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“Global NGOs and the Potential for Environmental Pluralism in China”
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I. Introduction

Global integration is clearly transforming China. Analysis of this transformation has primarily focused on the role of global market integration. Export led growth, foreign direct investment, and trade agreements are the primary processes by which global forces are seen to impact China’s socioeconomic conditions. Without disputing the significance of market integration, it is important to note that China is undergoing a parallel integration into global communities. Global networks of non-governmental organizations did not jump through China’s open door with the speed of global capital. But some of these organizations, working across national borders for poverty alleviation, fair trade and sustainable development, are increasingly active in China. As the level of Chinese connectivity into global NGO networks increases, it is appropriate to ask what impact this integration will have on the emergence of domestic civil society organizations and political pluralism.

In this paper I will argue that Chinese semi-state and civil society organizations are gradually integrating into global NGO networks. The dynamics of this integration, particularly joint activities between global and domestic organizations, are shaping Chinese environmental politics. Global organizations are alternative sources of funding,

information, and legitimacy leading to a greater level of pluralism than a one party state would otherwise create.

To illustrate this phenomenon, I present a case study of a Chinese state research institution that, with support from a sequence of global organizations, gradually became an accepted part of a global NGO community and a significant player in the politics of sustainable development in China. Under the influence of international non-profit donors, global membership organizations and even movement oriented political NGOs, the Nanjing Institute for Environmental Sciences (NIES) established a non-governmental identity promoting market mechanisms for sustainable agricultural development and advocating alternatives to central government agricultural policy.

I begin with a brief description of NIES as a state institution created at the beginning of the reform era. I then highlight the role of specific global NGOs in shaping NIES identity and autonomy. Finally, I draw some implications from this and other cases that both global NGOs and the Chinese government might consider as they seek to foster effective environmental policy outcomes in China.

II. Origins of the Nanjing Institute for Environmental Sciences

Like many small *shiye danwei* (public mission institutions) of the early Deng era, the Nanjing Institute of Environmental Sciences (NIES) was unambiguously established, funded and controlled by the state. But that control was tempered by the urgency of the state's modernization and open door programs and by the fragmentation of authority

within the bureaucracy. As a research institution without direct responsibility to educate students, NIES enjoyed some degree of academic freedom to “seek truth from facts.” As a *shiye danwei*, NIES could interact with the international non-governmental community with somewhat greater flexibility than could a formal ministerial bureau.

NIES was founded in 1978 as a research institute of the State Environmental Protection Agency (SEPA)¹. At that time, SEPA was organized as a sub-unit of the Ministry of Urban and Rural Construction and Environmental Protection and lacked status and resources, particularly with regard to the rural environment. While the Ministry of Agriculture (MOA) fought to maintain its hegemony over questions of agricultural development, the emergence of environmental problems in agriculture allowed NIES to carve out a small research niche over the course of the 1980s. In 1983, NIES formally established a Rural Ecosystems Division, the first SEPA affiliated unit to address questions of pollution and sustainability in agriculture. In the following ten years, this division became an important center (the only one outside of MOA control) in the development of the Chinese Ecological Agriculture Movement (CEA). Under the leadership of Professor Li Zhengfang, the Rural Ecosystems Division became known nationally and internationally for the systems oriented on-farm research which characterized CEA.

In terms of agricultural development policy, Li Zhengfang and NIES represented the more radical wing of the CEA movement, advocating that “China’s agricultural

¹ Before government restructuring in 1998, SEPA was officially the National Environmental Protection Agency. To avoid confusion, I use the acronym SEPA throughout.

development can't go the same way as the western developed countries have done, the so-called petro-agriculture with high input, high investment, high consumption and high output.” (Li 1993, 1) This position, at odds with the agricultural development mainstream within MOA, brought Li to the attention of international organizations interested in fostering sustainable agriculture in China. In the mid-1980s, Professor Li was invited to several international meetings which exposed him to the increasingly social and political (as opposed to purely biological) orientation of agroecology research in the developing world. By the early 1990s, the Rural Ecosystem Division of NIES was contracted by the United Nations Environmental Program to provide training sessions on sustainable agriculture for participants from across China and other parts of Asia.

III. The Rockefeller Brothers Fund: Financial Assistance and Alternative Vision

In 1986, the Rockefeller Brothers Fund (RBF) began to support NIES' Rural Ecosystems Division financially in an effort to promote an integrated approach to sustainable agricultural development. Over the next ten years, RBF gave NIES three grants totaling USD 240,000, more money than the Rural Ecosystems Division received from the Chinese government in the same period². This money was important because it allowed the Division to survive and expand at a time when financial support from the central government was being cut. In the late 1980s and early 1990s, the central government began pushing NIES (and many other research institutions) to find alternative sources for more and more of its budget. The government reportedly cut the national contribution to

² Budget comparisons are problematic both because formal budget numbers are not available and because the substantial contributions made by the government in the form of housing subsidies and other benefits are impossible to calculate meaningfully. NIES staff estimated that RBF grants constituted 75 percent of the Rural Ecosystems Division's budget during this period.

the NIES research budget from USD 50,000 in 1992 to USD 17,500 in 1993. Without RBF support, NIES, and particularly the Rural Ecosystems Division, would not have been able to continue its level of research during this period. This money, and the status associated with international support, was also important in surviving the turf battle with the Ministry of Agriculture.

RBF money and contacts provided NIES staff with alternative ideas at odds with the orthodox view of agricultural development in China. In 1987, RBF arranged and sponsored a US tour for Li Zhengfang and other NIES staff which included visits to important centers for agroecology and organic agriculture such as the Rodale Institute in Pennsylvania and the Agroecology Program at the University of California, Santa Cruz. Later that year, representatives from Rodale and from Santa Cruz followed up by conducting agroecology training workshops in Nanjing. NIES interest in organic agriculture, including organic certification appears to have originated through these contacts. In the following years, Li and others from NIES spent several months in Santa Cruz collaborating on a research project to compare the ecological and economic implications of organic farming in Mainland China, Taiwan and California. During these visits to Santa Cruz, NIES staff were exposed to the heart of the organic farming movement and the organic food industry. In 1989, NIES joined the International Federation of Organic Agriculture Movements (IFOAM), an international association of mostly non-governmental organizations involved in organic production, certification and marketing. IFOAM functions as an institutional voice of the organic movement and as a regulatory body for the international organic industry by producing basic standards and

accrediting certification organizations. In 1993, RBF sponsored an important trip to Germany and the Netherlands where Li and others met with IFOAM officials and visited organic farms, processors, retail stores and certification organizations. Thus, within a span of only seven years, NIES became closely familiar with an organic movement dominated by non-governmental organizations which had been developing in the United States and Europe for several decades.

In 1994, the entire Rural Ecosystem Division of NIES was converted into the Organic Food Development Center with the expressed purpose of becoming an organic certification organization for China³. This apparently abrupt shift from an ecosystems oriented research institute to a regulatory body for Chinese organic food production, was actually a gradual response to domestic and international pressures and opportunities. As mentioned, SEPA contributions to NIES budgets were falling during the late 1980s and early 1990s. While RBF grants made up for these declining budgets, RBF staff made it clear to NIES during the second funding cycle (1989-1993) that the upcoming third grant would be the last and would be specifically contingent upon NIES proposing a long-term strategy for its own self-sufficiency. The first indication of what that strategy might be came in 1990 when a Dutch tea trading company asked NIES to assist a European organic certification organization in inspecting and certifying naturally organic⁴ tea production areas in Anhui and Zhejiang Province. By facilitating this and other

³ The Rural Ecosystem Division continued to exist on paper but all of its staff, offices, laboratories and research sites, even its business cards, were converted to OFDC.

⁴ Naturally organic refers to lands which are thought to have been continuously farmed without chemical inputs. Some certification organizations will certify such lands without requiring conversion or transition periods (one or more years of documented chemical free farming) although soil testing for chemical residue may still be required. In the case mentioned here, the Zhejiang site was certified while the Anhui site was rejected.

inspections in 1991 and 1992, NIES saw that foreign trading companies would pay for inspection and certification services. This potential source of income was reinforced during Li's 1993 trip to the Netherlands and Germany that specifically included visits to certification organizations⁵. By late 1993, NIES had made a clear decision to pursue fee for service organic inspection and certification as a long term funding strategy for its Rural Ecosystems Division.

The external encouragement for NIES to engage in organic certification came not from SEPA officials in Beijing, but from RBF. In 1993 a new RBF program officer took responsibility for overseeing the NIES grant. He was an advocate of market based solutions to environmental problems and was also focused on the fact that the coming grant cycle would be the last RBF would offer to NIES. He endorsed the OFDC proposal as a way of simultaneously developing Chinese sustainable agriculture and of achieving financial self-sufficiency for NIES.

IV. OCIA and IFOAM: International Sources of Legitimacy

In an effort to gain quick admittance into the global organic community, NIES formed an alliance with another international NGO, this time not seeking funding but legitimacy and authority. The Organic Crop Improvement Association (OCIA) is one of the dominant non-governmental organic certification organizations in North America and is also active in Central and South America and in Asia. OCIA certifies through both a central office in the United States (OCIA International) and through chapter organizations, a flexible

⁵ Li was also exposed to fee for service certification during frequent visits to Santa Cruz during the late 1980s and early 1990s. He claims to have had the idea of developing certification in China as early as 1989.

and relatively decentralized structure which allowed it to grow from four chapters certifying just over 100 farms in 1986 to 79 chapters in 28 countries certifying more than 35,000 “grower members” on 1 million hectares ten years later. NIES staff met OCIA president Tom Harding in 1993 when they toured Germany and the Netherlands where Harding was also serving as an official with IFOAM. In 1994, Harding visited Nanjing and trained two NIES staff members to be OCIA inspectors. In 1995, OFDC, while maintaining its status as a unit of SEPA, formally became the Chinese national chapter of OCIA. OFDC was now simultaneously a sub-unit of a Chinese state ministry and a chapter of an international non-governmental organization, accountable to the bylaws and policy decisions of that NGO.

The new identity as the Chinese branch of OCIA gave NIES a shortcut to international legitimacy and authority. Giving Chinese organic producers access to internationally recognized certification through a Chinese institution was a major boost to organic agriculture in the country⁶. But joining the international community carried its own complexities and risks. In 1996, OCIA itself suffered a crisis of legitimacy as a conflict of interest scandal led to the resignation of OCIA leader (and NIES mentor) Tom Harding. In 1997, OCIA lost its accreditation under the International Federation of Organic Agriculture Movements. While the OCIA label could still offer Chinese producers legitimacy among some American buyers, losing IFOAM accreditation closed access to the important European market. This crisis also coincided with the end of the final grant from the RBF. Clearly, NIES needed some new international patrons.

In order to regain legitimacy among international buyers (especially Europeans) NIES began actively pursuing direct IFOAM accreditation for its own OFDC certification label. OFDC director Xiao Xingji obtained a seat on the influential IFOAM Standards Board. Certification procedures and institutional arrangements, which had been modeled on OCIA, were modified to meet IFOAM and European expectations. In December of 2002, after many years of effort, OFDC received formal IFOAM accreditation, an important level of acceptance into the international organic movement.

V. GTZ: Development Assistance and Capacity Building

NIES' efforts to find a replacement for RBF funding reinforced the transition away from the US connections and toward IFOAM and Europe⁷. A German international development worker in China helped NIES write a successful grant proposal to the German development agency GTZ. The multi-year grant was not as lucrative as the relationship with RBF had been, but it did provide staff and equipment (including computers and cars) to help OFDC complete its transition away from international donor funds to a sustainable fee-for-service, NGO model. The GTZ grant also provided technical assistance for institutional capacity building with the specific goal of obtaining IFOAM accreditation including bringing German experts to China to educate OFDC staff into global norms and requirements. OFDC officials cited GTZ help as essential in the accreditation effort.

⁶ Without the NIES/OCIA connection, Chinese organic producers must obtain certification from foreign certification organizations before they can sell to the international market. This is expensive and logistically difficult.

One IFOAM requirement posed a specific difficulty for OFDC and NIES. In order to be accredited, OFDC had to be established as a separate legal person, an identity hard to reconcile with OFDC's state origins and continued dependence on NIES for housing and other support. In 2002, OFDC registered with the local government as an independent certifier, a spin-off company whose stock was owned by NIES, a state institution. This level of independence satisfied IFOAM while allowing OFDC to maintain important connections to the state. In 2004, one NIES official described OFDC as a semi-NGO marching towards full NGO status.

OFDC's success at establishing connections to the global organic community in combination with its continued connection through NIES to the state has allowed it to exert influence on national policy on organic agriculture. Most importantly, OFDC and NIES staff drafted national organic standards for the China National Certification and Accreditation Supervision Committee, a national level body tasked with regulating and accrediting the growing number of domestic certifiers of green products. In this way, NIES and OFDC have played a role in bridging two worlds; the NGO dominated global organic community and the state-centered domestic regulatory environment. In doing so, they help to ensure that the organic farming movement in China will be accepted and supported by both national elites and the global industry.

VI. Greenpeace: Policy Advocacy and Public Opinion

⁷ IFOAM is not only headquartered in Germany, it has a much tighter relationship with EU and member state agricultural ministries than it does with the United States Department of Agriculture.

NIES has continued to establish ties with various international donors and NGOs to support specific research and development projects throughout China. It has also ventured into direct policy advocacy at the national level, again with support from global NGOs. The most important example is its work with Greenpeace to open up public debate on biotechnology and the regulation of genetically modified organisms (GMOs). Greenpeace began its relationship with NIES in 2001 by supporting organic and ecological agriculture research in through OFDC. But the relationship quickly expanded to include cooperation on GMO policy. Greenpeace Hong Kong (which now operates a small office in Beijing) and NIES jointly publish a monthly International Biosafety Newsletter consisting mainly of Chinese translations of GMO critical news from around the world. The two organizations also co-published an important report critical of the environmental impacts of GMO cotton, the only GMO crop widely adopted in China (Xue 2002). The report received considerable media attention and sparked a high profile debate with pro-biotech scientists who had dominated government policy discussions until that point.

The significance of NIES/Greenpeace cooperation is multifold. The Ministry of Agriculture and Ministry of Science and Technology have claimed dominion over the GM issue, maintaining a focus on research, development and questions of commercialization and competition. SEPA's formal role has been limited to duties outlined in the Cartagena Protocol on Biosafety. SEPA/Greenpeace cooperation on biosafety publicity campaigns has put the biosafety of GMOs on the public agenda, thus opening a door for SEPA involvement in the domestic policy debate (Newell 2003). At

the same time, NIES, as a state institution, provides political cover for Greenpeace whose standing in domestic policy discussions, and very existence in Beijing, is tenuous. By working together, both the global NGO and the state institute strengthen their position and create greater pluralism in a significant area of environmental policy.

VII. Implications and Recommendations

In the 20 years since NIES founded its rural ecosystems division, the institute and its spin-off “company” OFDC have become increasingly autonomous in their activities and policy advocacy. While still not fully meeting western definitions of civil society organizations, NIES and OFDC represent a pluralization of environmental activism and policy debate. This study, while in no way a systematic representation of the diversity of relationships between global NGOs and Chinese institutions, does illustrate the potential role foreign NGOs can play as alternative sources of funding, information and legitimacy for Chinese civil society and semi-state organizations. This has implications for both the global NGO community and for the Chinese state in the late reform era.

For the global community, this case illustrates the unique challenge of working in a society that is open to market forces but where policy pluralism is not yet officially sanctioned. While advocating alternative policies in an authoritarian, state dominated system may seem futile; the fragmentation of authority within the Chinese state provides a potential starting point. This potential can only be realized if global NGOs are willing to work with state and semi-state institutions as they might work with domestic civil society groups in another country. If RBF had not recognized the potential for autonomy

in the officially state controlled NIES the process of pluralization would never have begun. This requires a degree of sensitivity to complex and changing institutional arrangements. IFOAM's requirement that accredited organizations be autonomous legal entities might have been fatal to OFDC if it had come too early in the reform process or been to strictly enforced. And, of course, Greenpeace's alliance with SEPA through NIES makes full use of the bureaucratic turf battles that characterize the fragmentation of bureaucratic authority in China.

Beyond these political considerations, the OFDC case illustrates the importance of market relevant approaches as global NGOs seek partners in China. The Chinese economy is growing rapidly just as government restructuring is cutting much of the administrative and research sectors adrift. The fee for service nature of organic certification was extremely attractive to NIES. Economically self-sustaining models of NGO activity such as micro financing, fair trade and other market rational schemes stand the best chance of adoption by Chinese actors under current conditions.

For Chinese government policymakers, this case illustrates important parallels between the very successful economic reforms and political reform tasks still ahead. Foreign direct investment has been a crucial element in restructuring the Chinese economy and promoting the private business sector. This is not been just an importation of capital, but also of technology, managerial capacity, market connectivity and ideas. The foreign NGO sector offers a similar source of funding, capacity building, legitimacy and ideas. Similarly, encouraging state research institutions to spin-off for profit enterprises was an

important source of entrepreneurial activity in the first two decades of reform. Allowing state institutions to spin-off something resembling non-governmental organizations could be a part of successful social and political reform trajectory. The state is already attempting something like this in the creation of so-called “government organized non-governmental organizations.” The difference in the case presented here is that global NGOs rather than the central government played the lead role in guiding OFDC's NGO identity.

Of course these observations come up against the key question of the state's intentions with regard to policy pluralism. That topic is beyond the scope of this paper. But it is worth noting that a parallel, state-led effort to certify organic food for export (the MOA's Green Food program) failed to gain acceptance in the international community and has therefore not significantly helped to promote organic agriculture in China (Thiers 2002). Successful economic integration, if it is to go beyond bulk commodities and low value consumer products, will require a successful integration into the networks that mediate the definition of value in the global community. Chinese leaders can not ignore this parallel integration indefinitely.

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