

The Chinese New Middle Class and Green NGOs in South China: Vanguards of *Guanxi* (Connections)-Seeking, Laggards in Promoting Social Causes?

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*By examining the emerging Chinese new middle class as well as green non-governmental organisations (NGOs), this study finds that while the emergence of the Chinese new middle class facilitates the growth of green NGOs, the Chinese new class are not activists or agitators working against the government. Based on in-depth interviews with leaders of green NGOs in Guangdong Province, this research examines why green NGOs founded by the Chinese new middle class do not call for or advocate environmental protection. It concludes that contrary to conventional wisdom, the Chinese new middle class is a vanguard of *guanxi* (connections)-seeking, but a laggard in promoting environmental protection and civil-society activism. Green NGOs are principally used as a tool to cultivate social capital in the form of *guanxi* in order to promote personal material interests.*

INTRODUCTION AND BACKGROUND

China's non-governmental organisations (NGOs), whether organised by the government or not, have proliferated under the country's socioeconomic transformation. According to official figures, there were only 4,446 registered NGOs in the country in 1988, but they mushroomed to cross the threshold of 200,000 in 2001. By 2009, there were more than 431,000 NGOs registered with the Chinese government with an overwhelming majority (99.5 per cent) operational at the provincial or local levels.¹

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¹ National Bureau of Statistics of China, *Zhongguo tongji nianjian 2010 (China Statistics Yearbook 2010)* (Beijing: China Statistics Press, 2010), p. 905.

In the area of environmental protection, according to the All-China Environmental Federation (*Zhonghua huanbao lianhehui*), a government-organised NGO (GONGO) founded in 2005 by then-State Environmental Protection Administration, there were 2,768 registered environmental NGOs by the end of 2005,² and by October 2008, there were altogether 3,539 non-profit environmental organisations (including 250 from Hong Kong, Macao and Taiwan). Among the 3,289 Mainland Chinese environmental NGOs, 1,382 (42.0 per cent) were formed by college students, 1,309 (39.8 per cent) were GONGOs, 508 (15.4 per cent) were civic or grassroots organisations and 90 (2.7 per cent) were Chinese branches of international NGOs. Guangdong was one of the six provinces (or municipalities or regions) that experienced the fastest growth in civic environmental NGOs.³

The first group of Chinese environmental NGOs appeared in 1994 shortly after China suffered a setback in 1993 in its bid for hosting the Olympic Games when the Chinese delegation could not properly address a question posed by the International Olympic Committee about whether there were any environmental NGOs in China.⁴ One of the earliest environmental NGOs was the Academy for Green Culture, now known as Friends of Nature, founded in 1994 by Liang Congjie (1932–2010), the grandson of the renowned constitutionalist reformer Liang Qichao in the late Qing dynasty. The development of the green NGOs has accelerated since then.⁵ Accordingly, NGOs have received growing attention in the scholarly world since public awareness of health and environmental conservation has increased. The focus of attention is on government-organised NGOs (GONGOs) and civic NGOs, as they likely have more impact on public policy than the student-organised NGOs.⁶ As the name suggests,

² Shui-yan Tang and Xueyong Zhan, “Civic Environmental NGOs, Civil Society, and Democratisation in China”, *Journal of Development Studies* 44, no. 3 (Mar. 2008): 425–48, 426; Gerald Chan, Pak K. Lee and Lai-Ha Chan, *China Engages Global Governance: A New World Order in the Making?* (Abingdon: Routledge, 2012), p. 100.

³ All-China Environmental Federation, *Zhongguo huanbao minjian zuzhi fazhan zhuangkuang baogao* (*Report on the Development of Non-Governmental Environmental Organizations in China*) (Beijing: All-China Environment Federation, 2008), p. 3; “NGO liliang buke husi woguo huanbao minjian zuzhi yu 3500 jia” (The Strength of NGO Cannot be Ignored; Our Country’s Non-Governmental Environmental Organisations Exceed 3,500), *Renmin wang Tianjin shichuang*, 19 Nov. 2008, at <<http://www.022net.com/2008/11-19/521958293216324.html>> [6 Sept. 2012].

⁴ “China’s Environmental NGOs”, China.org.cn, 13 July 2002, at <<http://china.org.cn/english/2002/Jul/36833.htm>> [6 Sept. 2012]; Liu Sha, “Environmental NGOs Grow across China but Still Struggle for Support”, *Global Times*, 12 June 2012, at <<http://www.globaltimes.cn/content/714330.shtml>> [6 Sept. 2012]. According to Peter Ho, two environmental NGOs were set up in 1993 in Sichuan and Shandong. Peter Ho, “Greening Without Conflict? Environmentalism, NGOs and Civil Society in China”, *Development and Change* 32, no. 5 (Nov. 2001): 893–921, 907.

⁵ Guobin Yang, “Environmental NGOs and Institutional Dynamics in China”, *China Quarterly* 181 (Mar. 2005): 46–66, 50–1.

⁶ Tang and Zhan, “Civic Environmental NGOs, Civil Society, and Democratisation in China”, p. 426.

GONGOs are affiliated with and funded by the central or subnational governments.⁷ They are superficially non-governmental but *de facto* owned by the government because of their financial dependency. Essentially, GONGOs operate in the policy domains related to the agendas of their official supervisory agencies, i.e., government-mandated functions such as disease prevention or social-welfare matters.⁸ Civic NGOs are by and large self-funded and often address social issues of environmental protection, hygiene and labour disputes. Not affiliated with any government bodies, they have greater autonomy to decide their own businesses. Since registration procedures are quite complicated, many self-organised social and cultural groups go unregistered and their number may well exceed the registered ones by a large margin. Though not organised by the state, many Chinese NGOs are not run by ordinary people but by higher-status groups like the Chinese new middle class, which has emerged during the phenomenal changes in society that have taken place over the past 30 years or so.

Previous studies have concluded that due to resource — funding and staffing — and political constraints, many of China's civic environmental NGOs have limited autonomous influence in the environmental policy-making process except those managed by high-profile personalities, and are averse to taking oppositional stances towards the state.⁹ Tang and Zhan attribute the lack of political clout on the part of the NGOs

⁷ The salaries and leadership of this type of NGOs are determined and frequently provided by the state. GONGOs are the most prevalent form of registered NGOs. Because of its affiliation with the state, this type of organisation does not require separate legal registration. GONGO leaders are normally state appointees and some even receive state funding. GONGOs are largely dependent on government political support and are required to adhere to government policy. The China Environmental Protection Foundation (CEPF) in Beijing is an early example of the Chinese GONGOs. Established in 1993, CEPF organises and trains environmental volunteers, and strives to develop cooperative relationships and technology exchanges with international organisations interested in Chinese environmental protection.

⁸ It is observed that GONGOs face more stringent constraints than NGOs. As governmental affiliates, GONGOs members may be critical of local governments' environmental protection efforts, but must be circumspect in dealing with the central government. Furthermore, it is less likely that GONGOs can refuse to accept tasks assigned by the government. GONGOs, however, enjoy greater access to government resources and enjoy more stable budgets than their grassroots NGO counterparts. GONGOs in Dongguan have limited autonomy and are constrained in their ability to take positions critical of the local government's environmental protection initiatives.

⁹ See Ho, "Greening Without Conflict?"; Jonathan Schwartz, "Environmental NGOs in China: Roles and Limits", *Pacific Affairs* 77, no. 1 (Spring 2004): 28–49; Tang and Zhan, "Civic Environmental NGOs, Civil Society, and Democratisation in China". Examples of the high-profile personalities are Liang Congjie, Wang Canfa of the Centre for Legal Assistance to Pollution Victims (CLAPV), Liao Xiaoyi (alias Sheri Liao) of the Global Village of Beijing (GVB) and Jiang Xiaoke of the Beijing Environmental Protection Foundation. They were/are based in Beijing. Their activities are discussed in Ho, "Greening Without Conflict?". Both Friends of Nature and GVB can even offer various kinds of assistance to other regional environmental organisations. See Maria Bondes, *Negotiating Political Spaces: Social and Environmental Activism in the Chinese Countryside*, German Institute of Global and Area Studies (GIGA), Working Paper no. 173 (Hamburg: GIGA, July 2011), p. 23.

to a dearth of strong support from the middle class.¹⁰ They suggest that were these constraints loosened, the NGOs would be more effective in bringing about policy change in environmental protection or even broader political transformation in the country.¹¹ They concur in pinning their hopes on bottom-up changes initiated by the social and economic elites in the emerging middle class. A recent study of Chinese NGOs' self-image also echoes that the Western concepts of independent NGOs and civil society have acquired growing prominence as a frame of reference, although China's social organisations still emphasise the imperative of maintaining friendly relations with the state.¹² However, it is open to dispute as to whether this expectation or assumption can stand up to scrutiny. A puzzle facing us is that if the middle class and environmental movement can be a potent social force for bottom-up political change against authoritarian regimes, as evident in such ex-socialist countries in Central and Eastern Europe as Hungary, East Germany and Bulgaria, and in both Taiwan and South Korea in East Asia,¹³ why in Guangdong (discussed in detail below) is there little sign that China's environmental GONGOs combat or control the growth of civic NGOs and discipline them? Instead they coexist with each other. Why does the authoritarian state allow an autonomous space to be filled by an emerging middle class? With a focused study of the environmental NGOs created by the rising middle class in Guangdong, this article attempts to fill a void in the extant literature by asking whether middle-class environmental NGOs are eager to articulate their interests and concerns, make policy demands on the state, monitor policy implementation and hold officials accountable for policy blunders.¹⁴

We have found from our research samples that the Chinese new middle class are using the environmental NGOs which they create to ally with cadres and multinational corporations (MNCs) to extend their business networks instead of articulating societal interests. Accordingly, contrary to what Yang has suggested, the Chinese new middle class embedded in the environmental NGOs examined in our study did not aspire to play any role of vanguard in politics or to advocate policy change in environmental protection.¹⁵ There are, therefore, grounds for us to call into question whether the supposed causal relationship between the rise of the middle class and policy advocacy and civic society activism really holds true in China, at least in southern China.

This article observes a cosy collaborative relationship among environmental (GO) NGOs, the government (both provincial and local) and the Chinese new middle class. Their relationships are characterised as pragmatic, utilitarian and reciprocal. The

¹⁰ Tang and Zhan, "Civic Environmental NGOs, Civil Society, and Democratisation in China", p. 434.

¹¹ Yang is particularly sanguine about political change in China as a result of the growth of environmental NGOs. See Yang, "Environmental NGOs and Institutional Dynamics in China".

¹² Bondes, *Negotiating Political Spaces*.

¹³ They are discussed in Ho, "Conflict Without Conflict?" and Tang and Zhan, "Civic Environmental NGOs, Civil Society, and Democratisation in China".

¹⁴ Tang and Zhan, "Civic Environmental NGOs, Civil Society, and Democratisation in China", p. 438.

¹⁵ Yang, "Environmental NGOs and Institutional Dynamics in China".

exchange of mutual benefits and cooperation all revolve around and are shaped by the profits and interests they share. The middle class is loath to confront the power elites in the Party-state who still control the scarce resources required for doing business, particularly bank loans and special business (*tezhong hangye*) licences. The business and political elites also share the common interests of suppressing labour costs. When there is any social conflict, members of the middle class remain docile and are supportive of the policies handed down by the Chinese government. Their *pro-status quo* stance seldom converts into political opposition or triggers any demands for political change. It is therefore not likely that the Chinese new middle class, as observed in southern China, will become an agent for political change in China. Their non-confrontational approach towards the Party-state indicates that any radical change towards the rise of civil society in China has not even progressed beyond a minimal level.¹⁶

RESEARCH DESIGN AND THE CHARACTERISTICS OF SOUTH CHINA'S MIDDLE CLASS

This study covered two types of environmental NGOs in southern China: government-organised NGOs and self-organised, civic NGOs.¹⁷ In-depth interviews and participant observation with two GONGOs and 10 civic NGOs in Guangdong Province were conducted for this study. About 60 members of the Chinese new middle class who run the GONGOs and civic NGOs in six cities (Dongguan, Shenzhen, Zhuhai, Guangzhou, Yangjiang and Zhongshan) were interviewed in 2008. They included 31 entrepreneurs, 12 cadres and 17 professionals.¹⁸

The two GONGOs were set up in 1990 and 1995, respectively. With an official mission to combat pollution in Guangdong, their primary work was to organise community-based education and advocacy activities to encourage public health and environmental awareness. Also, they provided general educational support by virtue of publications as well as research support in cooperation with various international NGOs and green NGOs. Each of these two GONGOs had at least five full-timers and some part-timers. With funding from local authorities, they offered substantial assistance to the government in their operating areas.

¹⁶ Qiusha Ma, *Non-Governmental Organizations in Contemporary China: Paving the Way to Civil Society?* (London and New York: Routledge, 2006).

¹⁷ In any case, all NGOs are registered with the Bureau for the Administration of Non-Government Organisations, a section within the Ministry of Civil Affairs. Non-registration means that the NGO or GONGO cannot become an independent, legally recognised entity and will not have a sponsoring unit. For details, see Schwartz, "Environmental NGOs in China"; Koon Kwai Wong, "Greening of the Chinese Mind: Environmentalism with Chinese Characteristics", *Asia-Pacific Review* 12, no. 2 (Nov. 2005): 39–57; Renee Hsia and Lynn White, "Working amid Corporatism and Confusion: Foreign NGOs in China", *Nonprofit and Voluntary Sector Quarterly* 31, no. 3 (Mar. 2002): 329–51.

¹⁸ None of their identities or locations will be disclosed in this study. The reason for the anonymity is that staff members of many NGOs (especially GONGOs) are often unwilling to share information or be interviewed for fear of infuriating their supervising authorities in the central or local governments.

The 10 green NGOs interviewed were registered in Guangdong. Their mission puts them at the heart of greenbelt environmental protection, water pollution, e-waste, climate change and air pollution in the Province. Their operating budgets come mainly from individual donations and sponsorship from multinational corporations as well as domestic commercial enterprises. There were no full-time workers in these NGOs, however. Each was run by no more than 10 part-time staffers. Lack of stable funding was one of the common challenges the 10 green NGOs faced.

A few words about the nature of China's rising middle class are in order. Although a precise and objective measurement of the size of the class is next to impossible,¹⁹ according to the first author's individual research, the Chinese new middle class in Guangdong possesses the following defining features: per-capita income of at least RMB9,000 (USD1,420) per month; minimum post-secondary education (technical or non-technical); holding managerial-level or managerial-type positions; having urban household registration status (*hukou*); possessing a house or car either by mortgage or outright ownership; and finally, an annual disposable income of more than RMB300,000 (USD47,340).²⁰

POLLUTION IN GUANGDONG: COLLABORATION AMONG GOVERNMENTS, NGOS AND BUSINESS

Similar to other provinces and regions in the country, Guangdong also faces problems and challenges relating to deteriorating ecosystems under the economic reforms. A typical example of how pollution in the Province harms the environment is the Shimahe (which literally means the "Stone Horse River"), a tributary of the Dongjiang (East Pearl River) running southward from Qiaotao in Dongguan to Shenzhen.²¹ It demonstrates how pollution and the subsequent clean-up costs accumulate because of the sloppy regulatory enforcement by both the provincial and local governments.²² The Shimahe and its environs are heavily polluted as a result of the relocation, starting in the 1980s, of labour-intensive industrial factories from Hong Kong. Further industrial relocations from Taiwan, Japan, South Korea and other countries have exacerbated the pollution problem. Provincial and local authorities have allowed literally hundreds of thousands of factories to be set up along the Shimahe. Factory discharges have transformed the once crystal-clear river into a disgusting cesspool. More incoming factories add to the destruction of the

¹⁹ An Chen, "Capitalist Development, Entrepreneurial Class, and Democratization in China", *Political Science Quarterly* 117, no. 3 (Fall 2002): 401–22, 410.

²⁰ Eileen Yuk-ha Tsang, *The New Middle Class in China: Consumption, Politics and the Market Economy* (Basingstoke: Plagrave Macmillan, 2013), pp. 10–1.

²¹ Y. H. Chen, "Pre-Warning and Post-Lesson to Be Learnt from the Shimahe River Pollution Problem", undated, at <<http://www.greenpeace.org/China/zh/>> (in Chinese) [3 Aug. 2009].

²² Many Chinese newspapers in Guangdong reported the seriousness of water pollution in Shimahe, but it seems that no action had been taken by the government. See <<http://dg.people.com.cn/GB/10774028>> and <http://news.timedg.com/2010-06/07/content_590818.htm> (in Chinese) [20 July 2010].

area. The former “Mother River” for Dongguan, Shenzhen and Hong Kong is now black, smelly water.²³

E-waste is another prominent environmental issue in the Province. The abundance of e-waste generated worldwide has spawned a new industry of e-waste recycling, which is a highly profitable business. Electronic hardware is usually made up of hundreds of different components, of which some have high after-market value. E-waste contains not only valuable materials (gold, silver, platinum and copper) but also recyclable materials (plastics and glass). Recycled computer hardware has a particularly high market value. In many shopping arcades in Guangdong, retailers repackage and sell reusable parts as sizeably discounted second-hand items or even as new items to the innocent and unwary. The problem is not at the retail level. It is downstream, where e-waste is being dumped, collected and recycled. Without any supervision from local authorities, the mismanagement of foreign e-waste in China shows no sign of abating. International collaboration and domestic legislation may address some of the core problems but enforcement at the provincial and local levels is still questionable. People in secluded, destitute mountainous villages in the Pearl River Delta go on regular “treasure hunts” in a scramble to forage through e-waste just to earn a few *yuan* a day. The villagers have no knowledge of the tremendous health risks from handling or incinerating toxic e-waste. Likewise, they have little understanding or appreciation of environmental protection. Theirs is a mindset of living hand to mouth, from day to day, on luck.

We have also personally witnessed other hazards shown by one NGO. It is a common fact in many Guangdong workplaces that workers are packed together by the dozens into small workshops with the ventilation systems turned off to save money on electricity, forming the typical examples of sweatshops or sweat factories. In a small electroplating chamber of a factory, workers were soaked in sweat, even in the chill of winter. The result, due to the constant high temperature and lack of ventilation, is a constant smell of boiler fumes. This kind of air pollution is quite common in small factories. Many dyeing and tinting industries are also located in suburban areas. Workers often find themselves with swollen hands and chapped skin due to the lack of available protective gear. Simple economics (principally, tax revenue) is perhaps the ultimate reason why local authorities tolerate the presence of highly polluting industries in their localities. The 10 million or so small and medium private firms registered from 1979 to 1999 represented 90 per cent of all business entities in China and provided 68 per cent of total exports, 60 per cent of total gross domestic product and 40 per cent of the national profits tax.²⁴

²³ In 1965, the Shimahe River was chosen as the source point for freshwater supply to Hong Kong because of its high water quality. Hong Kong in the 1950s and 1960s was continually experiencing water shortages and the main Hong Kong reservoirs at High Island and elsewhere had not been built yet. The Guangdong Provincial Government made use of the natural waterways of the Shimahe and pumped countercurrents flowing along the East Pearl River into Hong Kong.

²⁴ Alistair R. Anderson and Edward Yiu-chung Lee, “From Tradition to Modern: Attitudes and Applications of *Guanxi* in Chinese Entrepreneurship”, *Journal of Small Business and Enterprise Development* 15, no. 4 (Oct. 2008): 775–87.

Despite the appalling and deteriorating environment in Guangdong, many green NGOs do not make any attempt to abate the problem. Privileged interest groups, such as green GONGOs in China, are supposed to act uniformly to combat social movements and avert the emergence of civil society. However, this is not the case in southern China. Most of the environmental GONGOs there are not keen to do environmental work. They do not regulate or monitor other green NGOs either. Instead, their staff members are pragmatic and utilitarian, and they are more interested in extending their networks. They usually ally with professionals and overseas entrepreneurs to set up multinational corporations in the province, and have part-time jobs in, or act as consultants to the multinational corporations. GONGO officers reveal that while the Ministry of Environmental Protection (formerly the State Environmental Protection and Administration) and their regional Environmental Protection Bureaus (EPBs) are dedicated to environmental protection, they are not effective in carrying out the national policy locally. No concrete policies and penalties have been successfully put in place to apprehend offenders. Some cadres of the provincial EPBs show no concern for environmental protection. Instead, they seek profits through *guanxi* ties to do lucrative business.

There is another supposedly independent body called the Anti-Corruption Bureau (*fan tanwu huilu ju* or *fan tan ju* for short), which is a government agency under the People's Procuratorate with the authority to investigate, among other things, collusion between local enterprises and environmental officials and the accountability of green GONGOs. Modelled on Hong Kong's Independent Commission Against Corruption, it was first established in Guangdong in 1989.²⁵ However, the effectiveness of the bureau is open to dispute. It does not have any influential role to play in protecting the environment, particularly in some of the newly developed industrial areas. There is no supervision of it. Our interview informants even claimed that corruption is more rampant in the bureau than outside of it. The anti-graft bureau is more in cooperation with investors than stopping polluting projects from being carried out. That colours the complexion of any guiding principles for environmental policy-making. The lack of distinction between public (government responsibilities) and private spheres (enterprise operations) leaves open the possibility of discretion and incentives to overlook violations.²⁶ "Percy", the director of one GONGO who was interviewed, recalled that his colleagues allowed a foreign entrepreneur to invest RMB1 million to set up dyeing factories near the Pearl River Delta Region, which involved exploitation of natural resources and the dumping of industrial wastes into the waters.²⁷

Increasing use of energy and insufficient treatment of industrial and biological wastes cause serious air and water pollution, as well as other environmental problems.

²⁵ See "Zhongguo fan tan ju — zai tansuo zhong qianxing" (China's Anti-Corruption Bureau: Forging Ahead While in Search of the Route to Success), 2 Mar. 2004, at <<http://news.sina.com.cn/c/2004-03-02/14032985447>> [18 Nov. 2011].

²⁶ Marilyn Beach, "Local Environmental Management in China", *China Environment Series* 4 (2007): 21–31.

²⁷ Personal interview, Guangdong, June 2008.

But governments at various levels are in a state of denial about these problems. It is therefore not surprising to learn that GONGOs do not see them as problems. GONGOs cannot avoid the temptation from MNCs to extend networks in doing business.²⁸ “Peter”, a full-time staff member in a GONGO, was quite suspicious of his seniors who often took advantage of the resources in his unit for their personal uses and benefits. He explained why GONGOs are ineffective in southern China:

My boss does not allow me to use the name of our GONGO for my personal benefits while most of our colleagues [six out of eight] contact the donors or clients to extend their own networks. I do whatever I can to build up networks (with green NGO and MNCs), but of course not for the puny salary. In fact, most of my time, I am not helping our GONGO, but helping my boss handle his part-time jobs (other business projects or consultancy work) with some MNCs.²⁹

A remaining question is why green NGOs founded by the Chinese new middle class continue to grow. What are the real intents of the green NGOs? Why do they develop a symbiotic relationship with local officials in Guangdong? From the ethnographic data we collected, the key members of green NGOs were the Chinese new middle class, who want to extend their *guanxi* networks by using the name of green NGOs. Some middle-class people and professionals set up green NGOs not for environmental protection. Instead, they foresaw that green NGOs would be useful in attracting public attention to environmental protection. Green NGOs with eye-catching names are believed to be the rallying cry for fundraising and readily win the sympathy of local citizens. The most crucial thing is that NGOs create many opportunities for the members to meet both MNCs and local officials. Leaders of the green NGOs reveal that developing reliable personal connections with power-holders (cadres) is the primary business strategy for aspiring entrepreneurs and professionals. Collaborations within the same class help maintain individual and group interests when lobbying cadres and estate developers for land use rights. The collaboration is in the form of bargaining, negotiating and mutual accommodation through informal situations (social gatherings) within an institutionalised setting (NGOs).

Guanxi network-building and rebuilding have well become an internalised habitus for the Chinese.³⁰ It is unique to all Chinese societies worldwide now. Members of the Chinese new middle class handle interpersonal matters and relationships through *guanxi* networks which they have incorporated into their everyday life practices. In building and using *guanxi* networks, they use different kinds of social

²⁸ For NGOs' reliance on international funding, see Tang and Zhan, “Civic Environmental NGOs, Civil Society, and Democratisation in China”, pp. 431–2. See also Jude Howell, “Getting to the Roots: Governance Pathologies and Future Prospects”, in *Governance in China*, ed. Jude Howell (Lanham, MD: Rowman & Littlefield Publisher, 2004), pp. 226–40.

²⁹ Personal interview, Guangdong, Aug. 2008.

³⁰ Elaborated by Pierre Bourdieu, “habitus” refers to a set of socially learned dispositions, including ways of speaking, thinking and acting that are acquired by members of social groups or class by virtue of living in the same objective conditions. See Pierre Bourdieu, *Distinction: A Social Critique of the Judgment of Taste* (London: Routledge & Kegan Paul, 1984); and Anthony Giddens, *Sociology* (Cambridge: Polity Press, 2009), pp. 1120–1.

capital to create what is called a “cultural nexus of power”.³¹ This phenomenon was commonplace in our research samples in Guangdong. What was also observed during the course of the fieldwork was that the most powerful *guanxi* networks were connected with the police, local party cadres and government officials who exerted direct control over land use, financial resources and the enforcement of statutory regulations. For example, if entrepreneurs operate without business licences (“special business” licences in particular), they would be suspected or simply regarded as criminals and subjected to all sorts of harassment by the police and other authorities.³² Private entrepreneurs offer consultancy services to, or business collaborations with, cadres, including those posted in GONGOs, in return. This is the Chinese model of reciprocity. This kind of *guanxi*-seeking between (GO)NGOs and MNCs is continuous and long-term. Therefore, green NGOs prosper but they do not actually solve, or raise public awareness of, environmental problems.

At the same time, green NGOs rely on the connections with and funding from MNCs. Insufficient operating budgets are a major preoccupation of environmental NGOs, according to “Michael”, the founder of a green NGO interviewed in this study. Donations mainly come from enterprises rather than the government. Good relations with enterprises are useful in helping to raise funds for NGOs. While keeping NGO operations going, many green NGO personnel use their organisations to forge close working relationships with foreign companies with a view to getting better jobs. Michael of one green NGO says:

Right now, I have my full-time job in one MNC. I got the job when I had collaboration with MNCs. But I am still keeping my green NGO simply because it is good to meet more MNCs and extend my network. I use part of my salary to run this green NGO. I run environmental campaigns and do fundraising in order to draw more attention from the public. It is useful to me simply because I can maintain close relationships with the MNCs. It also benefits the MNCs as it is good for their business image.³³

NGO organisers like “Michael” and “Peter” wish to set up NGOs and build their reputations in order to interact with MNCs and enrich themselves. “Percy” of a green NGO neatly summed up the need to forge *guanxi* in the face of a qualification race:

Now almost every Chinese is a degree holder, and the degree certificate is like an admission ticket to opening up a better career path. Given that almost everyone is now a degree holder, you have to resort to *guanxi* in order to make yourself stand out. Luckily, I got a full-time

³¹ Cultural nexus of power means in order to build and use *guanxi* networks, most of the green (GO)NGOs and MNCs rely on their close relationships with each other to extend their business networks. See Prasenjit Duara, *Culture, Power, and the State: Rural North China, 1900–1942* (Stanford, CA: Stanford University Press, 1988).

³² Zhang Li, “Migration and Privation of Space and Power in Late Socialist China”, *American Ethnologist* 28, no. 1 (Feb. 2001): 179–205.

³³ Personal interview, Guangdong, Aug. 2008.

job in a multinational enterprise through my *guanxi* network. At the same time, the MNC sponsors my green NGO in order to bolster its image and be well recognised by local people ... I would take some of my salary out to support and pay for the running costs of our group.³⁴

“Ken”, a full-time staff member in one green NGO, echoed:

I mainly help my boss do his own personal job, i.e., seeking networks with different multinational enterprises in our NGO. We have frequent contact with GONGOs and do promotional activities about AIDs or other civil affairs. But this is only gestures [*zitaí*] and promotions [*xuanchuan jiqiao*] ... Our leaders do not want to set up a board of directors to monitor our daily practices. They don't want to have records ... My boss does this for his own fame and for widening his *guanxi* network. In fact, little effort is dedicated to promoting environmental awareness and production. They want to use green NGOs as a cover. In fact, my boss uses it as a means to seek cooperation with multinational corporations ...³⁵

Not surprisingly, most of the green NGOs and MNCs do not put much effort into promoting environmental or business ethics. Rather, the main work of most NGOs and GONGOs in Guangdong Province is focused on *guanxi*-building in order to create strong social bonding among professionals, regional cadres and entrepreneurs. Every society has its own unique culture of social bonding.³⁶ In post-reform China, most people are on a quest for social capital, in which relations of trust are key in facilitating the achievement of personal goals. *Guanxi* networks in everyday life are a type of institutionalised habitus. NGOs are often used as institutionalised sites of social bonding for personal or organisational economic gains. If a public entity such as an NGO is used no more than as a networking platform for commercial purposes, there are grounds for questioning whether the emergence of a vibrant civil society in China will take place soon.

NGO, CIVIL SOCIETY AND DEMOCRATIC ACTIVISM: MYTH OR REALITY IN SOUTHERN CHINA

Based on qualitative interviews with the 12 GONGOs and NGOs, this study has found that most of their leaders try to be in compliance with the guiding principles and policy of the Party-state. Both GONGOs and civic NGOs have little appetite for opposing the Chinese government or pressurising it for policy changes. They closely follow the state's goals and principles. Being buoyant members of the Chinese new

³⁴ Personal interview, Guangdong, July 2008.

³⁵ Personal interview, Guangdong, June 2008.

³⁶ James S. Coleman, “Social Capital in the Creation of Human Capital”, *American Journal of Sociology* 94 (Supplement) (1998): 95–120; Nan Lin, “Social Resources and Instrumental Action”, in *Social Structure and Network Analysis*, ed. Peter V. Marseden and Nan Lin (Beverly Hills, CA: SAGE Publications, 1982), pp. 131–45; Nan Lin, “Local Market Socialism: Local Corporatism in Action in Rural China”, *Theory and Society* 24, no. 3 (June 1995): 301–54; Nan Lin, “Building a Network Theory of Social Capital”, *Connections* 22, no. 1 (Spring 1999): 28–51; Nan Lin, *Social Capital: A Theory of Structure and Action* (Cambridge: Cambridge University Press, 2001).

middle class, they established environmental NGOs principally to extend personal social networks and to earn social capital with local Party cadres and multinational companies. They make little conscious effort to use the NGOs as a platform to advance environmental protection or promote other good social causes.³⁷

The argument that China's emerging middle class is not in favour of pro-democracy political change is not novel, as most of the Chinese new middle class are beneficiaries of economic reforms and show scant concern about corporate social responsibility in their business practices.³⁸ Transcending this widely cited reason, this research has also found that there was little hate between the middle class and Party-state cadres. The policy of assessing local officials' performance principally by measuring local economic growth helps to tame power abuse. In addition, while China's economic elites can freely develop their businesses, politics and resource control are firmly in the hands of the Party-state. Coupled with a deepening sense of political inefficacy, the middle-class people do not call for establishing a system of checks and balances to restrain the power of the cadres. Most of the Chinese new middle class are realistic about the cruel reality that all advocacy activists fail. They are either put in jail or lose their freedom under house arrest. Yang, who studied in Hong Kong and who was the founder of one green NGO, said:

There is no hope for Chinese politics. What is the meaning of *min-zhu* [democracy]? The citizen is *min* [people] and the state is *zhu* [master]. We need to obey the Communist Party of China (CPC). I took part in the June Fourth movement when I was a university student. We cannot say the June Fourth incident was a massacre — otherwise we'd expect to spend the rest of our lives in gaol. It is extremely useless to advocate democracy. If there is any promise from the Chinese government to promote democracy, they are telling lies ... When I wrote something to express my opinion about the June Fourth incident and my belief that the central government should stop censoring some websites in China, I got an 'invitation' from the Liaison Office of the Central Government in Hong Kong.³⁹ I almost freaked out because I was probably seen as anti-communist. I couldn't help picturing the awful consequences for my future ... At that time, I was all nervous and upset, and told myself I shouldn't do that kind of stupid thing again. Who can stand up against the CPC? We can only work for the CPC.⁴⁰

³⁷ See also Yiyi Lu, "NGOs in China Development Dynamics and Challenges", in *The Non-State Sector and Governance*, ed. Zheng Yongnian and Joseph Fewsmith (London and New York: Routledge, 2008), pp. 89–105.

³⁸ Stephanie Barrientos, "Contract Labour: The 'Achilles Heel' of Corporate Codes in Commercial Value Chains", *Development and Change* 39, no. 6 (Nov. 2008): 977–90; O' Bridget Laughlin, "Governing Capital? Corporate Social Responsibility and the Limits of Regulation", *Development and Change* 39, no. 6 (Nov. 2008): 945–57.

³⁹ The Liaison Office of the Central People's Government in the Hong Kong Special Administrative Region (LOCPG or *Zhong-lian-ban* for short) is a Hong Kong-based office of the Chinese central government in Beijing. It was formerly known as the Xinhua News Agency Hong Kong Branch, and is in charge of liaising with the Hong Kong Garrison of the People's Liberation Army, the Office of the Commission of the Ministry of Foreign Affairs in Hong Kong as well as Mainland Chinese companies in Hong Kong.

⁴⁰ Personal interview, Guangdong, June 2008.

This was echoed by “Ken”, the founder of one green NGO, who said, “I think there is no hope for democracy to take root in China before I die. I have never received cases on human rights and political issues in Guangdong. It’s very hard to say but politics is a very dark area in China. China won’t make everything transparent and totally unveil them ...”⁴¹

In Guangdong, most of the members or leaders of the green NGOs merely want to maintain the status quo. The middle-class social and economic elites were keen to stay aloof from Chinese sociopolitical movements in February 2011 after the “Jasmine Revolution” and the following Arab Spring uprisings.⁴² They were all aware that the existing polices and political system do not allow them to promote political freedom and democracy. Even though the Chinese new middle class seem to be more affluent, more educated and more in sync with the West than the rest of the Chinese society, that does not necessarily make them more inclined towards building an independent civil society vis-à-vis the state (as in the case of most Western societies). So long as both national economic growth and personal wealth continue to grow, they are loath to provoke any riots, protests or demonstrations for fear of disrupting China’s development. This is a sign of a contingent symbiotic relationship between the middle class and the government that serves to maintain a superficial social harmony in China. It is a thinly veiled symbiosis in which the business world provides considerable government revenue through the provision of tax and employment opportunities and contributes to local economic development, a key criterion for cadre promotion, without confronting local Party officials. Cadres reciprocate by suppressing independent labour movements, offering tax breaks, government contracts and subsidised loans. Cadres also often enjoy not only career boosts, but shares in private profits.⁴³ A rationale is that the Chinese middle class meets a mounting threat from, and redistributive demands by, the lower-class people such as the unskilled migrant labourers who work in cramped conditions.

While international experience indicates that the size of the middle class in a country or region grows with the level of its economic development, paradoxically, the more economically advanced is the region or province in China, the more conservative

⁴¹ Ibid.

⁴² The “Jasmine Revolution” refers to the 2010–2011 Tunisian uprisings in North Africa. It inspired a small-scale social movement in China in early 2011. See Bruce J. Dickson, “No ‘Jasmine’ for China”, *Current History* 110, no. 737 (Sept. 2011): 211–6.

⁴³ An Chen, “The New Inequality”, *Journal of Democracy* 14, no. 1 (Jan. 2003): 51–9. We borrow the term “contingent symbiosis” from Anthony J. Spires, “Contingent Symbiosis and Civil Society in an Authoritarian State: Understanding the Survival of China’s Grassroots NGOs”, *American Journal of Sociology* 117, no. 1 (July 2011): 1–45. For Spires, unauthorised civic NGOs can survive only to the extent that they do not press for democracy and help achieve social welfare goals, relieving local governments of some of their social obligations.

are the economic elites.⁴⁴ This is quite obvious in this study of environmental NGOs formed by the middle class in the relatively prosperous province of Guangdong. Despite three decades' worth of economic reforms and economic growth, the Chinese new middle class is still heavily poised to maximise the possible economic gains they can personally earn from society.

CONCLUSION

This article argues that in Guangdong Province, the growth of the middle class has bred more NGOs, but they have made little contribution to environmental improvement or vibrant civil society. The Chinese new middle class has been quite satisfied with their social status and development under reforms. The GONGOs and green NGOs founded and managed by the burgeoning new class comply with the Chinese government in order to maintain a managed or guided policy change. The case studies have demonstrated clearly that most of the Chinese new middle class are vanguards of *guanxi*-seeking, but laggards in promoting environmental protection and social consciousness. They simply want to maintain the status quo so as to pursue economic prosperity and make and share profits.

While GONGOs are state corporatist, they neither monopolise interest representation and articulation nor monitor or suppress green or even grassroots NGOs. This is largely because many NGOs do not promote social causes and therefore pose little threat to the communist regime. Behind the façade of chanting the environmental protection slogans, they are in fact pursuing material business interests. Due to limited skills, funding, and autonomy as well as operating in a highly controlled political space, civic green NGOs have no intention or ability to challenge the Chinese government. They do not promote environmental awareness, nor do they threaten the Chinese regime. The Western pattern of elite-mass participation in NGOs and public-private partnership have yet to become common in China's NGO sector.

A possible reason for the middle class's lack of effective sociopolitical impact is the nature of the Chinese politics itself. Party supremacy and continued economic growth take precedence over all other matters. The lack of transparency in many areas of the Chinese administrative, legal and other regulatory systems provides a fertile ground for *guanxi* networks to flourish, and this saps the aspirant middle class of its energy. With a dual feeling of political inefficacy and economic insecurity, the new middle class in turn is often at pains to exploit loopholes in the machinery for pecuniary or other gains, thereby reinforcing any grey areas that exist in the system.

This research note raises two points about further research into the political role of China's new middle class. A potential area of research is the simmering

⁴⁴ It was no accident that the epoch-making rural reforms first took place without central sanction in the more impoverished inland provinces of Anhui and Sichuan, which were devastated by the famines in the Great Leap Forward (1959–1961). Barry Naughton, *The Chinese Economy: Transitions and Growth* (Cambridge, MA: MIT Press, 2007), pp. 71–2, 241.

tension and dichotomy between political and economic elites on the one hand and the mass working class on the other. Despite the fact that ordinary people in Guangdong are often hardest hit by environmental pollution, many middle-class NGOs raise little concern about it. The quest for economic growth, modernisation and consumerism, in contrast, continue to override concerns about environmental abatement and promotion of accountability. Second, in order to make broader generalisations about the political inclination and potency of the Chinese middle class, it may be necessary to study how they actually behave in other better-off provinces or municipalities in China with regard to prominent social or political issues. Bearing in mind that our findings are based on research carried out in only one province in southern China, this article nevertheless points to a need to examine vigorously and critically the untested conventional wisdom that China's middle class is a, or even the, standard-bearer of political change in China.