

# A Brief History of CUSP: The China-US Strategic Philanthropy Partnership

## The Importance of China-US Collaboration in Philanthropy

As the two largest economies in the world, the United States and China have the capacity to create important international philanthropic and public/private partnerships. Issues such as education, environment, climate change, healthcare, aging populations and sustainable cities demand that we share innovative strategies and build stronger partnerships and broader networks. By working collaboratively, philanthropists in the US and China can maximize their impact on the *underlying causes* of these and other urgent social problems in their own countries and beyond.

In the midst of historically unprecedented transition, China is working hard to enhance its social services. This calls for the growth of non-profit organizations. By December 2014, there were 4,137 foundations in China, compared to fewer than 400 just fifteen years ago. This explosive growth underscores the enormous potential of Chinese philanthropy. However, many leaders recognize that despite China's long history of charity, modern philanthropy is in an early stage of development. Future success depends on the government establishing supportive regulatory and tax policies, while philanthropists focus on setting clear visions and strategies, cultivating qualified staff, and maintaining solid relations with government, business and non-profit partners.

Philanthropy in the US is not without its own, often similar, issues. There is a new urgency to the way American foundations and philanthropists are responding to the challenges of global interdependence. Most believe their success depends on their ability to increase collaboration, leadership and accountability, both domestically and internationally.

## The Role of CUSP

The China-US Strategic Philanthropy (CUSP) Partnership began in 2010 with a concept paper and study tour to interview philanthropy experts in the Bay Area, Beijing, Shanghai and Hong Kong. In the US, the study tour delegation was surprised to find that there was very little understanding about China's growing interest in philanthropy and its rapid development. In China, the delegation was greeted with broad enthusiasm from philanthropists, government officials and non-profit leaders, all of whom encouraged the US to help China strengthen their philanthropic infrastructure.

In response, CUSP was created as an inclusive partnership of more than 45 organizations working with philanthropy in the US and China. CUSP has a US Secretariat based at the East-West Center (EWC) in Honolulu and a China Secretariat based at the China Philanthropy Research Institute (CPRI) in Beijing. ***The CUSP Mission is to promote communication, exchange and collaboration between the philanthropic sectors of China and the US in order to ensure the best use of resources and maximize the benefits to society as a whole.***

CUSP has successfully organized a variety of workshops, exchanges, and high level meetings.

### **CUSP Annual Workshop I**

In August 2011, an energetic group of 30 philanthropic leaders, divided almost equally between China and the US, met at the EWC for the first CUSP Annual Workshop. This workshop resulted in the creation of a CUSP Secretariat with five Working Groups and an action plan to have frequent exchanges, ongoing communication between participants, and an annual CUSP Workshop to be held in either China or the US.

### **China-US Media & Philanthropy Leaders Workshop**

In October 2011, thirteen delegates representing China's leading foundations, philanthropists and media outlets participated in a three-day workshop at the EWC. Led by Dr. Wang Zhenyao, Director of the One Foundation Philanthropy Research Institute (later known as the China Philanthropy Research Institute) at Beijing Normal University, participants explored how media can shape public perceptions of philanthropy, and exchanged ideas about the role of media in the nonprofit sector to critically examine and report on issues and also promote information about charitable causes.

### **CUSP Annual Workshop II**

The second CUSP Annual Workshop was held in Beijing in August 2012 with the theme *Networking for Greater Impact*. This workshop focused on donor impact, social entrepreneurship and capacity building organizations such as community foundations and United Way. It helped CUSP build additional project support from China and the US. For example, all participants were pleased when Mona Lee Locke – wife of US Ambassador to China Gary Locke and a strong supporter of the non-profit sector – was able to participate in both days of the workshop.

### **Social Venture Partners (SVP)-CUSP Social Entrepreneurship Exchange Tours**

Another major achievement of CUSP in year two was introducing and linking key players in the area of social entrepreneurship and impact investing in both countries. CUSP working group members participated in two study tours to China and the US in 2012. Participants had an opportunity to see the development of social entrepreneurship and catalytic social investment in action. A partnership plan between two CUSP member organizations from China and US was developed with the goal of adopting the social venture partnership model in 10 cities in China by 2020.

### **SASAC Training**

In January 2013, twenty-four business leaders and officials from the State-owned Assets Supervision and Administration Commission (SASAC) spent a week with CUSP staff, focusing on leadership and corporate social responsibility. SASAC is China's agency responsible for the state-owned enterprises, and has launched what we believe will be an on-going effort to expose their rising corporate leaders to international ways of doing business. It was an exciting opportunity for CUSP to broaden the thinking of China's current and future corporate leaders, particularly in the area of corporate social responsibility.

### **Lao Niu Foundation Exchange**

In 2012, CUSP organized the first family philanthropy exchange with billionaire philanthropist Niu Gensheng and his family, who hosted several US philanthropists in Inner Mongolia in September 2012. Mr. Niu then sent his wife, son, daughter, and their spouses, to Hawaii to begin developing their own expertise in philanthropy. From early March through late May, the EWC arranged for the family to interact with non-profits engaged in their primary areas of interest, including environment, early childhood education and elder care. Non-profit partners included the Hawaii Community Foundation, the H.K.L. Castle Foundation, the Bank of Hawaii, the Hawaii Children's Discovery Center and Child & Family Services.

### **Philanthropy Leaders Dialogue**

In May 2013, two of China's leading philanthropists, along with several philanthropists from the US Mainland and Hawaii, convened at the EWC and Hawaii Community Foundation to participate in the Philanthropy Leaders Dialogue. The purpose of the dialogue was to open the door for transformative philanthropy and greater US-China collaboration.

### **CUSP Annual Workshop III**

The third CUSP Annual Workshop took place in Beijing in November 2013 in conjunction with the Fifth Chinese Private Foundation Development Forum. The theme of the workshop was *Taxation of Charitable Organizations & Charitable Trusts*. Additional topics included:

- Advancing capacity building for non-profits
- A review of accomplishments and discussion of next steps for CUSP

### **2014 Sino-US Family Heritage Forum**

In July 2014, our key partner, the China Philanthropy Research Institute (CPRI), invited Carol Fox & Wang Qinghong to participate in the 2014 Sino-US Family Heritage Forum in Greenwich, Connecticut, which was hosted by Chinese entrepreneur Yang Hui and his wife Zhai Jiayi. The conference served as an excellent opportunity for us to meet philanthropists from China and the US. Participants included leading philanthropist Ray Dalio.

### **Ronghua Charitable Foundation Philanthropy Exchange**

After the conference in Connecticut, Carol & Qinghong accompanied Ms. CUI Ronghua and her family back to Honolulu for the Ronghua Charitable Foundation Philanthropy Exchange. EWC Foundation Board member, Jeannie Rolles, generously hosted a waterfront dinner at the Outrigger Reef for the family with Charles, Carol and Qinghong. Ms. CUI is interested in supporting an EWC exchange program for leading female philanthropists and entrepreneurs.

### **CUSP Workshop IV**

The fourth CUSP Annual Workshop was held at the Stanford Center at Peking University in Beijing on Aug. 28-29, 2014, bringing together 100 of the top practitioners in the field of philanthropy from both China and the US. At least 10% of the Chinese participants were wealthy entrepreneurs, and all the participants shared a keen interest in learning more about high impact philanthropy, especially opportunities for greater China-US collaboration on critical issues of common concern such as education, environment, aging and climate change.

CUSP Workshop IV focused on three main topics:

- Recent advances in social entrepreneurship and impact investing, China & US
- How technology is impacting philanthropy
- Community Foundations and other place-based capacity building strategies