from adequate in meeting the needs. Thus, cultivating and developing NGOs has become an urgent task for governments at all levels. Building a modern supporting system for NGOs is a crucial link in social management innovation. Only by doing so, will it be possible to stimulate social vitality, expand social space, and give to full play the positive energy of NGOs, thus accelerating the building of a harmonious society.

This set of supporting system also includes supports from other social forces to NGOs. In addition to state public powers, other social forces also form various relationships with NGOs, such as voluntary services by citizens, donations and funding by enterprises and large foundations, as well as NGO cultivation and incubation platforms set up by social forces. Supportive efforts by these social forces to NGOs also need to be brought onto the track of legalization so that the supporting system for NGOs can operate in a standardized and healthy manner. Therefore, the social supporting system for NGOs should also be a complete system featuring cross-sector cooperation between enterprises, NGOs, social public and communications media. Under such a social supporting system, more social resources can be exploited for NGOs. This is because, on one hand, it can help establish a long-term collaborative mechanism with other social subjects; on the other hand, other enterprises may be invited to jointly develop new products and services. Also, on the strength of publicity by various media, an effective social-public-oriented donation platform can be established, so as to increase the number of NGOs.

Meanwhile, NGOs should also build their own capacities. This could include the following four aspects: first, NGOs need to set up a professional team of talents by such means as training, learning and exchanges so as to improve their professional service capacity for participating in public services. Specifically, NGOs are expected to have professional knowledge and skills, well-trained team of talents and professional management capability, and make constant efforts to improve their professional competence in and capacity for improving people's livelihood, promoting industrial development and serving the government and the public, so as to provide as many public products as possible. Second, NGOs need to improve their

self-discipline abilities in an open and transparent manner, so as to enhance their social trust and credibility. In other words, NGOs should conscientiously observe public ethics and codes of conducts, so as to honor their commitment to self-dedication and moral integrity and undertake public responsibility; they should be responsible to the public, and win the trust of the society, the public and the government with their open and honest social images. To this end, we should speed up the establishment and improvement of autonomous and heteronomous mechanisms for NGOs, set out complete and normative autonomous and heteronomous standards and form a relatively sound internal governance structure, so as to guarantee the orderly operation of NGOs by way of institutional restrictions and continue to improve the capacity of NGOs. Third, NGOs are in urgent need of improving their ability to provide social support in terms of social responsibility and public appeals. In particular, NGOs enjoy irreplaceable superiority in such aspects as cultivating citizen awareness, improving citizen quality, maintaining social order, advocating team spirit, enhancing social trust and increasing social capital. NGOs have unique social roles in serving the benefits of the society and delivering voluntary services. At present, NGOs should provide social support to the government and the public on such social issues and welfare appeals as public charity, environmental protection, community service, and social relief, improving their social trust and social identification. These have immeasurable social effects and influences in a range of areas, including the integration of the overall values, interests and institutions of the society, coordination of social relations, regulation of social behaviors, resolution of social problems, settlement of social conflicts, promotion of social justice, mitigation of social risks and maintenance of social stability. Fourth, NGOs are in dire need of enhancing the ability to adapt to social governance innovations. In the social transformation set against the background of social reform and social construction, NGOs will undoubtedly become an important force for social governance innovations in China. Therefore, NGOs should, proceeding from the actual conditions of China, the CPC and the Chinese society, move faster in transforming themselves into non-governmental organizations and adjust their functional orientation, so as to enhance their independence and autonomy. Meanwhile, they should commit themselves to serving the society and improving people's well-being and continue to improve their capacity for survival and development, in an effort to blaze an innovative road with Chinese characteristics for NGOs.

(Subtitle) Stimulating Vitality of the System: Creating Virtuous Ecology and Developing Cooperative Relationship.

(Core viewpoint) Building an extensive cooperative relationship between the state and the society, between NGOs themselves and between NGOs and the public to establish a healthy and open ecosystem for NGOs.

With government guidance and social cooperation, we can establish an organizational ecology niche with lower overlapping density between different types of organizations. This implies that there will be more possibilities for cooperation

between organizations, thus helping expedite the establishment and development of organizations. In other words, an extensive cooperative relationship will be built between the state and the society, between NGOs themselves and between NGOs and the public, and a healthy and open ecosystem for NGOs will be established.

First, the concept of co-existence and cooperation between the state and the society should be emphasized and a cooperative mechanism should be established between the modern state and NGOs. The basis for cooperation between the modern state and NGOs is that, both as organizations of a public nature, the government and NGOs can share the value of public nature; therefore they can cooperate and take joint actions in many fields concerning public issues. Such a cooperative system is mainly a state system whereby NGOs regurgitation-feed public powers and social forces. It emphasizes the tolerance of, co-existence, symbiosis and common prosperity with social public nature by administrative public nature and even political public nature, specifically, first, the cooperative system between the government and NGOs on the demand and supply of public services. In many cases, when the government purchases services or otherwise outsources projects, cooperative partnership and corresponding institutional patterns can be built between the government and NGOs on the supply of public services; second, the cooperative system between the government and NGOs in terms of formulation and implementation of policies. To be specific, as governments at all levels try to make their policies become more democratic, professional, normative and reasonable, NGOs can take advantage of its extensive populace foundation and profound professional basis, and give to full play their roles in advocating policies so as to exert positive influences on the formulation and implementation of policies. At the same time, they can establish among governments at all levels various institutionalized talkfests, seminars, councils and other policy consultation mechanisms; third, cooperative systems which take the forms of consultative interaction and joint action between public departments and NGOs on relevant political topics. At current stage and under such systems, heads of NGOs may take part in the Chinese People's Political Consultative Conference, the National People's Congress and Congress of CPC at all levels to offer advices and suggestions, and consult and discuss state affairs. Alternatively, some organizations may apply for the consultative status in the United Nations to coordinate, cooperate and take joint actions with the government in international governance system.

Next, NGOs should build a cooperative platform for co-governance with respect to common social issues. Specifically, a cross-regional cooperative platform may be built between NGOs working in the same service field for the purpose of resource sharing, information transmission, collaborative interaction and communication and demonstration. On one hand, this can compel NGOs to pool their forces and improve their service quality; one the other, this can prevent NGOs from offering the same service for more than one time and causing excessive use and waste of resources.

Third, a cooperative mechanism for public participation should be established between NGOs and the public. As a product of citizens forming associations freely, NGOs are social forces which are operated and managed on the non-profit principle

and dedicated themselves to certain social affairs, thus they have a relatively strong public nature. They are also social communities which absorb more public-benefit resources or common-benefit resources from the society. Although NGOs in various forms are greatly different from each other, generally speaking, as a kind of social force associated on a voluntary basis, they can form extensive and open public participation mechanism through such rules as membership and volunteerism. This will help ensure the public participate in social affairs in an orderly manner, guarantee the platforms for interest expression and well-being appeals are free of obstructions and augment social members' recognition and endorsement of China's reform goals. Moreover, NGOs can be subjected to wide scope of social supervision from the society and media in general through disclosure of relevant information and improvement of financial transparency.

Finally, a network-based cooperative mode should be put in place between NGOs and other subjects. Network-based cooperative mode is a multi-element cooperative system on a higher scale formed on the basis of collaboration and is usually established by multiple organizations with self-governing capacity in accordance with specified principle and procedures. As the subjects of such a cooperative mode, NGOs, the government and enterprises are associated with each other through particular contractual relationships. These subjects take advantage of their respective strengths to cooperate with each other so as to realize the common value they jointly pursue. The network-based cooperative mode of NGOs emphasizes that, as one of the participants in network-based cooperation, NGOs create network-based organizations (groups) with the characteristics of NGOs in their in-depth cooperation with the government, enterprises and other relevant organizations. Such organizations (groups) are guided by projects and linked by contracts. They will carry out such basic activities as cross-department consultation, common participation and joint actions, so as to realize public interests, bring about coordination and interaction and ensure mutual benefit and reciprocity.