

# System Shock

## Nonlocal Grassroots Response to COVID-19 at Ground Zero, Wuhan

*by Yuan (Daniel) Cheng,  
Xiaoyun Wang, and  
Xueshan Zhang*



China's policies and regulations vis-à-vis the nonprofit sector meant that very limited grassroots action took place during COVID-19's first stages, and most came from those social organizations heavily managed and coordinated by local government . . . or by citizen self-help groups. These local GONGO chapters and local nonprofit organizations indeed played an instrumental role in Wuhan's response to the crisis. But it was a collection of nonlocal nonprofit organizations and volunteer groups, with little professional experience in disaster relief and insufficient resources and local networks, that in the end emerged and managed to deliver aid.







On January 23, 2020, two days before the Chinese New Year of the Rat (the new start in the twelve-year cycle of the Chinese zodiac), the central government of China announced the lockdown of Wuhan—the capital of Hubei Province, a city with over eleven million people—due to the outbreak of COVID-19. It was an unprecedented crisis that neither the government nor the society had ever encountered. COVID-19 patients flocked to hospitals and soon discovered that there was a dearth of available beds. Essential community services were cut off, leaving vulnerable populations—the elderly, pregnant women, people with chronic diseases—desperately seeking support. The shortage of medical supplies was so serious that medical workers had to bypass the government and send out individual pleas for donations.<sup>1</sup> Indeed, the government's responses to COVID-19 in the first few weeks were inadequate; the emergency plan developed by the government to deal with “normal” disasters was simply insufficient for such a sweeping crisis.

When COVID-19 hit Wuhan, a city with no prior experiences of a pandemic, the whole society went into system shock.<sup>2</sup> Wuhan being the global ground zero for COVID-19, citizens did not know how dangerous and widespread the virus would turn out to be. The Chinese government was still collecting information in order to coordinate public health resources. Businesses were dealing with the beginning impacts of a looming economic shutdown. Nonprofits were trying to figure out how they could help—a tough order, given that they could not operate their normal disaster relief efforts on the ground. For two to three weeks after the emergency lockdown, things in Wuhan were chaotic. Heartrending stories broke on Chinese social media about frontline medical workers lacking medical supplies and unattended family members dying due to lack of care. Before February 21, 2020, when all the Fangcang shelter hospitals (hospitals built for COVID-19 patients) came into use, the situation was desperate.<sup>3</sup>

Given how severe and unprecedented the COVID-19 pandemic was and the increasingly restrictive institutional environment facing grassroots nonprofits in China, it is not surprising that grassroots nonprofits faced many challenges during the initial stage of the pandemic in Wuhan.<sup>4</sup> The Ministry of Civil Affairs in the State Council authorized just a few

government-organized nongovernmental organizations (GONGOs) to receive and distribute donations and medical supplies; nonlocal nonprofits were not allowed to enter or send volunteers to Hubei Province.<sup>5</sup> Some local GONGO chapters' exclusive access to raising public donations, coupled with lack of capacity, resulted in scandal when they failed to effectively distribute medical supplies raised from the general public.<sup>6</sup>

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### In China . . .

*Formal nonprofit organizations* are organizations legally registered at the Ministry/Bureau of Civil Affairs and that operate as independent legal entities.

*Informal nonprofit organizations* are not independent legal entities, and include neighborhood associations registered via street-level bureaucracy and unregistered grassroots organizations.

*Government-organized nongovernmental organizations (GONGOs)* are nonprofit organizations initiated by government and quasi-governmental agencies (for example, Communist Youth League of China and Women's Federation). Most GONGOs are formal nonprofit organizations. The Red Cross Society of China and its local branches are an exception; they operate as an independent system and do not need to register at the Ministry/Bureau of Civil Affairs.

*Grassroots organizations* are nonprofit organizations that have neither official government ties nor the backing of wealthy individuals and/or large corporations. Grassroots organizations can be either formal or informal. Unregistered grassroots organizations do not have official government approval, but in most cases the government does not impose sanctions on such organizations unless they are perceived to be a potential political threat.

self-help groups. These local GONGO chapters and local nonprofit organizations indeed played an instrumental role in Wuhan's response to the crisis.<sup>7</sup> But it was a collection of nonlocal nonprofit organizations and volunteer groups, with little professional experience in disaster relief and insufficient resources and local networks, that in the end emerged and managed to deliver aid not only to Wuhan but also surrounding regions.<sup>8</sup> Despite the regulatory and information barriers, these groups managed to send masks and ventilators to hospitals in desperate need, and also to address medical needs not directly connected to the pandemic, such as supplying medication to people with other diseases who were falling by the wayside due to the national focus on COVID-19.

How was it that these nonlocal grassroots nonprofit organizations were able to effectively deliver aid? Two critical, connected differences are at the very foundation of this organizational tier, which has its roots in close community work. First, the grassroots nonprofits that stepped up during the initial outbreak were able to emerge as key contributors during the pandemic as a result of their close relationship with their clients and partners—which supports their creative leveraging of new technology platforms and their practice of constantly adjusting strategic priorities based on critical needs at the moment, as well as their capacity to fulfill those needs. The success of these organizations, which lack government affiliation and big funding, is driven by their deep understanding of the changing needs of the communities they serve and their ability to mobilize quickly and effectively with whatever resources are at hand in the moment. This gave them a key advantage over organizations with superior financial and political resources.

The second critical difference has to do with ethos. Compared to the scale of resources that the Chinese government had at its disposal, the resources the grassroots organizations were able to mobilize during the pandemic were trivial. But it was left to these organizations to fill the gaps in care for already marginalized groups that became further marginalized during the COVID-19 outbreak. People with rare and chronic diseases, pregnant women experiencing complications, the economically disadvantaged, the elderly, people with disabilities, and even people simply living outside of the

immediate Wuhan metro area did not have access to the same level of administrative and medical resources devoted to Wuhan and COVID-19. As it did all over the world, in Wuhan COVID-19 systematically worsened the conditions of already marginalized groups.<sup>9</sup> Without grassroots organizations committed to whole community care, many in these groups would not have survived.

Below are some examples that showcase how nonlocal grassroots nonprofit organizations were able to respond quickly and effectively during the early stages of the COVID-19 crisis,<sup>10</sup> complementing our existing knowledge about the critical roles local, community-based organizations played in different stages of pandemic control in China.<sup>11</sup> They offer important implications for a world ill-prepared for global crises.

### **MEETING CRITICAL NEEDS WHILE RAPIDLY ADJUSTING STRATEGIC PRIORITIES**

In a time of unprecedented crisis, nonprofit organizations must decide whether to act immediately or wait to see what/who will emerge in response, and then move in to fill any gaps. When COVID-19 broke out in Wuhan, most organizational staff members were at home, because the Chinese New Year was imminent. Therefore, when news of the pandemic broke, it was impossible to run through the normal administrative procedures regarding what should be the level of organizational involvement. Moreover, getting involved in the early stages of a crisis presents significant risks for such organizations. Would there be financial and legal risks that only come to light later on for those organizations? Could local volunteers come to harm? As the city of Wuhan had gone straight into lockdown and the general public had limited information about what was actually going on inside the city, those nonlocal grassroots organizations had many more reasons to stay put until more information was forthcoming, rather than actively engaging with the crisis. However, a number of these organizations went into action, and were effective in addressing the moment's critical needs by rapidly adjusting their strategic priorities based on their mission, expertise, and how other organizations were involved.

**No single organization or individual holds the solution to the problems when a whole city faces an unprecedented pandemic and lockdown.**

*Beijing Chunmiao Charity Foundation*, a foundation that focuses on providing professional social services for children and families in need, did not have much experience in responding to a public health crisis.<sup>12</sup> But when the pandemic hit, the foundation quickly realized that its public fundraising know-how could serve other nonprofit organizations. It pivoted to become a fundraising platform for civil organizations providing direct services and aid to Wuhan.<sup>13</sup> During the initial stage of the COVID-19 breakout, one of the most critical challenges that faced many organizations was a mismatch in timing between fundraising and the purchase of key supplies, as the pricing of such supplies was volatile. Often, by the time funds had been raised for a key item, the price had already increased. Chunmiao leadership described how, to solve this problem, the foundation established a funding pool of one million renminbi (RMB) to facilitate the synchronous purchase of key supplies. It then raised funds to cover the costs. According to Chunmiao, during its initial response to COVID-19 in Wuhan, the foundation raised more than eighty million RMB, and it became one of the most essential funders and backbone organizations for other nonprofits during the pandemic.

*The Beijing Ginkgo Foundation*, a private foundation famous for its fellowship program supporting social entrepreneurs and leaders of grassroots nonprofits, played an important role in supporting its fellows and partner organizations during the pandemic.<sup>14</sup> Ginkgo understood that, compared to other major private foundations and the government, the amount of funding it could provide for COVID-19 responses would be minimal and would not generate the social impact Ginkgo desired. Instead of following the practices of other foundations or fundraising platforms, it identified three areas as its core grantmaking strategy: (1) establishing the Ginkgo Instant Action Fund to support the administrative expenses of nonprofit organizations;<sup>15</sup> (2) building supportive networks among Ginkgo fellows to better coordinate their efforts for COVID-19 response; and (3) carrying out an action-research program to help nonprofits systematically document and reflect on their responses during the crisis. By quickly understanding the need for frontline nonprofit organizations and adjusting its strategic priorities, the Ginkgo Foundation was

able to leverage its financial and human capital for a larger social impact during the crisis.

*Shanghai Hand in Hand Life Care Developing Center*, one of the first nonprofit organizations in China to specialize in hospice care and psychological counseling, quickly became involved in sending key medical supplies to Wuhan when the city locked down.<sup>16</sup> Due to its strong connections to volunteers and donors both overseas and in China, it achieved an impressive record of raising funds and medical supplies for hospitals in Wuhan. However, as more organizations became involved in such work, particularly government organizations, Hand in Hand became aware that sending medical supplies to hospitals was no longer a critical gap it needed to fill. What became apparent was that there was a big void in the psychological counseling for Wuhan citizens dealing with the unexpected death or quarantine of family members. Hand in Hand leveraged the network it had built in the initial stage of its response, as well as its expertise in hospice care, to speedily design psychological counseling programs for patients and their families. The pandemic surfaced a need for people's deeper understanding of life and death, and Hand in Hand is currently exploring ways to integrate life education into its traditional hospice care program, after the pandemic.

## **SCALING UP EXISTING ORGANIZATIONAL NETWORKS THROUGH CROSS-SECTORAL COLLABORATION**

No single organization or individual holds the solution to the problems when a whole city faces an unprecedented pandemic and lockdown. Implementation of all the strategies needed requires a network of organizations across sectors. Thus, grassroots nonprofit organizations must quickly develop reliable cross-sectoral partnerships with individuals and organizations that previously they may not have worked closely with. Such a wide network connecting suppliers, donors, hospitals, patients, and the government cannot be built overnight. Organizations must leverage their existing networks and quickly scale them up by identifying and working with key partners who can help them connect to their current and emerging clients and potential resource suppliers.

***Nonprofit organizations have historically been key contributors when disaster hits a community. Their ability to pivot as needed comes from the agility it takes to survive in not-always-secure financial and, in the case of China, political environments.***

The Beijing Illness Challenge Foundation (ICF), an organization serving patients with rare diseases, proved to be an exemplar in building partnerships and scaling its existing organizational networks.<sup>17</sup> After the Wuhan lockdown, ICF received requests from patients with rare diseases in Wuhan and Hubei Province who were running out of drugs and having difficulties getting treatment and prescriptions. ICF was determined to help these patients, but it recognized that it did not have sufficient channels to purchase and deliver the drugs. ICF decided to collaborate with the China Alliance of Rare Diseases (CHARD)—a GONGO affiliated with the National Health Committee, which had comprehensive information on and access to hospitals, drugstores, pharmaceutical companies, and medical associations. The collaboration with CHARD ensured the supply of medicines. In addition to CHARD, ICF partnered with patient support groups for each rare disease to verify the information and needs of patients. In total, through CHARD and patient-support groups, ICF connected with over thirty pharmaceutical companies and drugstores and served patients with thirty-four rare diseases. ICF became the hub of the collaborative network during the lockdown period of Wuhan as a result of its reputation for providing high-quality services to patients with rare diseases, and the network it built with CHARD and patient support groups. With these key partners, ICF was able to speedily scale up its existing network with hospitals and patients who needed its services and pharmaceutical companies that could provide the medications. ICF filled a significant overlooked gap in services that faced patients with rare diseases when the whole country became unilaterally focused on COVID-19.

### **BUILDING A SOCIAL-MEDIA-FACILITATED DECENTRALIZED INFORMATION-FLOW SYSTEM**

During a major crisis like COVID-19, information can become chaotic and volatile. During the first two weeks after the lockdown in Wuhan, not even the government had all the information it needed about what hospitals would require to service a pandemic. This made it challenging to coordinate donations and the logistics of medical supplies even when

organizations were successful in obtaining those resources. The traditional information-flow systems based on hierarchical control no longer functioned, as no individual or organization could verify and cope with the ever-changing information. With the use of social media by these nonlocal nonprofit organizations, a social-media-facilitated decentralized information-flow system emerged. This innovation coordinated the instant feedback between the needs of the hospitals and the supply from donors and volunteers.

ACE Youth, a nonprofit organization dedicated to building communications platforms for youth development, became involved in obtaining face masks and sending them to local hospitals.<sup>18</sup> Instead of controlling the information flow between the donors and local hospitals, ACE Youth (via WeChat, a Chinese social media platform) brought together the doctors and hospitals needing face masks and donors who were interested in supporting them. Doctors were able to send messages directly to the WeChat group regarding their needs, and donors could reply and then send the requested masks. The doctors then confirmed the arrival of the masks via photo. ACE Youth set the ground rules for how the WeChat group operated, and encouraged the donors and doctors to be directly in touch with one another via the platform and to post updates of the process. By directly linking the donors and doctors on a platform where all users actively monitored the program status, ACE Youth was able to organize timely support to local hospitals and doctors.



Nonprofit organizations have historically been key contributors when disaster hits a community. Their ability to pivot as needed comes from the agility it takes to survive in not-always-secure financial and, in the case of China, political environments. This agility proved to be a critical aspect of Wuhan's recovery from the pandemic's first wave, when the government was stymied for a time while figuring out how to mobilize its resources. The crisis pushed grassroots nonprofits, particularly those that were nonlocal, to make multiple adjustments and to innovate in order to rise to the needs

of the people in Wuhan and surrounding areas. It also stimulated wider participation of nonprofit organizations and volunteer groups that didn't necessarily have much experience in disaster relief.

Down the line, we will need to assess the consequences for these grassroots nonprofit organizations that stepped up without government backing during the initial outbreak of COVID-19. Will the system in China reward or punish their engagement? In their reflection reports, quite a few nonprofit leaders stated that the worst barriers they encountered during and after their response were not in fact the information and access problems as discussed in this article, but rather the endless paperwork they had to prepare for subsequent auditing requirements, which lowered morale and wasted valuable time. But for funders that decided to go beyond those normal procedures in order to more effectively fund the COVID-19 responders—for example, the Beijing Chunmiao Charity Foundation—it took enormous effort to keep their excellent performance rating. The financial reporting and auditing requirements during and after the initial pandemic relief cost some organizations a large amount of staff time and created burdens for grassroots organizations with tight administrative budgets. More importantly, it created a risk-averse incentive structure for both funders and frontline grassroots nonprofits wanting to engage quickly in pandemic relief efforts right when the social demand was greatest. A grantor–grantee relationship is needed that facilitates flexibility and prioritizes the expertise and voice of those who truly understand their client communities rather than solely the accountability requirements and control from the funders. If we do not learn from

these critical lessons that emerged from the COVID-19 crisis, we will continue to struggle when other crises hit.

It may be too soon to tell whether these innovative responses by nonlocal grassroots nonprofits prove to be a short-term phenomenon or if they will have long-term implications for the state–society relationship in China. That is beyond the scope of this article, and only time will tell. However, what has become clear in this systematic analysis of nonlocal grassroots nonprofits' responses to the pandemic is the value of a relatively independent and autonomous nonprofit sector. The success of the sector should be judged not only by the financial or medical resources they were able to mobilize, but also for whom and how they were able to mobilize them. These grassroots nonprofits created a full array of public values during the pandemic, including broad citizen participation and support for marginalized populations. As mega-disasters like the COVID-19 crisis become a new normal for our times, our governments need to recognize and leverage the unique values these groups can create, instead of treating them exclusively as a means to achieving (or a tool for) governmental goals and purposes.

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## NOTES

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10. The examples and materials used in this article all come from an action research project that was built on the reflections of the leaders of these grassroots nonprofits. The Beijing Ginkgo Foundation carried out a grant to help establish this action-research project. There were two stages: In the first stage, facilitated by the foundation staff and researchers, the nonprofit leaders wrote their reflections based on their involvement with the pandemic relief; in the second stage, in which the authors and other researchers were involved, a comprehensive analysis of those reports was conducted to locate common themes, along with additional interviews when needed. For a detailed methodology of this study, see Wang and Cheng, "Cross the river by feeling the stones." Without specific and additional notice, all facts discussed in the illustration of the examples came from practitioners' self-reflection reports or facilitated reflections from this research project.
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**YUAN (DANIEL) CHENG** is an assistant professor in the Humphrey School of Public Affairs at the University of Minnesota Twin Cities, and the managing editor of *Public Administration Review*. Cheng's research agenda is driven by the goal of better understanding the impact of nonprofit organizations in shaping public services provision, especially in situations where nonprofits are beyond the "tools" of government. His published articles can be accessed via [yuandanielcheng.weebly.com/](http://yuandanielcheng.weebly.com/). **XIAOYUN WANG** is an assistant professor in the School of Public Administration and Policy at the Renmin University of China. Wang's research interests center on community philanthropy, government–nonprofit relations in China, and philanthropic foundations. **XUESHAN ZHANG** led the Beijing Ginkgo Foundation's "Action studies on frontline social organizations' response during the COVID-19 outbreak" research project. Zhang is former executive director of the Beijing Ginkgo Foundation and former president of SEED for Social Innovation. She is dedicated to empowering young social entrepreneurs in China, and fostering multisectoral collaboration for a world in which everyone can live with dignity and choice.



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