

He defined NGOs as having seven characteristics, specifically they have to be:

1. formal
2. non-governmental
3. non-profit-distributing
4. self-governing
5. voluntary
6. nonpolitical
7. non-religions.

In China, there are two kinds of organisations with the above characteristics: social organisations and private non-enterprise units. The former are formed by citizens voluntarily and only serve their members (there are 165 000 social organisations in China today). The later are formed by companies and non-business units, social organisations and others with non-state funds and work for the public interest (there are 700 000 private non-enterprise units). These NGOs are active in every sphere of China's economic and social life. A further difference should be made between "top-down" and "bottom-up" NGOs. The former are organised, funded, and controlled by the state. Meanwhile, the later are organised by non-governmental forces and generally can not get special support from the government. As a result they are more autonomous than the top-down NGOs and keep a closer relationship with ordinary citizens. They gain their resources from citizens or international NGOs.

The development of NGOs in China could be conceptualised in three distinct stages: the first from 1911 to 1949, the second from 1949 to 1978 and the third from 1978 to now. Various NGOs emerged during the first stage as a result of conflicting social forces. Several types of social organisations existed, including: guilds, charity and mutual aid teams, academic organisations, political organisations, cultural organisations, secret organisations, and others. During the second stage, many NGOs were politicised and others banned. From then on, non-political became an important characteristic of NGOs in China. A legislative framework was developed in 1950, bringing forth the principle of Dual-Management which effectively strengthened the government's capacity to supervise, manage and control NGOs. This period also saw the growth of social organisations before the outset of Cultural Revolution (1966). A looser social environment created by economic reform contributed to an emergence of social organisations during the 1980s -- the third stage of NGO development in China. Private non-enterprise units also rapidly developed, especially in the 1990s. The legislative framework was improved.

Wang Ming drew attention to three additional elements of the NGOs legislative framework. The first relates to registration and management, whereby NGOs operating on a local level, register with local Department of Social Affairs while those operating on a regional and national levels register with the Ministry of Social Affairs. The second is a principle of non-competition which stipulates that similar organisations can not exist in the same administrative regions. The third legislative element encourages donations to social work and public welfare.