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Chinese NGOs are “Going Out”: History, Scale, Characteristics, Outcomes, And Barriers

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Abstract:

From a historical perspective, China has become a focus of attention in contemporary globalization, and the expansion of Chinese NGOs' participation overseas has been an important part of its globalization process. On the one hand, this “going out” phenomenon implies a spontaneous, internal cultural power within the Chinese society driven by a strong economy, which is a modern form of ideological promotion caused by capital expansion. On the other hand, this process has also been propelled by utilitarian factors. Nevertheless, despite a decade of development, the “going out” of Chinese NGOs is still in its infancy. Moreover, Chinese NGOs that are going global face various challenges in terms of laws and policies, public awareness and fundraising, transnational operations, and professional talent. To propose new concepts of global development, Chinese NGOs will have to strengthen themselves.

Keywords: China, NGO, internationalization, going out

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Introduction

In recent years, many scholars have conducted research on the internationalization of NGOs (Anheier, Glasius, and Kaldor 2001; Lindenberg and Bryant 2001). Anheier and Themudo (2005) argue that the internationalization of NGOs is driven by factors of demand and supply. The primary factors on the demand side are the transformation of the international aid system and the growing need for overseas humanitarian and developmental services; the main factors on the supply side are new political opportunities, important technological progress, and social changes. These political, technical, and social factors make NGO operations overseas less restrictive and less expensive than they are in their home country. Aldashev and Verdier (2009) believe that three factors are driving the globalization of NGOs: international relief for emergencies has attracted more public donations, modern media are widely used in fundraising, and Western countries, particularly European governments, provide matching grants, all of which incentivize NGO globalization. Siméant (2005) studied the internationalization processes for four NGOs in France and found that the reasons for the internationalization of French NGOs were not only about value diffusion. In fact, the study suggested that the increasing competition among French NGOs has encouraged them to internationalize in order to obtain more public and private human resources and financial donations. At the same time, the French government and economic globalization have had a big impact on the internationalization of French NGOs.

From a historical perspective, China has become a focus of attention in contemporary globalization, and Chinese NGOs' “going out”—the expansion of their participation overseas—has been an important part of its globalization process. Therefore it is important for us to interpret its social and political implications within the context of China's globalization.

Since 1978 China's globalization has been going in two directions: brining in and going out. In terms of brining in, China incorporated various forces of globalization into its own development. Since China's reform and opening up, an influx of international development agencies, foreign companies, international NGOs, and other foreign entities have undoubtedly attracted technologies, financial resources, and the advanced concepts of development and civil society. International development agencies, such as the United Nations Development Program (UNDP) and the World Bank, introduced China to the latest concepts of development (such as participatory development) by funding pilot projects. In 1979 UNDP first began its operations in China. As of 1981, it had distributed \$15 million to support 328 projects (Ministry of Commerce of the People's Republic of China website 2018). In 1980 the World Bank entered China, and in the following year, the World Bank offered its first loan in China to the field of education. At about the same time, foreign companies also came to China. In 1978 the Coca-Cola Company began collaborating with companies in Mainland China, and the company is considered to be the first presence of a foreign-funded enterprise in China since its Reform and Opening-up.

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In 2016 China's actual use of foreign direct investments (FDI) reached \$126 billion (Center for China and Globalization 2017), ranking it third among the largest recipient countries of FDIs. Nearly forty years of receiving FDIs has helped China develop into a major manufacturing country. In 1979 the Ford Foundation began to fund academic and professional exchange activities between organizations in China and the United States. The Ford Foundation was the first international NGO to operate in China. In 1988 the Ford Foundation established an office in Beijing with approval from the Chinese government. By the end of 2014, China had received more than \$356 million in Ford Foundation-sponsored funding (Ford Foundation 2018). Beginning in 1996, the number of international NGOs coming to China grew rapidly. Funds, technologies, personnel, and projects brought by those NGOs have been critical to the growth of Chinese NGOs, especially grassroots organizations, and the impacts of these developments are far-reaching and generally positive (Ma 2006). In addition, international NGOs, such as the Ford Foundation and the Asian Foundation, have kept China up to date with concepts of social development over the past four decades.

In the direction of going out, China began to export resources and experience to the rest of the world. The first wave of "going out" began in the 1950s and continued into the 1970s. It was based on the success of a revolution in China and was modeled on offering assistance to people in Asia, Africa, and Latin America. The second wave, which began in the 1980s, has featured the exportation of capital; that is, Chinese enterprises were going global. Since the end of the twentieth century, China has experienced rising labor costs, surplus capital, and other issues. Despite economic growth, China's actual use of FDI has declined. At the same time, Chinese enterprises internationalized on a large scale and sought business opportunities overseas. Since 2010 China has been exporting products and capital. The third wave, which began in 2000, focuses on dissemination of China's social culture and ideology, exemplified by the expansion of the Confucius Institutes all over the world, by the spread of China's experience of development, and by increasing the participation of Chinese NGOs in international development. At this moment, there is only limited research that systematically studies Chinese NGOs' overseas activities. This article thus tries to offer a comprehensive review and analysis of this phenomenon.

To fulfill this task, we first discuss Chinese NGOs' "going out" by examining its history, scale, characteristics, and outcomes. Then we analyze the barriers to the overseas expansion of China's NGOs. We conclude with remarks on the future prospects of Chinese NGOs "going out".

Overview of the Internationalization of Chinese NGOs

History

On the one hand, the internationalization of Chinese NGOs implies a spontaneous and internal cultural power of China's modern society driven by its strong economy, which is a modern form of ideological promotion caused by capital expansion. On the other hand, the internationalization process has also been propelled by utilitarian factors. Specifically, there are three kinds of incentives. The first one is political. The government is encouraging NGOs to go global in order to help China with its geopolitical goals. Chinese NGOs are naturally close to and typically are aligned with the government, which is one of their major behavior patterns. Zhang (2017) believes that along with China's in-depth participation in global governance, the Chinese government is providing political and policy support in the field of public diplomacy for the internationalization of Chinese NGOs, especially grassroots NGOs. The second incentive is about resources. China's "One Belt, One Road" Initiative (*yidai yilu*, a development strategy aimed at promoting regional trade and economic cooperation between Eurasian countries, proposed by the Chinese Communist Party in 2013) generates demands for new opportunities for overseas investment, and Chinese NGOs can seize this chance to obtain more resources from the government and enterprises by launching projects abroad. The third incentive is growing competition between NGOs. From 2007 to 2016, the number of NGOs in China increased from 386,916 to 702,405 (National Bureau of Statistics, 2017), forcing quite a few of them to specialize and explore new markets abroad. At the same time, Chinese NGOs are largely influenced by Western NGOs and hope to follow the Western traditional pattern of starting with domestic work and then expanding operations overseas. Those factors incentivize the division of labor and overseas participation of Chinese NGOs.

The "going out" process of Chinese foundations can be divided into the following three periods. 1980s was the first period, during which some foundations responded to foreign agencies' interests in donations to China. During this period, all foundations were government-sponsored. For example, Xu (2008) studied the case of the China Population Welfare Foundation and found that the Ministry of Health learnt about foreign interests in funding domestic family planning projects at an international conference and was motivated to establish and support the foundation. The second period focused on more active acquisition of external resources (from the 1990s to 2004). During this period, all foundations were still government-sponsored, but a few foundations (e. g.

the China Children and Teenagers' Fund) began to go abroad, hoping to raise foreign funds for domestic public welfare and charity projects. The third period is an exploration and trial period (from 2004 to present). The *Regulations on Foundation Administration*, effective from June 2004, marked a watershed. Since the implementation of this regulation, a number of public fundraising foundations—such as the China Youth Development Foundation and the China Foundation for Poverty Alleviation, as well as a number of private foundations, such as the Huamin Charity Foundation and the Chengmei Charity Foundation—have conducted various charitable projects in foreign countries. However, these projects are among other tentative attempts at cross-border development in which limited resources are invested for a relatively short time and without long-term strategic planning.

Viewed historically, the emergence of Chinese NGOs' large-scale participation in international development has been closely aligned with humanitarian aid for natural disasters, such as the Indian Ocean tsunami in 2004 and the Nepalese earthquake in 2015. During these two natural disasters, Chinese NGOs mobilized the public to donate and carried out various emergency relief projects and post-disaster reconstruction projects in the stricken countries. In December 2004, after the Indian Ocean earthquake and tsunami, with the coordination of the Chinese government, public donations were received by the Red Cross Society of China and the China Charity Federation and their local branches. RCSC responded in the immediate aftermath of the disaster, which was the first time it provided large-scale humanitarian aid abroad since the founding of China. It also cooperated with CCF to participate in post-disaster reconstruction work. By November 2015, RCSC had received a total of 427 million yuan in cash donations and 15.6 million yuan in in-kind donations, and had donated 240 million yuan to eleven stricken countries (People's Daily 2005). In addition, the China Foundation for Poverty Alleviation cooperated with the Mercy Corps and donated medication valued at 44.38 million yuan (South Reviews 2010). On 25 April 2015, Nepal suffered an 8.1-magnitude earthquake. Based on what they learned from their experiences with the earthquakes in Wenchuan, Yushu, Lushan, and Ludian, Chinese NGOs have developed stronger capabilities in disaster relief, and they were the first foreign responders to the Nepal earthquake. Chinese NGOs provided large-scale overseas relief services and dispatched many rescue teams to Nepal. This time, the Chinese government did not limit the channels of donations, and quite a few NGOs conducted public fundraising.

Scale

The scale of Chinese NGOs going global can be analyzed from two aspects: the number of Chinese NGOs with overseas projects and the amount of funding for the projects.

There are no official statistics for the number of NGOs involved in activities abroad, but we can get a rough estimate using data from some platform-type institutions. As a social organization with a government background, the China NGO Network for International Exchanges (CNIE) coordinates the work for Chinese NGOs' overseas participation. CNIE has 63 member NGOs that focus on international affairs. The China Foundation Center (CFC), the first platform focusing on information disclosure about domestic foundations, collects organizational information on all foundations in China. According to statistics from CFC, 49 foundations have implemented charitable projects overseas by 2017.

According to statistics from the Chinese government, since 1949, the total amount of foreign aid China gave has reached 345.63 billion yuan by 2012. From 2010 to 2012 alone, China gave 89.34 billion yuan in foreign aid (State Council Information Office, 2014). Although foreign aid funds from China have grown rapidly, the proportion of those funds obtained by Chinese NGOs is almost negligible. According to public data, only the Red Cross Society of China receives \$1 million in foreign aid from the Chinese government annually, and it has established foreign aid mechanisms collaborating with China's Ministry of Foreign Affairs (Lu, Guo, and Xiang 2015).

No exact statistics exist for the scale of funds that Chinese NGOs have invested in international projects. Growing investments from a few big Chinese NGOs indicate a similar trend among domestic NGOs. By September 2005, the Red Cross Society of China and the China Charity Federation had donated 610 million yuan for disaster relief and reconstruction following the Indian Ocean tsunami and earthquake in 2004 (Wangyi News 2005). Specifically, the system of the Red Cross Society of China, including the Red Cross Society of China and local Red Cross societies across the country, had received 400 million yuan; and the China Charity Federation and local charity federations had received more than 200 million yuan in total. By the end of 2014, the Lao Niu Foundation had accumulatively donated more than 75 million yuan toward international public welfare projects. By December 2015, the China Foundation for Poverty Alleviation had accumulatively invested funds and materials of about 80 million yuan in international aid. By the same time, the China Youth Development Foundation had received donations of more than 51 million yuan from members of the World Eminence Chinese Business Association and philanthropic individuals, which were designated for the Hope Project in Africa. By April 2015, after the Nepal earthquake, China had donated more than 95.87 million yuan to disaster-stricken

areas in Nepal, according to statistics from the China Charity Information Center (2015). The One Foundation, the China Foundation for Poverty Alleviation, and the Heren Charity Foundation were the major NGO donors to the Nepal earthquake funds.

Characteristics

Despite a decade of development, the “going out” of Chinese NGOs is still in its infancy. Domestic scholars have taken some first steps in analyzing this phenomenon. Deng (2013) outlined the key features of the overseas expansion of Chinese NGOs: first, the internationalization of Chinese NGOs started late and in a sporadic manner; second, the emergency relief work is always disconnected from post-disaster development projects at later stages; third, Chinese NGOs work in close partnership with Chinese enterprises in their corporate social responsibility (CSR) projects overseas; and fourth, Chinese NGOs incorporate their brand of domestic projects and experiences into international projects. In their initial stage of internationalization, Chinese NGOs tend to adopt low-risk strategies by combining their fully developed projects with resources from overseas Chinese enterprises. However, overall, such behavior is deemed to be unsustainable because of the lack of organizational capabilities and resources.

Given the small number and scale of Mainland Chinese NGOs going abroad, Huang (2015) believes that both the degree of internationalization and the degree of participation are still low. However, participation of Chinese NGOs in international affairs has four features: first, Chinese NGOs are going global and participating in international humanitarian aid; second, Chinese NGOs are beginning to have professional interactions and project collaborations with NGOs in other developing countries; and third, NGOs participate with overseas Chinese enterprises to deliver international development assistance (Huang 2015). Lu (2015) summarizes the main features of Chinese foundations going global. First, they are in the status of four “withouts,” namely, without fixed sources of funding, without fixed projects, without fixed local employees, and without fixed office space. Second, their work largely depends on the personal willingness of their leaders. At present, the overseas expansion of Chinese foundations is motivated to a greater extent by individual leaders’ vision and personal interests than by collective decision-making or rational choice. Third, the geographical distribution of their work is scattered. Most of the internationalized Chinese foundations’ projects are located in a single area of a single country, thereby failing to achieve regional economies of scale. Fourth, their influence is very limited. Chinese foundations started late, have not fully developed, and also do not focus on or know much about brand publicity, leading to the current situation where the influence of Chinese foundations on international society is very limited (Lu 2015). Research by Deng (2017) indicates that Chinese foundations’ willingness to participate in overseas donations is associated with organizational communication with international NGOs, team size, and council members’ level of education, rather than with fundraising size.

Overall, Chinese NGOs are gradually exploring the path of internationalization that works the best for them. Chinese NGOs are currently in their early stage of internationalization and usually have issues that include lack of strategic planning, weak sustainability, and failure of uniting their impacts in recipient countries. Current exploration suggests that Chinese NGOs need to first determine their objectives and strategies of overseas participation and then build their capacities for international operation accordingly.

Outcomes

Based on the existing research, Chinese NGOs have not had a significant impact on developing countries. A study by Brenner (2012) on Chinese NGOs and GONGOs in Sino-African relations finds that their participation is still very limited, but the study also shows that they are indispensable and that independent Chinese NGOs can address critical issues in Sino-African relations under certain circumstances. A study by Hsu, Hildebrandt, and Hasmath (2016) indicates that Chinese NGOs have not had a substantial impact on host nations regardless of the political institution of that nation, that the international development model of Chinese NGOs will continue to favor one-off and short-term projects, and that GONGOs rather than grassroots NGOs will dominate the internationalization process of Chinese NGOs. Chinese NGOs have been more effective in two respects: provision of welfare services to communities in developing countries (Case 1), and helping Chinese companies better adapt to host countries and achieve mutual understanding (Case 2).

Case 1:

Founded in March 1989, the China Foundation for Poverty Alleviation (hereafter referred to as the CFPA) is a national public foundation specializing in poverty alleviation. On 7 January 2005, the CFPA and the Mercy Corps donated medicine (equivalent to 44 million yuan) to areas affected by the Indonesian tsunami. That was the first time the CFPA had worked abroad. In 2007 the CFPA put forward an international development

strategy, which increased the foundation's stature overseas. In the same year, the CFPA developed a brand program—"Maternal and Infant Health"—in the Republic of Guinea-Bissau, representing the CFPA's first foray into Africa. In 2008 the CFPA began building the Abu Usher Hospital in the Sudan, which, because of the CFPA's donations of funds, materials, and staff, was a community development program with the highest degree of internationalization. This was the first time the CFPA had dispatched resident staff to a program. In 2009 the CFPA established the international program responsible for establishing international development programs. In 2010 and 2011, the CFPA made donations related to the earthquake in Haiti, the floods in Pakistan, the earthquake in Japan, and the drought in the Horn of Africa. Since 2012 the CFPA has introduced well-planned programs to Asian and African countries, such as high-nutrient meal programs in Cambodia and maternal and infant health networks in the Sudan. Moreover, the CFPA pays special attention to domestic policy and public advocacy, has held African nonprofit forums, and has engaged in developing the *Operational Manual on Internationalization of Chinese NGOs*.

In 2015 the CFPA made great breakthroughs in internationalization. It launched long-term international aid programs in Ethiopia, the Sudan, Nepal, Myanmar, and Cambodia. The CFPA successfully established offices in Myanmar and Nepal on 27 July 2015, and 14 August 2015, respectively, which indicated that the internationalization of the CFPA and other Chinese NGOs had made a major leap and that the CFPA had established bases overseas and successfully globalized. On 26 May 2015, the "Smiling Children" program was officially launched in Ethiopia. It planned to invest 10 million yuan over five years to provide 2,000 needy students with free meals. By October of that year, the CFPA had successfully raised public donations of more than 1.2 million yuan to cover an additional 1,100 needy students in Ethiopia. The "Smiling Children" program was officially launched in the Sudan on 3 August 2015, with the intention of investing 3 million yuan over three years to provide 1,250 needy students with free meals. Then the CFPA raised 500,000 yuan through the "24 Hours Hunger" event to cover another 780 needy students. At that time, 5,130 students were benefiting from the international "Smiling Children" program. The CFPA designed the "Brother Grant Program" in Myanmar and planned to invest 10 million yuan to sponsor the education of 1,000 college students for four years. The CFPA initiated pilot work in January 2015 and provided 50 college students in Yangon College of Economics and Yangon University with 300,000 kyats per person every year. The CFPA rapidly responded to the April 2015 Nepal earthquake and raised more than 10 million yuan. The CFPA not only provided emergency aid but also successfully engaged in post-disaster reconstruction by establishing offices with a focus on hepatitis B testing and treatment, drinking water sanitation, education, and other recovery and reconstruction activities.

The CFPA continues its work in international humanitarian aid and development assistance and has developed many programs, such as emergency disaster aid, piloting of sustainable nonprofit hospital operations, the "Smiling Children" meal programs in schools, the maternal and infant health networks, and the college student financing programs, in 14 countries and regions (including Indonesia, the United States, Pakistan, Myanmar, Chile, Haiti, Japan, Guinea-Bissau, the Sudan, the Horn of Africa, Cambodia, Ethiopia, Nepal, and areas of West Africa stricken by the Ebola outbreak). By the end of 2015, the CFPA had invested 80 million yuan (in funds and materials) in international aid. In the process of exploring internationalization, the CFPA developed four principles: civil mutual assistance, respect for local demands, cooperation with local organizations, and sustainable development.

Case 2:

The Global Environmental Institute (hereafter referred to as the GEI) was registered in Beijing in March 2004. The GEI aims to solve environmental problems by using marketplace mechanisms and policy recommendations and to achieve a win-win situation in social, environmental, and economic sectors. It is headquartered in Beijing, and its programs are distributed all over China, Southeast Asia, and South Asia. At present, its programs focus mainly on energy and climate change, biodiversity conservation, investment, trade, and other environmental issues, as well as capacity building. The GEI combines traditional means of environmental protection, livelihood improvement, and resource conservation with an innovative business model, which allows the achievements of such projects to extend beyond their duration. In 2005 the GEI conducted its first international project, the "Biogas and Organic Agriculture Project," in Sri Lanka, which directly introduced the GEI's project in rural China to the one in Sri Lanka. In 2006 the GEI rural project team set up its project office in Colombo, the capital of Sri Lanka, and sent two full-time employees to implement the project. However, the project was terminated in 2010 because of a shortage of funds. Subsequently, the GEI started pilot work in Southeast Asian countries, including Cambodia, Laos, Vietnam, and Myanmar, as well as Russia and African countries. In 2008 the GEI designed the "Central Project of Laos-China Cooperation in Sustainable Land and Natural Resource Management" project. The project was expanded into the "Territorial Resources Sustainable Utilization and Marketization Management Project of Laos" in 2009 with support from China's Ministry of Commerce for foreign aid projects. In October 2009 the GEI office in Laos started its operation and assisted Laos in planning land and forest resource conservation. At the end of 2010, the GEI signed an agreement with Sinohydro Group Ltd to cooperate in community development (biogas) of the "South Russia No. 5 Hydropower Project." Because

Sinohydro Group Ltd provided no additional investment, the project was terminated in 2012, and the office in Laos was also closed.

Analysis of Barriers

Legal and Policy Challenges

Under the current legal framework, no relevant legislations (including the 1998 *Regulations on Registration and Management of Social Associations*, the 1998 *Provisional Regulations on the Registration Administration of Civic Non-Enterprise Units*, the 2004 *Regulation on Foundation Administration*, and the 2016 *Charity Law*) exist regarding NGOs' international participation. The lack of laws means that NGOs may encounter ambiguous legitimacy issues and have no rules in China to follow once they set up representative offices in foreign countries. In 2003 China abolished the requirement of administrative review and approval for social associations and civic non-enterprise units to set up branches domestically. However, foundations that want to set up branches in China must still get administrative approval from the government. At this time, the Chinese government is considering encouraging an expansion of domestic NGOs' practices overseas, but no relevant institutional framework or proper policies to support NGOs at the budget and project levels have been established.

The *Interim Methods for Foreign Aid* issued by the Ministry of Commerce in 2014 specifies that foreign aid shall be organized and provided in the form of intergovernmental aid, which rules out the possibility of Chinese NGOs participating in foreign aid via these official channels. In addition, the Chinese government is providing inadequate financial support to NGOs. At present, institutional funding for foreign aid is not available for the vast majority of Chinese NGOs, except for very few NGOs, such as the Red Cross Society of China, through some special arrangement. The Ministry of Commerce has established the *Qualification Method for Enterprises to Participate in Foreign Aid Projects* pertaining to corporate activities, but has not developed regulations on the qualification of NGOs to participate in foreign aid. Moreover, Chinese NGOs face too many restrictions on their outflow of materials and capital necessary for overseas practice. Generally speaking, the Chinese government imposes strict rules on the outflow of materials and capital and has not targeted a policy to facilitate NGOs' activities.

Public Awareness and Fundraising Challenges

When Chinese NGOs participate in international development, they face difficulties in terms of fundraising. There has been no financial support from the government's development assistance budget. Also, donations from nongovernmental sectors are significantly affected by popular opinion, and it is also very difficult to raise funds on a large scale. Therefore how to publicize the international obligations of NGOs in China is another challenge. Despite being the world's second largest economy, China still has many vulnerable and marginalized groups that need help. Therefore, when Chinese NGOs try to globalize, they have to consider whether the public can recognize and support their overseas work. Based on the past response of the Chinese public, a good domestic atmosphere with regard to the overseas expansion of domestic NGOs is not yet formed, making it more difficult for NGOs to mobilize the public to support their international projects. It is also important to note that public donations for overseas projects are mainly in response to severe natural disasters, whereas projects that promote long-term development in foreign countries receive little support.

Chinese NGOs are caught in a dilemma, that is, the government's restriction on foreign aid budgets and unsustainable donations from the public. Therefore they must rely more on donations from Chinese overseas enterprises. However, NGOs often lack experience in making contact with Chinese overseas enterprises and find it difficult to receive sustainable financial support. Although most Chinese overseas enterprises need to fulfill their social responsibility commitment in foreign countries, they lack the awareness and motivation to do the same thing as in China and have little awareness and experience in working with NGOs to carry out CSR projects. In recent years, Chinese overseas enterprises have increased their social awareness, but their differential commitment to CSR at home and abroad will incur public pressure and eventually limit their financial investment in social responsibility.

Transnational Operation and Management Challenges

Transition to global practice is a great challenge for Chinese NGOs. Because of government restrictions in the past, it has been difficult for Chinese NGOs to legally set up branches or during their domestic development.

Chinese NGOs particularly lack experience in trans-regional operation and management. When Chinese NGOs globalize, the greatest internal challenge is their transnational management. Research shows that the overseas challenges relate mainly to building partnerships, registration, setting up offices, staff management, fund transfers, fundraising, and project management (Lu, Guo, and Xiang 2015). Moreover, Chinese NGOs lack the professional competence needed for international practice. They often invest inadequately in early surveys and needs assessments and do not have a good sense of the difficulties they may encounter. The “going out” of Chinese NGOs is still at the initial stage, so projects are usually launched only after an organization has received an explicit intention of cooperation from Chinese-owned enterprises or other donors, and investigations are mainly conducted in the form of short field visits, and sometimes are even completed in haste without gaining a detailed understanding of local conditions (Deng 2013).

With respect to organizational management, Chinese NGOs have not yet built an open and transparent responsibility system for overseas projects (Deng 2013). The practice of Chinese NGOs’ overseas participation still lacks essential disclosure of information and a transparent accountability system, and detailed information such as project rationale, use of funds, and post-completion evaluation are largely missing, which can negatively influence the credibility of organizations (Yang 2014). There is also the challenge of handling relationships with the public in the country where the project is implemented. For NGOs, achieving satisfactory goals in a targeted group is always in conflict with project performance metrics, which requires NGOs to balance the demands of the donors, the organization itself, and the recipient country’s public (Deng 2013).

Professional Talent Challenges

Chinese NGOs have no practical experience in systematic overseas participation. Currently, lack of understanding of a recipient country’s culture and weaknesses in organizational capabilities and staff’s professional skills are preventing the expansion of NGOs’ participation in international development. Because Chinese NGOs have only about ten years of experience with internationalization, there is a shortage of professionals who truly have the competencies for transnational work. If depending solely on internal training, Chinese NGOs cannot solve the problem in the short term. At present, Chinese NGOs mainly adopt two methods to address this gap in the process of going global. One way is to cooperate with international NGOs and launch overseas projects together, thus taking advantage of experienced professionals from those international NGOs. The other way is to recruit Chinese professionals with overseas work experience. In general, Chinese NGOs meet a bottleneck in recruiting high quality professionals, because the pool of qualified candidates is quite small and the salary provided is not competitive enough to attract high-quality talent.

In addition, Chinese NGOs face the challenge of managing employees overseas. Employees working at overseas branches can be divided into two types. The first type is headquarters dispatch, which refers to employees who are dispatched from headquarters in China to an overseas branch for long-term or short-term service and who will return to headquarters after the project is completed. This method is widely used by Chinese NGOs. The second type is local hire, which means that the overseas branch recruits local employees directly. Because local employees are under remote management and some of them have never been to the headquarters, they have a much weaker sense of identity and belonging to the organization they serve (Lu, Guo, and Xiang 2015).

Conclusion and Future Prospects

The process of Chinese NGOs going global represents a new developmental model, and as such it is facing both opportunities and challenges. First, the current political and social ecology of international NGOs is somewhat path-dependent, which has largely shaped agenda setting and resource distribution in international development and is restricting NGOs’ efforts to become established in developing countries. To avoid redundant investment of resources, Chinese NGOs will need to explore new political and social spaces and path-breaking models. Dissemination of new developmental experiences through humanitarian assistance and charity projects will become a major feature that differentiates Chinese NGOs from Western NGOs. Second, NGOs in China have been growing in a political and social ecology where NGOs’ activities are embedded in an environment in which the lines between the state and the marketplace are somewhat blurred. The interaction and collaboration between NGOs and the government have contributed to social stability in China. NGOs expanding overseas from China may promote integration between social groups in other developing countries, which could introduce new ideas to the traditional dualistic political spectrum of international NGOs where civil society is usually against the state. Third, Chinese NGOs usually thrive on limited resources. As a result, they have created many economical nonprofit programs and models and have employed innovative technologies in fundraising and operation under new economic conditions. Taking advantage of the Internet in nonprofit activities is a

good example. Apparently, China's practical experiences in nonprofit development are valuable to other developing countries. Finally, over the past three decades, domestic NGOs have been working closely with NGOs from developed countries to find the best ways to collaborate within China's unique political and social context. This model can inform other countries about how to bring in and localize international experiences. In short, Chinese NGOs must strengthen themselves in order to propose new ethics of international development in terms of how to deliver and utilize development assistance resources. They will need to improve cultural sensitivity when they enter other countries, and they should avoid either mechanically copying what Western NGOs have done or simply transferring resources to grantees.

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