

## Proposal on forming Rotary Club of Beijing - Strategy Paper 1999

To: Herbert K. Lau (Rotary China Historian)

2 August 2013

Dear Herbert:

Congratulations on all the research you have done on the subject. Some of what you have found out was also new to me.

Today I would like to shift gear.

I had told you earlier that I had never held a leading office in Rotary when I moved to Beijing. I had no training. In fact, I had not even ever attended a District Conference.

But I knew instinctively that all my Rotary moves in China would come under the critical microscope of the Rotary world. I therefore got hold of a copy of the Manual of Procedure and I read it front to back and literally took it with me to bed. I wanted to make sure that whatever we did in Beijing did not violate any Rotary rules. I was certain that we in Beijing adhered more closely to "the book" than any other official Rotary club anywhere.

Over time I heard from many Rotary dignitaries many reasons why RI could/would not sanction a club in China. But when I went back and consulted my Manual of Procedure I found that I never heard any reason that would be counter to what the Manual prescribed.

Ambassador Chris Bramsen had also never been a Rotary official. But he and I had a very close relationship and I huddled with him, usually in the Danish Embassy, to discuss ways to convince RI to at least listen to us. When Christopher took his family to a Christmas holiday to Bali in December 1998 I gave him my copy of the Manual of Procedure with the request to go through it with a fine comb and find supporting reasons in it for the official sanctioning of a Rotary Club in China. Chris, not only being a diplomat but also a lawyer found enough for us to write what we called a "White Paper". It took us a while to organize everything and when the paper was finished we send it to RC Hong Kong with the request to go through it and allow us to distribute copies of it to Rotary leaders. However, that was the time when RIP Carlo Ravizza had threatened all clubs that would extend help to us in Beijing with revoking their club charters. RC HK was scared and I was asked NOT to make this paper public. But I am a rebel by nature! A few months later – in June 1999 – I was about to leave Beijing to settle in Perth. I therefore resigned from RC Hong Kong (where I was also VP) and felt no longer obliged to follow the club's instructions to keep the white paper under wraps.

Peter Finamore and myself went to Singapore to attend the RI Convention. In my briefcase I had a number of copies of the white paper and I was determined to hand one to anyone willing to take one. The first person I ran into was Bhichai Rattakul. He received the first copy. Over the next few days I handed copies to Carlo Ravizza, Frank Devlyn, Rick King, Ed Hatcher, Ken Collins and all the aids to the sitting and incoming presidents.

I have read this paper again over the last few days and I still think it was a well presented document that neutralized a lot of the arguments thrown at us.

You may enjoy reading it!

Regards,

Hermann G. Heid  
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Beijing, 12 April 1999

## ROTARY IN CHINA

The purpose of this paper, which presents the views of a group of Rotarians living in Beijing, is to look into the possibilities of formally re-introducing Rotary in China, and in particular of re-establishing a “Rotary Club of Beijing”.

### 1. Background

In 1996 a number of Rotarians living in Beijing agreed to meet on a regular basis - every Tuesday at 12.30 at the China World Hotel - in order to continue their fellowship as Rotarians.

During the first weeks of this practice it was clear that there was a genuine desire for formalizing these meetings and aim for the re-establishment of a chartered “Rotary Club of Beijing”. As the Rotary Club of Hong Kong was already functioning as a sort of mother club, the concept of establishing a “Beijing Extension” of the Rotary Club of Hong Kong was developed. The number of participants at the luncheons was gradually enlarged by new members, most of whom have formally become members of the Rotary Club of Hong Kong, while a few have become members of the RC of Hong Kong South and Macao – both clubs in District 3450.

During the following months the Rotarians in Beijing developed into a group which, although not formally chartered as a Rotary Club, in many respects functioned as one. This practice stimulated the group’s desire to promote the Object of Rotary, while following and practicing the rules and customs as laid down in the Manual of Procedure. This includes the holding of weekly fellowship meetings, inviting speakers and guests, electing officers and establishing committees, using the Rotary classification system, keeping attendance records and issuing attendance cards to visiting Rotarians. In short, the Manual of Procedure was the guiding principle.

The group also produced a banner with the words: “Striving to be - Rotary Club of Beijing”, which has been exchanged with a number of visiting Rotarians from Clubs around the world.

Of special significance is the fact that the group of Rotarians in Beijing has engaged and succeeded in a number of substantial charity projects in the Beijing community (and beyond), which have been widely reported in the Chinese media, thereby giving Rotary a high and positive profile in China. These projects have dealt with areas such as orphanages, handicapped persons, incubators, “Gift of Life”, flood and earthquake relief and most lately computer equipment to high school students. A number of projects have been undertaken with Rotary District 3450 as well as with several individual Rotary clubs in different parts of the world.

In September 1998 a delegation from the Rotary Club of Copenhagen visited Beijing and entered into a friendship arrangement with the Beijing Rotarians, to be replaced by “a proper sister-ship agreement if and when official recognition of Rotary in China is granted”.

Today the group of Rotarians who meet regularly in Beijing consists of 43 participants, of which 39 are members of Rotary clubs in Hong Kong and Macao, while the remaining 4 are or have been members of other Rotary clubs prior to coming to Beijing. Of the 43 participants 5 are Chinese citizens of Hong Kong, and 6 are Overseas Chinese from other countries. Presently 3 of the members are women.

During the two years of the existence of the group the question of how to establish a formal Rotary Club in Beijing has been debated regularly. This not only at the meetings in Beijing, but also in other relevant forums such as the Rotary Club of Hong Kong, District 3450 and Rotary International. In this aspect the present practice of the Beijing Group has been given ample focus of attention.

On the one hand many Rotarians outside of China have supported the aspirations of the Rotarians in Beijing and accepted that the special situation in a country like China requires a special solution. From this side the affirmative attitude of the Rotarians in Beijing of “striving” to become once again the Rotary Club of Beijing has won general admiration and support. The club did exist during the periods of 1924-1941 and 1946-1951.

A lot of support has come from Hong Kong and Macao. Based on a proposal from the RC of Hong Kong, Rotary District 3450 adopted a resolution at its 38th Annual District Assembly in May 1998. Under the heading “Provisional Club in PRC” the work of the Rotarians in Beijing was highly commended and the RC of Hong Kong was “congratulated and supported in its efforts on extension into the People’s Republic of China.”

Other circles from abroad, however, have objected to the fact, that Rotarians meet as what could be perceived as a Rotary Club in Beijing without having been granted a charter or at least been given a provisional status by Rotary International.

At a National Inter-city meeting in the Copenhagen Rotary Club on February 3, 1999, the President of Rotary International, James L. Lacy, was informed of the support of the Copenhagen Rotary Club of the efforts of the Rotarians in Beijing. Also, he was asked to comment on the question of Rotary in China. In his reply RI President Lacy answered that he welcomed the question and appreciated the efforts of Copenhagen Rotary Club. There was nothing he would like more than seeing Rotary back in China. He would go immediately to China to discuss the issue, if invited by the authorities, but the issue was very sensitive and in his opinion the situation was not ripe, also because the Beijing Rotarians consisted mainly of expatriates rather than Chinese.

In February 1999 there was a tightening of the Rotary activities taking place in Beijing. Acting upon concerns conveyed from Rotary International, the Rotary Club of Hong Kong reminded its members in Beijing, that they did not constitute a separate legal entity and that they could not use the expression “Extension Group of the Rotary Club of Hong Kong”. This reminder has resulted in a number of changes in the practices of the activities of the Rotarians in Beijing, including the following:

- The meetings in Beijing are not Rotary meetings (have never been declared as such), but “fellowship meetings”, held on behalf of the RC of Hong Kong.
- The RC of Hong Kong is responsible for all Rotary activities taking place in Beijing. All decisions taken by the “Board” of the Rotarians in Beijing, their planned activities, correspondence, projects and budgets must be submitted to the RC of HK before being carried out.
- All funds raised by the Rotarians in Beijing are made in the name of the RC of Hong Kong and should be transferred to the account of this club.
- The expressions “Beijing Extension” and “Striving to be – Rotary Club of Beijing” can no longer be used, and consequently the letterhead, the attendance cards and the banners used so far have to be re-designed.
- Any formal correspondence from the Rotarians in Beijing will no longer be signed by their “Acting President”, but will be signed by the Vice President of the RC of Hong Kong, who has the responsibility for the group in Beijing (presently Rtn. Hermann Heid).

For many of the Beijing Rotarians, who sincerely wish to further the goals of Rotary in China, these recent steps, although understandable seen from a purely legalistic point of view, represent a step backwards. These new guidelines could jeopardize the very active and dedicated spirit that has so far characterized the activities and charity projects carried out by the group.

In order not to undermine the efforts and contributions that have been rendered until now by the Rotarians in Beijing, time seems ripe to take a closer look into what it would take to formalize the meetings in Beijing, i.e. to establish a new and separate Rotary Club of Beijing.

It is the view of the Rotarians in Beijing that in order to achieve this goal a clear strategy must be formulated. It is imperative that the actors who are involved in this question, primarily the RI Board, District 3450, the RC of Hong Kong and the existing group of Rotarians in Beijing, act together and pull in the same direction.

This paper is a first attempt to look at the elements of such a strategy.

The question of the conditions that need to be fulfilled in order to establish a Rotary club in China as well as the procedural aspects will be discussed in the following paragraphs.

## **2. Conditions**

The Manual of Procedure, published by Rotary International, contains a number of conditions that must be fulfilled when establishing a new Rotary club. (References in the following are made to pages in the 1998 edition of the Manual).



### Program and Object of Rotary.

The program of Rotary is expressed in the Object of Rotary, which is to encourage and foster the ideal of service as a basis of a worthy enterprise and in particular to encourage and to foster the four “avenues” of service. (p. 67)

There can be no doubt that the Rotarians in Beijing adhere to all of these avenues of service. As expatriates in China, coming from a number of foreign countries, they have shown special efforts in the field of Community Service and International Service, (“the advancement of international understanding, goodwill and peace through a world fellowship of business and professional persons united in the ideal of service” p. 67).

### Extension of Rotary Clubs.

Today, China is not included in any of the official Rotary districts. In the chapter on “Extension” (p.34) it is mentioned that

“The club is the medium by which the program of Rotary is promoted and the Object of Rotary is attained. Therefore in order that Rotary may exert its widest influence, it should progressively establish new clubs throughout the world wherever and whenever it can reasonably be expected that a successful club can be maintained”.

It is also mentioned that

“In countries where Rotary does not exist, the RI Board looks with favor on an increasing number of informal activities in the areas of education, exchange of persons, and humanitarian assistance, undertaken by Rotary clubs and districts as well as by the Trustees of the Rotary Foundation. Such activities shall be undertaken to demonstrate to the governments or peoples of such countries that Rotary can bring many substantial benefits of fellowship, service and dedication to the promotion of international understanding and peace”.

The experiences from the last two years of the Rotarians in Beijing show a very high degree of success in all four avenues of service. Also the growing number of Rotary projects carried out in China, in the name of the Rotary Club of Hong Kong, has shown the Chinese government and the Chinese citizens that Rotary is participating actively and positively in the ongoing economic and social development process in China.

### Rotary and Politics.

Although “RI and its member clubs must refrain from issuing partisan political statements” and “Rotarians are prohibited from adopting statements with a view to exerting any corporate pressure on governments or political authorities” (p. 20) it is also the duty of Rotarians “to promote, not only in words, but through exemplary dedication, the awareness of the dignity of all people and the respect of the consequent human rights of the individual” (p. 20).

Experience shows that the concept of human rights is not the same in China as in the Western world. However, human rights are served by practical deeds such as social service, and China is now working

within a new framework, respecting the rule of law. Furthermore, China adheres to a number of UN documents on human rights, including the United Nations Charter on Human Rights.

### Freedom of speech

When setting up a club in a new country, it is stipulated (p. 35) that the RI Board must be assured “that freedom of speech and freedom of press/media will promote the healthy development of Rotary” in that country. The Chinese people and the Chinese press do not have the same degree of freedom of speech as most Western countries. This fact does not mean that a healthy development of Rotary, as a non-political organization, cannot take place in China. If Rotary is allowed to function in China it seems likely that the growing number of popular Rotary projects will pave the way for a positive development of Rotary in China, also through reference to Rotary in the media, as has already repeatedly occurred.

### Membership of local citizens

The written rules of Rotary do not seem to contain any specific rule, that the membership of a Rotary Club must consist of a certain number of nationals of the country where the club is situated. Nevertheless, it is perceived as an important part of the Rotary idea that the membership of the Rotary clubs - in general - is made up by nationals who live in the local community.

There are examples of Rotary clubs in other countries, where most of the members are foreigners who are living in the area of the club for a shorter or longer period, and where the meetings are not conducted in the local language.

It should be noted that when Hong Kong returned to China on July 1, 1997, all Rotary clubs in Hong Kong continued to exist. The same will apply for Macao from December 20, 1999. With respect to these two administrative regions it can be said, that Rotary has already returned to China.

Recently Chinese legislation has made it possible for foreign Chambers of Commerce to be registered in the PRC. Legislation that permits registration of other types of NGOs is currently under review. Rotary would come under this category.

Even if this legislation would be passed within a year or two it does not seem likely that it would permit Chinese nationals to become members of a Rotary Club. Maybe there would first be an opening for nationals from Hong Kong and Macao. At a later stage it could be envisaged that China would open up for nationals from Mainland China, but only on the basis of approval of each member by some Chinese authorities.

When opening up for new ideas and projects the Chinese authorities normally follow a cautious step-by-step procedure. It would therefore be very much in line with the Chinese way of thinking, if a Rotary Club in China - on a trial or provisional basis - would first be opened for foreigners and to Chinese citizens from Hong Kong and Macao. It could initially be one Club (i.e. Beijing), while the opening of other clubs (Shanghai is a possibility) and the possible opening of membership to nationals from Mainland China would be postponed to a later stage. Other interim solutions such as Chinese nationals as “friends of Rotary” or “honorary members” could also be envisaged.

### Compliance with National Laws

It is stipulated in the rules of Rotary (p.6), that “Every Rotary Club is expected to comply with the laws of the country in which it functions”. This means that a future Rotary Club of Beijing cannot have Chinese citizens as members, as long as this is not allowed by the legislation in China. But it does not preclude that the Constitution of the club allows for Chinese members, if and when this is allowed by Chinese legislation.

### Technical conditions

In accordance with the rules of Rotary the establishment of clubs in a new country also has to fulfill some technical conditions (p. 35), including that the Rotary clubs can

- function freely as a non-political entity of Rotary International,
- meet regularly,
- serve as an instrument to provide goodwill and understanding throughout the world,
- meet the financial obligations prescribed by the RI bylaws,
- plan and implement service projects in each of the four Avenues of Service,
- encourage their members to continue as loyal and serving citizens of their countries, while respecting all peoples, races and beliefs, and
- promote the fellowship of Rotary within their clubs and countries.

Furthermore, “there must be a sufficient number of business and professional people who can be inspired by the Object of Rotary and be readily assimilated into the fellowship of Rotary”.

All of these conditions seem to be fulfilled.

### Respect of the fundamental principles of Rotary

In the chapter on the extension of Rotary to new countries (p.34) it is mentioned that “Rotary clubs may be established wherever the fundamental principles of Rotary can be freely observed”.

Except for the question of Chinese nationals as members of Rotary, referred to above - and with no specific conditions explicitly stipulated in the Rotary rules - all of the fundamental Rotary principles mentioned above already prevail in China.

## **3. Procedure**

Two approvals are needed when establishing a Rotary club in a new country:

### Approval of the RI Board

When establishing a club in a country where Rotary does not exist, it is expressly stated in the rules of Rotary (p. 34-35) that “because of the complexities involved, there shall be no formal extension of



Rotary to such countries without the prior explicit approval of the RI Board”. In other words, the RI Board has to decide in these cases, whether all the conditions mentioned above are fulfilled.

### Approval of the Chinese Government

It is also stipulated in these cases (p. 35), that “the organization of the club must have the express and concrete approval of the government involved”. It is the Chinese Ministry of Civil Affairs that gives the approval to foreign organizations, and the necessary documentation of the approval would have to be given by this ministry.

It should be noted in this respect, that the Chinese authorities are aware of the fact that a group of Rotarians meet regularly in Beijing, and that also Chinese nationals participate in these meetings as speakers or guests. This is a typical example of the fact that foreign groups, clubs and even schools are allowed to operate in China, as long as they are tolerated by the authorities, even though formal permissions have not been given. In the case of a Rotary club in Beijing, it would not – for the time being - be possible to get an “express and concrete approval” from the Chinese government. On the other hand, as part of an overall solution the Chinese side would probably agree to let a Rotary Club of Beijing carry out its normal activities in Beijing, but without a formal permission until all the details of a proper legislation on NGOs have been worked out.

### Special Extension Areas and Presidential Extension Administrators

As a first step on the way into the Rotary system, the RI board can open a geographical territory as a “Special Extension Area”, and in order to assist in promoting the extension of Rotary a Presidential Extension Administrator can be appointed by the RI President, (p. 35). The PEA must possess an extensive knowledge about Rotary and must be familiar with the geography, history, culture and language of the assigned area.

Special Extension Areas already exist in several parts of the world, including in a number of East European states. It seems to be a good idea to follow this venue and let the People’s Republic of China become a SEA. The RI President could then appoint a PEA for China, who could officially meet with the Chinese authorities in order to clarify the possibilities of reintroducing Rotary in China. The PEA could also be the principal link between Rotary International and other involved Rotary actors, primarily the Asia Affairs Committee of RI, District 3450, The Rotary Club of Hong Kong, and the group of Rotarians in Beijing.

Candidates for the position as PEA for China could be found among the group of past District Governors of Hong Kong.

### Provisional Membership

It is foreseen (p. 38) that “an organizing group, from its first organization meeting, providing it meets regularly each week, is called “a provisional Rotary club” until it has been admitted to membership in RI. The provisional club must adopt the standard Rotary club constitution and bylaws in harmony with it.”

It is also foreseen that “a satisfactory list of charter members must be submitted comprising at least 20 members” and that “pending the action of the RI Board on an application no other members shall be elected to the club”.

The RI Board approves the new clubs. As for the date of admission of a club the rules state (p. 39), that “On the date a club is admitted to membership by the RI Board, it becomes an official club in RI, irrespective of the date on which the charter is delivered to the club”.

### Zones and Districts

All Rotary clubs belong to a district, and all districts and Special Extension Areas are grouped together in 34 different zones. In the case of China, it would be natural that Rotary clubs in China should belong to District 3450 (consisting of 41 Rotary clubs in Hong Kong and 6 Rotary clubs in Macao). District 3450 and 13 other districts are all part of Rotary Zone 4, consisting of clubs in Southern Japan, Hong Kong, Macao and Taiwan.

The first step would be to make China into a Special Extension Area as part of Zone 4 and assign the SEA to District 3450.

“The RI Board is authorized to change the boundaries of existing districts provided no such change shall be made by the RI Board over the objection of the majority of the clubs in the district”, (p.23).

If it is proposed that District 3450 be extended to include China, it is very likely that all the present 47 clubs in the District would support this proposal.

## **4. A special Rotary project.**

Whereas China has no immediate interest in the club life and fellowship aspects of Rotary, it is clear that China appreciates the many projects that have already been undertaken in the country by a number of Rotary clubs. Without giving priority to this part of Rotary’s activities, it does seem appropriate to work out a special and significant project, with funding from a large number of Rotary sources, including The Rotary Foundation. This project could be initiated in connection with the 50th anniversary of the People’s Republic of China on October 1st, 1999.

Such a step could lead to an agreement with Rotary to set up a representative office in Beijing to administer and coordinate this and other Rotary projects in China. The establishment of a Rotary office would seem likely to facilitate the acceptance of the first Rotary Club.

## **5. Conclusions**

It is the general view of the group of Rotarians meeting in Beijing that a serious effort should be made in order to formalize the presence of Rotary in China. As we are approaching a new Rotary year, beginning on 1 July 1999, it would be appropriate to let the incoming Rotary officials and the RI General Secretary become the main players.

In accordance with the rules of Rotary, as described above, a possible way to re-introduce Rotary into China could be based on the following elements:

- After having conferred the text with the RC of Hong Kong the group of Rotarians in Beijing could send the final version of this report to the RI President-elect as a paper of reflection on how to proceed in bringing Rotary back into China.
- The RI President-elect could ask the Secretary General, the Asian Affairs Committee and/or the President's Advisory Committee for their comments on the report.
- The RI Board could decide to establish a Special Extension Zone for China, and assign this zone to District 3450.
- The RI President could then appoint a Presidential Extension Administrator.
- The Presidential Extension Administrator could meet with representatives of the Chinese Government in order to give information on Rotary and to clarify the procedural aspects of Rotary in China. The PE could also be mandated to discuss the possibilities of carrying out a major Rotary project in China.
- The PEA could prepare an exchange of visits, from China to RI, and from the RI Board to China. The PEA would be able to facilitate the necessary invitations and aim towards a visit at the highest level.
- According to his findings the PEA could recommend to the RI President the various possibilities that exist in order to reintroduce Rotary into China, and work out concrete proposals on the question of a representative office in Beijing and on the special Rotary project mentioned above.
- As to the establishment of a Rotary club in Beijing, he could recommend
  - that a Rotary Club of Beijing be formed as a club in a Special Extension Area in Rotary Zone 4, or
  - that a Rotary Club of Beijing be formed as a club in District 3450, or
  - that the situation in China does not make it possible for the time being to establish a proper Rotary club in China.
- If the PEA recommends that a Rotary Club of Beijing be formed, the Rotarians in Beijing could hold a formal “organization meeting” in order to become a provisional Rotary Club of Beijing, either as a Club in a SEA or as a Club in District 3450. Provided that classification requirements be met, the members of the present group of Rotarians (presently 43) in Beijing could be charter members. If possible the organization meeting could coincide with the presentation of the major Rotary project referred to above.
- The RI Board could then proceed to formally approve the Rotary Club of Beijing.

- If the main stumbling block turns out to be, that no local Chinese nationals can become members of a Rotary club in China for the time being, the RI Board could decide
  - to make a special exception in the case of the Rotary Club of Beijing, or
  - to let the Club continue to function on a provisional basis, until this question has been solved satisfactorily.

If the incoming RI President takes appropriate action in this question from the beginning of his term on 1 July 1999 there is a good chance that important steps could be made within the following year, thereby re-introducing Rotary into China as we enter into the 21st Century

**Beijing, 12 April 1999**

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