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New Perspectives on Welfare and Governance in Contemporary China

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and Ralph Fevre*

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Introduction

Over the last thirty years, China has undergone comprehensive and profound social and economic transformation. The rapid development of urbanization, marketization, informatization and globalization has brought China a series of major challenges. These include how to adjust the relationship between the state, market and society; how to narrow the gap between rich and poor; how to build and improve the social welfare system; how to protect and improve the ecological environment; and how to reform and innovate the system of government and governance. At the same time, Britain, on the other side of the world, faces serious problems: such as its departure from the EU, declining trust in government, refugee crises and problems of social integration, and the retrenchment of the social welfare system.

As a popular adage says, “To learn from others’ experience can better oneself”. In the era of globalization, China’s road of modernization is not only inseparable from the experience of developed countries, but also provides the world with a unique insight on development and welfare: one with a ‘Chinese flavour’. International academic exchanges and cooperation are important parts of the internationalization process.

In order to promote academic exchange and cooperation between China and Britain, scholars from the Institute of Sociology of the Chinese Academy of Social Sciences – led by Dr Xiao Lin - and the School of Social Science of Cardiff University, led by Professor Sin Yi Cheung, successfully secured funding from the British Academy under the CASS-BA Newton Advanced Fellowship scheme in 2016. The broad theme of the project was ‘Social Welfare and Local Governance: A comparative perspective between China and Britain’. Along with *Social Policy and Local Governance: Developments in Europe and China* (社会政策与地方治理：欧洲和中国的经验, Social Science Academic Press, Beijing, 2019), the four papers in this publication are key outputs from the CASS-Cardiff University collaboration. Written by leading

CASS scholars, each paper provides new insights into issues of welfare, development and urbanization in contemporary China.

By engaging with these issues, the chapters in this volume provide a timely, empirically grounded engagement, with a raft of social theory. Foremost is the burgeoning body of academic work on 'governance'. Towards the end of the twentieth century, new ways of governing emerged in Western countries that involved greater use of non-state actors. The term 'governance' is now employed to capture the idea that governing does not rest on the authority and sanction of government alone (Gouldson and Bebbington, 2007; Bevir, 2013). This results in various forms of public-private-voluntary collaboration, including the use of private market and civil society actors for the delivery of social goods. These are variously captured in the associated literature on 'welfare pluralism' (Chaney and Wincott 2014) and 'new public governance' (Osbourne, 2010). Importantly, work on 'multi-level' (Bache and Flinders, 2004) and 'multi-spatial' governance (Jessop, 2016) underlines how the form and function of governance varies according to geographical scale: ranging from international, national and sub-national (or regional) processes to those operating at the local or community level.

The prevailing mix of governance styles can also differ across policy sectors and countries, as well as change over time (Baker, 2018). This is evident in the allied literature on welfare state theory (Pierson and Castles, 2000; Leibfried and Mau, 2008), which provides critical insight into the role of the state in promoting citizen wellbeing and the provision of social welfare. This literature, however, has been largely dominated by studies of Western states (Arts and Gelissen, 2002; Chau and Sam, 2011), especially where strong neoliberal belief in the effectiveness and efficiency of markets shapes the mix of governance styles used (Newman and McKee, 2005). In response, this volume analyses developments in the East.

China presents an interesting and important case, where civil society is less autonomous from the state (Hsu and Hasmath, 2017). Although civil society in China cannot

be understood in conventional terms, the drive towards economic reform and modernization in the past 30 years has created new opportunities for citizen participation (Kerr, 2015). Here, new participatory practices socialize people into an ethic of citizenship, such as through the provision of social care at the community level (Ringen and Ngok, 2013). Yet the case of China also exhibits strong similarities to the West, where the state continues to act both as a coordinator and facilitator, while retaining its traditional regulatory and oversight roles (Carrillo Garcia, Beatriz, Hood, and Kadetz, 2017).

The evidence from our empirical work on China shows how, as this change in governmentality plays out in practice, the opening-up of social spaces can both strengthen the bonds between the state and the polity, while simultaneously enhancing the capacity of the state to deliver on social goods (Sander et al, 2012). The research also points to the complexity of the relationship between civil society and the state and the need to think differently about how it is forged and developed outside Western contexts.

These articles reflect the finished product after months of hard work of the CASS team and helpful comments and advice from senior colleagues of the Cardiff team. The editing and publishing of these working papers stand among the concrete achievements of our three years' communication and cooperation. We hope to use it as an opportunity to contribute our humble effort to promote international exchange and expand our academic horizons in related fields.

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Contents

1. Introduction (p.3)
2. 'Reconciling the People's Will with Central Government's Plan: Exploring the pursuit of local governance in today's China', Liu Yiran (p.12)
3. 'State-made Society? Exploring the "creation of society" and the provision of public services at the community level in contemporary China', Shi Yuntong (p.39)
4. 'Structural Differentiation: Social organizations in contemporary Chinese community governance', Xiang Jinglin (p.73)
5. 'Pushing the Boundaries: Exploring the action space of an NGO in the context of devolution in urban China', Liang Chen (p.97)

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1. Reconciling the People's Will with Central Government's Plan: Exploring the pursuit of local governance in today's China

Liu Yiran

Abstract: *In the wake of 18th and 19th Communist Party of China (CPC) Central Committee reforms on 'social governance', this paper will explore subsequent developments in Chinese local governance. This is an appropriate focus because earlier research has largely tended to overlook the challenges facing local government in balancing the requirements of upper level national government with the needs and will of society. By using interviews and participant observation to examine the case of Xicheng District Beijing, this paper finds that, when local government faces pressure from central government, it tends to downplay consideration of the people's voice and instead uses monetary compensation to appease people's anger at not being listened to. However, when local government is afforded more freedom, it is more likely to try and address people's needs and demands and reconcile these with central government's plan, to balance the needs of the two. The analysis of the post-2012 reforms identifies three Project Types to illustrate the emerging different approaches to local governance. Owing to government's dominant role, Types One and Two are more akin to what empowerment theory dubs 'collaborative betterment'. In contrast, Type Three projects give local communities far greater say in determining policy priorities and implementation methods. For this reason, they broadly resonate with the notion of 'collaborative empowerment', although ultimately government remains a veto player. A further key finding is that the pursuit of local governance is not exclusively reliant on central government's plan, nor the demands of society; but to a significant degree, is shaped by the mediating role of local government officials.*

Introduction

In the wake of the 18th and 19th CPC Central Committees' reforms on 'social governance', this paper explores subsequent developments in local governance in China. This is an appropriate focus because earlier research has largely tended to overlook the challenges facing local government in balancing the requirements of upper level, national government with the needs and will of society. Drawing on interviews, official documents and participant observation, it examines the case of Xicheng District, Beijing. As will be seen, the analysis of the post-2012 reforms, identifies three Project Types which illustrate different approaches to local governance. Owing to government's dominant role, Types One and Two are more akin to what empowerment theory dubs 'collaborative betterment'. In contrast, Type Three projects give local communities far greater say in determining policy priorities and implementation methods. For this reason, they broadly resonate with the notion of 'collaborative empowerment', although ultimately government remains a veto player.

Before considering the case study research, it is important to briefly trace the recent history of thinking on notions of society and governance. During the 30 years after 1949, China was a 'holistic state', with the economy, society and politics highly intertwined and controlled by the state. In urban China, the state exerted its power over individuals through *Daiwei* (also known as Work Units), which, as the major form of social management system, usually shouldered economic, social and political responsibilities. They provided their employees not only with salaries and subsidies, but also with social welfare and community activities.¹

After the reform and a series of 'Opening Up' policies in 1979, Chinese civil society gradually developed, with more private firms set up and social organizations formed. In consequence, many ambitious citizens started to look for jobs outside the Danwei system. Later, in the 1990s, due to the increasing welfare burden, many state-owned companies lost

¹ The Danwei also exercised significant control on people's lives. For example, if people wanted to travel around or get married, they had to get permission from their Danwei.

their competitive edge in the market and had to lay off workers in order to survive. With a significant number of people losing their jobs, the state felt the pressure of maintaining social and economic stability. In response, it started to use urban communities as a supplement to the Danwei system. Thenceforth, urban communities were to take the leading role in providing social services. However, despite its importance, 'society' had long been considered subordinate to the economy and politics in China, and was not seriously regarded as an independent domain until 2006. At this juncture, the concept of 'harmonious society' was officially put forward at the Six Plenary Session of the 16th CPC Central Committee. In consequence, now recognized as the basic unit of society, communities are getting more attention and resources from the state. Gradually, they have become the most important unit of social management. Although the organic, grassroots role of the community is emphasized in official policy, its affairs are still arranged by government in a top down fashion, with communities lacking autonomy of their own.

In recent years, as a result of China's rapid economic development, people's living standards have improved, and their demands on authorities have diversified. For example, they not only need the government to provide for public services, but to do so in an impartial and negotiable manner. In the face of this change, the pre-existing, top down system of governance failed to adapt to the new social reality. Therefore, the Central Committee's 'Decision on Major Issues Concerning Comprehensively Deepening Reforms'², adopted at the Third Plenary Session of the 18th CPC Central Committee, put forward the new idea of replacing social management with 'social governance'; that is, greater involvement of civil society. This was a significant reform because it emphasized that the government should play a guiding role in governance, encouraging and supporting all sectors of society to participate; rather than undertaking the whole task itself. The report of the 19th Congress also explicitly

² An official document released by the central government on 15 November 2013. It concludes with an achievement summary of former reforms and guiding principles of future reforms.

requested that further reform and innovation should be applied to the social governance model; notably, creating a shared, co-built, co-governed structure of social governance.

Responding to central government reforms, local governments have implemented a raft of different projects as the main way to fulfil people's needs. The 'Project System', as scholars refer to it, has emerged as a commonly used method for governing in contemporary China (Qu, 2012). However, the reality of the Project System is very different from the vision set out in policy. Current practice is shaped by the fact that, whilst trying to encourage more people to participate in community development projects and join the co-governing process, local government has its own interests and challenges that are not always factored into consideration by the 19th Congress' reforms. This is a key oversight: local government not only faces time and resource limitations, but is also subject to the pressure of being evaluated by upper level, central government. Furthermore, it shoulders the crucial responsibility of maintaining the stability of local society.

Faced with these challenges, most of the time, experience shows it is hard for local government to build a social governance model that can both pass the evaluation of central government and meet the requirements of local residents. Given this, this article explores how local government attempts to reconcile competing pressures from central government and local communities in order to successfully implement China's 'Project System' governance.

The remainder of this paper is structured thusly: following a review of the relevant literature, and an outline of the methodology, attention centres on the empirical case studies to illustrate: 1. Under what circumstances different modes of local governance emerge; 2. Their effectiveness. The concluding discussion seeks to conceptualize the new modes of governance in today's China: reflecting on lessons learned about local government's implementation of projects under the new social governance model and to what extent they can give autonomy to local people.

Literature Review

Existing work on local governance in China falls into two broad categories. One is from the perspective of government; the other is from the angle of society. In the first category, scholars mainly explore the relationship between different levels and sectors of government and the emergence of new forms of governance. For example, Zhou (2008) put forward the concepts of the “administrative subcontract” (2008) and “political tournament” (2007). The former is an ideal type, which refers to a subcontracting relationship inside the government system, representing a hybrid governance structure between bureaucracy in the Weberian (1976) sense (a hierarchical system of administrative personnel); and a pure subcontract, which occurs among independent entities without bureaucratic, hierarchical relations. This system is outcome rather than procedure-oriented, and therefore gives the agent more discretion to do things in their own way while letting the principal keep their authority. The latter is an implicit competition among local governments for gains in political and economic performance. It describes how the vertical bureaucratic relationship between central and local government and the horizontal competing relationship between different local governments impact upon governing results. He regards both as incentive systems for Chinese local officials - and critical sources of China’s future development.

Allied to this, Cao (2011:1-40) takes issue with Western scholars’ representation of China’s political power as a centralized, imposed system. He argues that the actual situation is one in which “central government rules officials and local government rules people”. By adjusting the centralization and decentralization of power across different tiers of government, central government distributes and controls the risks and burdens of ruling. Zhou (2013) points out that, historically, the hierarchical nature of rule in Imperial China has parallels with today’s multi-level government. According to this argument, the legacy of the formal and informal system in old China still has influence today: key components of governance are not autonomous - but co-existing and co-dependent to each other. From an international

perspective, the flexibility of this hybrid system has made China's bureaucratic system unique and 'effective'.

According to the foregoing view, government is understood almost as the sole actor for 'governance' (here, the connotation of the term is more closely related to 'ruling'). After the rise of 'new' governance studies in the West during the 1990s, many Chinese scholars embraced some emerging ideas and began to see local governance in a different light. They agreed that the essence of governance is to build order in society (Yu, 2000) and focus on governing mechanisms. Crucially, these are not necessarily reliant on the resources, authority and sanctions of government (Rhodes, 1997; Stoker, 1997). Instead, they are shaped by a multiplicity of actors across the state, civil sphere and business. More importantly, they believe that local residents should be the subject rather than object in local governance, because fulfilling their needs is the priority in a socialist state (Pan, 2004).

However, scholars have also highlighted how, despite people's urgent need for effective public services, their participation rates in local governance are very low. Some believe this is because people still carry the habits formed in the Danwei era planned economy; as a result, notions of autonomous society are not well formed (Xu, 1998). In this sense, local governance in China is not just about providing public services, but also building a society that can make up for the shortcomings of the state and the market (Xia, 2010). Wu & Yang (2006) believe the way to resolve such challenges is to have more programmes variously led by the government, market forces and/or social organizations, targeted at building trust among people and increasing social capital within communities.

Others think that lack of public awareness of the aims of the governance reforms is the fundamental problem for local governance in China. According to this view, helping people learn to communicate and negotiate, and step out from their private zones into the public arena, is critical for good governance (Li, Xiao & Huang, 2012; Xiao, 2017).

There are also scholars who believe that more autonomy and resources should be given to the people, so they can govern by themselves (Wu & Zhang, 2016). Although these commentators all stress the importance of society, they acknowledge that the role of local government is more than necessary in the governing process. This is because it must still provide resources and, more importantly, keep the direction of the local development in line with the spirit of central government priorities.

In fact, the difficulty for local government is not just about fulfilling the requirements of the upper-level government, nor is it solely about stimulating people to participate in the governing process while maintaining stability. Rather, it is about balancing the two and carrying out its programmes with limited time, energy and resources. To explore this further, after a brief outline of the study methodology, we examine the case of Beijing Xicheng District and learn about how local governance is possible by analysing different governmental projects.

Methodology

China's vast size presents different provincial governments with diverse environments shaped by contrasting levels of economic development, as well as local, social or cultural factors. Against this backdrop, this article focuses on the case of Beijing province. As the capital of China, Beijing not only shoulders the responsibility of being the leading example for China in terms of building new governance models, but is also under tremendous pressure to maintain socio-economic stability. Xicheng district is in the centre of Beijing and considered a very important district. As a result, the local government faces strong pressure to build governance while maintaining stability, which gives this case study very high demonstration value.

As we have noted, this study examines moves towards implementing a new, post-19th CPC Central Committee mode of governance from the perspective of local government. From May 2017, Xicheng district started a project called the 'People's Livelihood and People's Will

Project' (hereafter referred to as 'People's Will Project'). This followed the 19th People's Congress's call to "meet people's need and elevate people's living standards" by listening closely to the people's will.³ As a member of the CASS⁴ research group, the author went to six street agencies (government dispatched offices), in Xicheng district for interviews and to undertake participant observation. 21 interviews were conducted; each took approximately three hours. Six focus groups were also conducted with local CCP party leaders, government officials, community directors, social workers, volunteers and residents. In addition, textual analysis was undertaken of a range of political and policy documents, including the 'People's Will Project' work plan of the district's government, and the workflow schedules of different street offices.

Research Context

The People's Will project did not emerge suddenly. Instead, it developed over a number of years. Early in 2012, when the 18th Congress meeting was held, the Xicheng District Government was trying to take the lead in local governance innovation. It started a 'fully responsive' project. It proposed that the government use advanced technological means to interact with enterprises and social organizations through information sharing, in order to identify and solve residents' problems in a timely manner (giving residents more ways to engage in addressing problems). Compared with the previous top down governing model, this project was an important attempt to take consideration of people's will into account in the process. Albeit: people's opinions were collected after the implementation of government projects, and local government was faced with the daunting task of retrospectively resolving issues.

³ Report of the 19th National Congress, October 18, 2017.

⁴ Chinese Academy of Social Sciences, the leading social research institute in China.

These actions were innovative at the time and the local government won a national prize for 'Progress in Urban Management'. However, in terms of governing, the actions taken were relatively passive. Furthermore, they were reactive rather than proactive: they only responded to existing problems rather than taking the initiative to prevent future ones from happening. In 2013, Xicheng District Government started another project, 'Visit-Listen-Solve', shorthand for "visit communities, listen to public opinion, and solve people's problems". This initiative was more proactive and put more emphasis on local government's interaction with local residents. It won two government innovation awards.

From 2014 onwards, Xicheng District Government started a wide, routine practice of including more people's will into local governing processes. Yet it was not until 2017 that this officially became known as the 'People's Will Project'. The cases in this paper were selected from 2014-2018. This was a key period, when Xicheng District Government tried to incorporate people's will into the entire process of project execution. This innovative step was considered a pioneering action for local government. Many programmes fell under this overarching heading. As we shall see, these included: reinforcing buildings to ensure they were earthquake resistant; transforming and upgrading people's convenience stores; constructing community-based welfare centres for the elderly; resolving issues relating to the 'mobile population'⁵; repairing and maintaining roads and alleyways; managing car parking; installing elevators on the outside of older-style apartment buildings; and arranging groups for social, cultural and educational activities.

These diverse programmes required different management methods: a 'bespoke' approach, which was very time and energy consuming for local government. Besides, while some programmes were relatively successful, others encountered many obstacles. Therefore,

⁵ Also known as 'migrant worker', but this term was later considered discriminatory and replaced by 'mobile population'.

the Xicheng District Government was keen to identify more efficient ways to conduct such programmes.

It categorized the ensuing ones into three types: programmes involving the will of the people in a supplementary role (Type 1); programmes involving the will of the people in an advisory role (Type 2); and programmes initiated by the will of the people (Type 3), to better steer project delivery. Yet the Xicheng District Government itself admits that these are not discrete categories and some programmes are hard to classify. In order to provide a full insight into the new governance arrangements, the remainder of this article focuses on one case from each category. A cross-section was taken to clearly reflect project type.

Case studies

Type 1: Projects involving the will of the people in a supplementary role

The first type of programme mainly concerns welfare projects that the government wants to carry out, which require people's understanding and support. The usual procedure is to publicize the project, then solicit opinions and suggestions from the residents on the established workplan through hearings and public meetings. Based on this process, subsequent improvements can then be made; and the project can then be opened to residents for inspection. Examples include shanty town renovation and road construction.

Case 1 Most early projects (circa 2014) based on the will of the people belonged to this first category. They were usually managed in a top down way: for example, the government-led project to reinforce buildings in older communities and make them earthquake resistant. After the 2008 earthquake in Wenchuan, ensuring that buildings were earthquake resistant and shockproof was a nationwide priority. In subsequent years, various locales began housing reinforcement projects. Many old communities in Beijing needed

comprehensive renovation. The municipal government believed that the best way to realize project goals was for it to take the lead, and for the residents to cooperate with this.

At the beginning of this project, the Ministry of Housing and Urban-Rural Development required local authorities to conduct a general survey of buildings and reinforce those that did not meet the standards for earthquake resistant housing. After the project was finalized, the government initially determined three reinforcement methods: external, internal and double-panel wall reinforcement. Each have their advantages and disadvantages. External reinforcement does not take up much interior space of the home and has less impact on residents; but it has a greater impact on the façade of the building, so that the effect of consolidation may be less effective. Internal reinforcement does not change the façade of the building, but does decrease living space. If the original wall is not strong enough to resist earthquakes, the internal reinforcement method is better. But in the residents' view, it was less welcome: because of the consequent loss of living space in their houses. The double-panel wall reinforcement method reinforces the building from both the inside and the outside. This approach has the best consolidating effect - but is problematic, as it also takes up living space.

From the perspective of the local government, the most effective way to implement the programme is to hire professionals, let them design the reinforcement plan, then ask the residents to cooperate. This was the government's plan. However, when the programme was conducted, many problems emerged. While most residents considered the reinforcement programme to be beneficial, some had concerns. For example, some disliked having to leave their home during the construction work; not least because finding alternative accommodation was costly. Others wanted to choose the reinforcement plan themselves. They stressed that the internal and double-panel reinforcement method would shrink their living space; and consequently, affect the rental charges they could command and the value of their property.

Apart from dissatisfaction with the project itself, a small number of residents used their refusal to cooperate as leverage to force the government to resolve other problems, such as drainage issues. In other cases, they opposed the plan because of conflicts with neighbours. In such instances, they wanted the government to take their side. Although neighbourly disputes should not be the government's responsibility, some residents were still accustomed to relying on it to solve problems, as in the *Danwei* era. Therefore, during the project's operational stages, government personnel received many letters of complaint on a range of matters, not all directly related to the task at hand.

Reinforcing buildings so they are earthquake resistant is not just a city-wide requirement, but a nationwide one. Thus, the top down pressure on Xicheng district from central government was great. As a result, despite some people's resistance, the local government adopted a tough attitude and pushed through the project. However, it did take some residents' opinions into consideration, and even offered financial compensation to help displaced families with alternative accommodation costs during the construction period. In the end, the work was finished, but the implementation process was difficult and caused a lot of dissatisfaction among the residents.

According to Xicheng district's Major Construction Projects Headquarters, although many Type One projects were completely implemented, they did not ease people's concerns - and some caused public disquiet. Even though the government has invested a lot of money, it is difficult to get residents to agree to such projects, and the results have not been ideal. Therefore, some projects that are not of highest priority for the national government are developed as involving the will of the people in an advisory role (Type two).

Type 2: Projects involving the will of the people in an advisory role

The second type of project mainly refers to those which the residents want done and the government is able to facilitate, but the local authority's mode of working determines that a certain percentage of residents must agree before implementation can take place. The usual procedure is for the government to announce the project, before local people apply to participate in it. In the following discussion, this kind of project is represented by a scheme to install elevators on the outside of old buildings.

Case 2 In recent years, the problem of an ageing population in China has become more and more prominent. The buildings in many old residential areas do not have elevators, and it is difficult for elderly people to use the stairs. Therefore, the demand to install elevators has gradually become louder. Since the ageing problem is a major policy priority for central government, local government is incentivized to act. However, people living on different floors have very different requests. This made it very hard for local government to implement the programme. Therefore, the Xicheng District Government piloted the programme in several communities where elevators are needed.

The buildings in residential area X⁶ were built in the 1950s and 1960s, without elevators. Most residents in this community are elderly, so there is greater demand for installing elevators. Since 2012, community residents have repeatedly reported this need. At the same time, the government has gradually been paying greater attention to older people's issues. The project was announced by the Xicheng District Government, which determined the conditions and procedures for applying. Subsequently, street-level and community administrators collected residents' ideas on the proposed elevator installation.

⁶ The name of the area is coded to protect residents' privacy.

Before the project began, the Xicheng District Housing Management Bureau held some Q&A sessions based on the original survey of local peoples' concerns. Initially, the government was unable to fully answer people's questions and dispel their misgivings (such as the cost of running the project, how to maintain the elevators, and there would be extra noise). However, as a result of the Q&A sessions, the Xicheng District Government gained greater understanding of the will of the people.

After this, in order to dispel residents' doubts, street-level officers and the Neighbourhood Committee conducted three visits to the 62 *danyuan*⁷ of the 11 buildings in the community and collected residents' opinions. During the first visit, they held a meeting attended by volunteers who oversaw communication among residents in each building and arranged the installation of elevators. The data showed that the overall support rate in favour of installing elevators was 87 per cent. The biggest difference in approval rates was between ground floor residents and those residents on higher floors. This was because many elderly residents in high-rise buildings have difficulty using the stairs, so their demand for elevators was very strong. However, many ground floor residents fear that installing elevators will increase noise and block out light; and may also lower the value of their apartment or reduce the rental price it can command.

The second visit was conducted by Xicheng District Housing Authority. It interviewed 935 households using a questionnaire survey, and answered any concerns the residents had about the costs of installing the elevators. This assured them that this was a pilot project and they did not have to worry about the installation fee. They were also told that the elevator maintenance fees would be based on square metres of residents' property size, except the first floor. After the reassurances given by officials during this visit, the supporting rate rose to 92 per cent.

⁷ Living unit. There are usually three-five *danyuan* in each building.

During the third visit, the staff conducted a questionnaire survey on whether it would be appropriate to charge one Yuan per square metre for the elevator's electricity supply and maintenance fee. Following this, residents' approval rate dropped to only 51.2 per cent. The People's Republic of China's Property Rights Law stipulates that generally, only if two-thirds of residents are in favour of a project can it be carried out. However, in the case of installing elevators on the outside of older residential buildings, as noted, the opinions of ground floor residents were different to those of residents on the upper floors. The proportion of ground floor residents compared with the entire population is relatively small; so, the government has stipulated that the approval rate for elevator installation projects must be 100 per cent.

As the residents had quite a few concerns and the will of the people was constantly changing, only the residents of number 5, 7 and 9 *danyuan* reached a consensus. A large part of the reason for this was that the ground floor of each of these three *danyuan* was a shop, rather than a residence. In addition, the volunteers who oversee communication among the residents were very proactive, and continually worked to change the minds of the residents and build consensus. Within these three *danyuan*, each floor has four households: so, a *danyuan* with five floors has 20 households, and the three *danyuan* together have a total of 60 households. Residents signed two agreements: one indicating they were willing to install the elevator; the other, to pay its operational costs. After both agreements were signed, the project was successfully launched, and the local government took the lead in contracting a company to implement the project.

Compared with Type One (above), this Type Two project took people's will into consideration at a relatively early stage. During the process, the government constantly communicated with the people, adjusting the plan based on residents' opinions. Volunteers played a key role, mediating between residents and local government. These volunteers mainly came from top floors of the residential building and had a strong incentive to install the elevators. A Type Two project gave them more room to act. People were generally happy with

the programme; but from a local government perspective, it was resource- intensive, and would be expensive to roll out to other areas beyond the pilot.

Type 3: Projects initiated by the will of the people

The third type of project has the highest participation rate among the People's Will Projects. This type mainly refers to projects that residents want to see implemented; but are not in the local government's existing programme of work. In such cases, the government first listens to the people's needs and wants; then lets residents discuss a practical scheme for implementation. The government then provides support to realize these projects.

Case 3. With the improvement of peoples' living standards, the number of private cars in urban communities is increasing, resulting in increasingly limited availability of parking spaces. Older style urban planning cannot meet new demands of urban residents, and parking problems are a serious issue for local communities.

The *hutong* in our third case study is an alley of one-storey buildings with more prosperous streets on both sides. In consequence, many vehicles pass through it, and many people park their cars in it. However, because of lack of management, car parking is very disorderly. Residents have installed many ground locks⁸ to safeguard a parking space. Not only does this not solve the parking problem; it also causes conflict among residents.

Originally, this issue did not attract the government's attention. However, when the *hutong* environment started to deteriorate, the Xicheng District Government felt obliged to intervene. In order to avoid resident coercion as in Type One projects, the street-level government, together with community Neighbourhood Committees, organized several *hutong* 'salons' and let residents discuss their biggest concerns. Foremost was the parking problem

⁸ Physical devices to control access to a parking space.

in the *hutong*. By letting people set out their own viewpoints and needs, local government significantly enhanced people's enthusiasm about the programme.

After this, the community held a second salon for both car and non-car owners to voice their opinions, discuss the reasons for parking problems and enable both sides to understand the other's position. This process lasted for about a month. According to staff, it was to allow the residents a "venting period". After that, people's emotions gradually subsided, and the discussion entered its second stage. At this point, residents became more rational and gradually began to understand that they themselves, not government, had a responsibility to rectify the parking problem. In short, there was a shift from 'emotional venting' to rational thinking.

The third salon brought the discussion to the solution stage. This involved residents electing representatives who were articulate and likely to actively participate in the discussion of parking solutions and protocols. Staff of the Neighbourhood Committee reported that the atmosphere during this phase was both amiable and rational. As residents' discussions advanced, the role of street-level governments and communities gradually changed from controller, to organizer, then to supervisor. It was entirely up to the residents themselves to decide on parking charges and how to balance the relationship between the various groups in the negotiations. As the government was not directly participating in a top down manner, residents were highly motivated and demonstrated a sense of responsibility for both organizing and supervising operations.

After the draft of the residents' protocol on addressing the parking problem came out, the Neighbourhood Committee mobilized residents to vote on it in accordance with the relevant provisions of The Law of the Urban Residential Committees in the People's Republic of China. In order to increase the legitimacy of the decision-making process, the Neighbourhood Committee gave notice of the upcoming vote to all residents aged 18 or over

in the community. One person was chosen from each household as a representative; and seven residents were chosen from the community as the *hutong* management committee. They were placed in charge of implementation of the program. The traffic management bureau and the region's *danweis* were also very cooperative and sent representatives to the meeting.

In the end, avoiding parking at peak times and having different parking areas for different types of vehicles has, to a large extent, greatly alleviated the parking problems. At the same time, the ground locks privately installed by the residents were forcibly removed. These measures have helped greatly to improve the community environment; and during the consultation process, residents have also gained deeper mutual understanding of local problem-solving and co-working.

Discussion

As the foregoing sections attest to, when lower tiers of government launch a project, they often face pressure to align their actions with - and realize the policy goals of - higher levels of central government. This is especially true of Beijing's Xicheng District Government: it is situated in the capital, near the Central Government, making oversight easier, but also requiring a 'demonstration effect'. When they formulate projects that are beneficial to the people, the starting point for the Central Government or the Beijing Municipal Government is usually to consider development at the national level and city-wide level.

In *Seeing Like a State*, Scott (1998) holds that, when implementing a project, the state usually adopts a scientific, modern, economic approach to the process of governance. It considers development from an overall or holistic perspective. However, such approaches often conflict with the specific needs of a given locale, leading to the failure of many local development projects. Scott's explanation resonates with the findings of this study, for it underlines the tension between people's will from the perspective of the state and the will of

residents of a given locality. In practice, this discussion has shown how Xicheng District Government is aware of this and, in response, tries to bridge the gap in different projects by treating them with different approaches, such as the Type 1-3 interventions discussed above.

On the face of it, what differentiates the governance style adopted by the authorities, is the degree of local public involvement in the project. From Type One to Type Three projects, the degree of peoples' engagement increases. In the first type, the intervention is in line with the government's pre-existing policy programme. In this mode, the will of the people is basically only involved at the level of offering advice and supervision. In Type Two projects, social policy interventions are also largely part of the government's pre-existing programme. In contrast, in Type Three projects, whilst they might potentially be part of the government's plan, it is the residents who take the initiative and propose the project, before the government decides whether to carry it out.

Viewed from a deeper angle, the classification proposed in this study (Type 1-3 projects) is not only determined by the level of people's participation, but also by the urgency and 'rigidity' of the programme in the eyes of the government. From the first to the third type, the rigidity (or prescriptive nature) of each programme decreased. The first type is assigned from the top down, and its requirements are pre-specified, so that local government has to follow the instructions of central or municipal government. In the second type, the proposed intervention is also on the central government's agenda, but the timeframe and mode of implementation is relatively flexible. In the third type, the underlying issues are not originally the concern of central government, but local government is still under pressure to ensure good governance and actively solve people's problems.

During the implementation process, local government faces most pressure from superior tiers of government in Type One projects. Therefore, in such instances, effectively the will of the people is silenced. As stated in the discussion of Case One, the government

asked experts to evaluate and find suitable reinforcement schemes; but when it came to different groups and individual residents, their demands were different to the views of the experts and officials. For example, some groups and individuals felt that the reinforcement method negatively impacted on their living space, especially those residents with smaller apartments. During the implementation process, different residents may have compared viewpoints. Moreover, they may have held inconsistent opinions about the merits, fairness and disadvantages of a given reinforcement method. However, due to the rigidity of the Type One mode of governance and mode of project implementation, residents' views and wishes were sidelined.

Overall, although the reinforcement of old buildings is beneficial to residents, the benefits to different groups and individuals may vary greatly. In order to maintain social stability and ease people's dissatisfaction, this study shows how local government used monetary compensation as a solution to override community concerns and resistance to its programmes. Whilst this expedient approach might be helpful in pushing the project forward, arguably, it is neither helpful in making local people feel satisfied, nor consistent with the spirit of the 18th and 19th CPC Central Committee reforms, which underlined the need to enhance the participation of civil society.

Compared with the first type of project, the second fosters wider and deeper levels of citizen engagement. As can be seen from the case study provided in this article, the Xicheng District Government's planned installation of elevators in some old communities was one way of addressing the needs of an ageing population. Many residents in the community also expressed an urgent desire for the installation of elevators. The district government still faced top down pressure to both alleviate social conflicts and respond to the central government's requirement for participatory governance. Here, the Type Two project solicited the will of the people both after its launch and before its implementation.

From the perspective of the participation mechanism of the will of the people, residents' participation in the second type of project is freer than in the first type. Collecting the will of the people is still dominated by a top down approach, yet the level of community participation has apparently increased. Notably, this was accompanied by a broadening of engagement mechanisms, such as focus groups, surveys and public meetings. People's will in this case is very diverse, and communication between residents was not achieved by them themselves, but through the mediation of the Xicheng District Government, street-level offices and the Neighbourhood Committee.

During the government's visits, residents' concerns could be addressed. If they were not satisfied, they could choose not to participate, which gave them a greater degree of freedom than the first type of project. However, the space for the people to express their will in such projects is still limited. Compared with the first category, the will of the people was no longer completely fragmented, yet disagreements and dissent remained. The government ultimately carried out the project, but not until after the residents reached a rational and unanimous decision. Rather, it was aided by the government using subsidies to solve the disagreement among residents. In this way, the grassroots government has completed the tasks asked of it by the higher-level government; and at the same time, to a certain extent, has met the needs of the residents, reducing disagreement between the government and society. However, it is important to note that this was a pilot project and it could take special measures. Specifically, it could obtain greater resources. Excessive cost and resource factors mean it is unlikely to be rolled out and implemented in other communities.

The third type of project is where the residents themselves set up specific projects, rather than the government. With Type Three projects, the district government is not directly faced with the specific projects assigned by higher levels of government. Instead, it is faced with the task of completing residents' welfare projects based on the issues they feel need addressing. In accordance with the concept of multi-governance, while also responding to the

wishes of local communities, in this type of programme, the district government allows the residents themselves to decide what projects will be developed by setting up negotiation platforms.

Ironically, although residents had many demands, they finally settled on the parking management project, which was not an arbitrary choice. There are two main reasons for this. First, the parking problem has indeed affected the lives of many residents, resulting in a deterioration of the community's surrounding environment: so they had a strong desire to rectify the problem. Second, the parking problem violates the city's overall plan, affecting the image of the capital; rectifying this is in line with central government policy. Therefore, the staff of the street-level government and Neighbourhood Committee intentionally directed the will of the people towards this.

The Neighbourhood Committee provided residents with a platform to discuss actual problems and allow different groups to express their opinions. In this way, the residents gradually developed from venting their emotions to a more rational, solution-orientated discussion. This allowed various solutions to be identified. Although different groups and individuals have contrasting opinions, people were finally able to understand each other's viewpoints and, through discussing them, find solutions. The problems of individual parking spaces and effective use of public space, were both rectified. In the end, residents came to a unified agreement.

Compared with the case study about installing elevators, the strategy for resolving parking problems did not have an unfair impact on certain groups or individuals. Instead, by establishing a set of regulations, the interests of different groups and individuals were balanced. Ultimately, the community's parking problems were solved.

In social theory terms, the three project types can be conceptualized with reference to empowerment theory (Himmelman, 1996). Broadly, Types One and Two are examples of ‘collaborative betterment’ – whereby government plays a dominant role in project choice and implementation, with communities then asked to acquiesce after most major decisions have been taken. In contrast, Type Three projects might broadly be characterized by what Himmelman terms ‘collaborative empowerment’. As the name suggests, in this mode of governance, citizens are empowered to set the agenda to an extent and play a more thoroughgoing role in determining the means by which projects are implemented. That said, it remains the case that government is a veto player and retains ultimate authority.

Conclusion

From the perspective of grassroots participation in government, this paper has explored three approaches to local governance in today’s China. When discussing the difficulties of local governance, previous academic research has largely focused on exogenous interests’ vertical or horizontal relationships within the government, or how autonomy can form within local society. Crucially, these works tend to undermine the importance of local government during this process. In contrast, this study has discussed how local government faces the challenge of simultaneously balancing the requirements of central government and the demands of local communities.

While central government and CCP is the representative of the people, their view is more focused on the national level; this may diverge from the people’s will at a local level. By contrasting three case studies in Beijing Xicheng district, this paper provides a different perspective to understanding local governance. Our findings can be summarized as follows.

First, although the central Chinese state wants to build a new governance model in which there will be many different elements contributing to the contemporary process of governing, central government will always retain supreme authority. As can be seen from our

three case studies, no matter which type of project it is, local government is always present. In the first type, it dominates the project; in the second type, it leads the project; in the third, it fine tunes the project. In all three scenarios, people have the freedom to choose their own projects, so long as they align with the agenda of the central government. Otherwise, it is hard for local government to give it serious attention. What the local government actually does is *translate* people's needs into the central government's plan, before obtaining resources to solve the community's problems.

Second, with the advancement of the role of local government in the wake of the 18th and 19th CPC Central Committees, not only does the people's will play a more and more important role in local governance, but it also influences implementation of the programmes at an earlier stage. For example, people get more room to express their concerns and dissatisfaction *before* the project commences. Moreover, they have a right to veto the project if it greatly compromises their interests. In Type Three projects, people even have freedom to choose their own ways of solving the problems. For local government, giving people this degree of freedom not only alleviates some of its burdens; but is also good for reducing the level of people's complaints and maintaining social stability.

Last but not least, the degree of freedom that the local government gives to people under Type Three projects is not unbounded. It falls within certain parameters. Here, past experience tells local government that too much community involvement would cause unlimited responsibilities falling on its shoulders. Therefore, a key consideration when deciding which of the three different project types to implement is where to draw the line between the state's responsibilities and those of local communities. Indeed, as the foregoing case studies reveal, to understand the dynamic of contemporary governance in today's China, the drive for reform should not solely be seen as lying exclusively within the central government's strategic agenda, nor in society, but also in the 'translational' actions of local government officials.

In other words, this paper shows that central government reform, when implemented through the multi-level governance system, involves considerable demands on local government to find innovative and effective ways to address central government demands. Our findings also reveal the tension between the rhetoric of participation and pressure for successful project delivery by local government. Despite rhetoric to the contrary, this may lead local government to resort to top down tools, such as monetary compensation with which to obviate citizen opposition to reform.

Overall, local governance is an ongoing task explored by officials and scholars alike. Given that across China, different local governments in each province face different institutional environments, cultural histories and social relations, they may have to come up with different strategies. However, this case study has revealed one possible way of bridging the gap between people's needs and the central government's priorities. It has also offered a new perspective through which to understand grassroots governance in China.

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2. State-Made Society? Exploring the ‘creation of society’ and the provision of public services at the community level in contemporary China

Shi Yuntong

Abstract: *Residents’ self-organization in urban communities has been considered a promising path for the creation of society in China; a setting where, hitherto, some researchers believed that society did not exist. But in recent years, the supply-side reforms carried out by local government, notably in provisions of public service in urban communities, seems to have opened up a new path for the creation of society. Analysing the concept, motivations, tactics and effects of state-made society, this article points out that although producing society is an unintended consequence, it has resulted in the mutual empowerment of both state and society. However, as the following discussion reveals, the external empowerment of society by the state does not always lead to the internal empowerment of the former. Instead, it sometimes deepens its dependency on the state, attenuates social fragmentation and strengthens state domination. It is argued that only through full empowerment can state-made society work effectively.*

Introduction and methodology

‘How to create a society in China?’ is a question which Chinese scholars have been discussing and trying to answer since the 1990s (Deng & Jing, 1992; Kang, 1999; Yan, 1999; Gu, 2004; Xu, 2006; and Shen 2007a). After 2000, the government has placed increasing emphasis on the development of society. Notably, in recent years, the ‘supply-side reforms’ carried out by local government in provision of public services in urban

communities seems to have opened up a new path for the creation of society. This “creating society with the help of the state” is called ‘state-made society’ in the following discussion. Specifically, attention will be given to the dynamics involved in this new phenomenon; and we shall attempt to answer “whether society could be created by the state”.

In terms of structure, this paper begins by reviewing the literature on state-society relations (Section 1). It then summarizes two routes to the creation of society in China (Section 2). After that, we examine the driving forces of ‘state-made society’ and explore the routes to actualizing it (Section 3), before investigating what kind of impact this process has on both government and society (Section 4). This paper offers a theoretical perspective on the ‘creation of society’ from being ‘self-organized’ to ‘government-organized’. Further, it assesses whether it is possible to create a real society in China by means of state intervention (Section 5).

The author has been paying attention to grassroots social governance and services in China for several years. This paper’s analysis of ‘government-made society’ is based on fieldwork data gathered from semi-structured face-to-face focus group interviews in B, C & Z cities in China during 2015-2016 (anonymized to protect participant confidentiality). City B is in northern China; City C is in south-west, inland China; while City Z is on the southern coastline.

This case selection provides good geographical coverage of the People’s Republic. Despite their different locations, they have something in common. First, they are all first-tier cities, with developed economies and enjoying social progress. At the same time, they are all among the few cities which have carried out supply-side reform in provision of public services in urban communities in recent years. Thus, they have key commonalities allowing for comparative analysis. City Z, H district, W community was selected as the main case study because it was once seen as a pioneer community. Yet over recent years, observers

have concluded that it has largely failed in its endeavours; making it an interesting case for in-depth analysis.

The research interviews were carried out by the author and project members and lasted approximately 1-2 hours each. They were based on an interview schedule consisting of the same core questions and different additional questions designed according to the actual situation of each city. Data gathering and analysis strictly abided by established academic ethics such as upholding participant anonymity and confidentiality, increasing the reliability of data. The 60 interviewees included members from local government departments, street offices, and community party committees, residents' committees, councils, social organizations and residents. Considering the advantages and disadvantages of different data collection methods, other forms, such as participant observation, video/photography, policy text and media report collection were also used to boost data validity during our fieldwork investigation. This holistic approach makes it easier to present more comprehensive analysis of the new social phenomenon of 'state-made society'.

Section 1: 'Mutually Antagonistic' or 'Mutually Beneficial': Revisiting the relationship between state and society

Sociologists in both China and the West have focused attention on the relationship between state and society. In the following discussion, following a review of Aristotle's Poetics, and some of the works of Cicero, Hegel and Marx, attention is turned to the work of Antonio Gramsci: with its focus on hegemony, guilds, trade associations, educational and voluntary organizations, and benefit/interest groups, Consideration is also given to Karl Polanyi's work, with its focus on active society, labour unions, and cooperatives (Burawoy, 2003, 2007).

In the West, state and society are often viewed as two separate entities, with mutual checks and balances. From the 1990s onwards, academics began to gradually re-think

'state-society' relations, and the idea that they are two separate, oppositional entities, while also highlighting the possibility of mutual empowering relations between them (Gu, 2004). In this regard, Huang (1993) cogently points out that simply saying that the state and society are mutually antagonistic is an abstraction from the early stages of Western political, economic and social development; and cannot be uncritically applied for use in analysing the current state of affairs in China. Instead, Huang proposes the concept of 'the third-space' in analysing state-society relations.

Migdal proposes the idea of state-in-society instead of state versus society. He rejects the idea that state and society are in opposition to one another (that they are in a zero-sum game), and that there are rigid boundaries between the two. He says they can enjoy mutual transformation and empowerment (Migdal, 1988, 2001; Migdal et al., 1994). Citing the work of Ostrom on 'coproduction' (1996) and Evans on 'state-society synergy' (1997), he argued that Western theories of state-society relations have moved from a position of mutual antagonism to mutual cooperation.

In China, though, following the polarization of state and society pre-1979, prevailing thought began to change regarding the belief that society was best developed through top down, hierarchical control by the state; and that society, in turn, was a passive recipient (Liu, 2009).

Section 2: 'Self-Organization' or 'State-Organization'? Two routes to the creation of society in China

In practice, China's 'state-society' relationship has developed along a path from "total state control" to "gradual release" (Shen, 2007b) to "active advancement of society". In this process, both sides constantly adjust, modify and remodel the prevailing mode of cooperation, as well as the boundary of rights and responsibilities. Both sides also influence

the operation of the wider governance system, with its institutional mechanisms and social processes.

The first manifestations of the 'creation of society' and two paths to its realization

When the People's Republic of China was founded in 1949, it formed a highly integrated structure of political, economic and social unity, a "total society" (Sun, 1994). The state had centralized the various political, economic and social resources and had a high degree of top down control. Unplanned economic activities and autonomous social activities were rarely seen. After economic reform and 'Opening-Up' in the post-1978 period, economic activities were gradually released from total state control, and market principles emerged in the Chinese economy. After 2000, the development of society was gradually given the same status as political, economic and cultural development. To this end, central government has put forward a series of objectives to promote the development of society, as part of its Central Policy. For example, the Fourth Plenary Session of the 16th CPC Central Committee proposed 'Advancing Innovation in the Social Management System' as an important factor in the Party's ability to govern. In similar vein, the report of the 17th Party Congress outlined the need to "accelerate the development of society, with an emphasis on improving peoples' livelihoods"; improve "the leadership of the Party Committee, government responsibility, social cohesion and public participation in the social management system"; and "maximize social innovation". The subsequent report of the 18th Party Congress stressed the importance of "strengthen[ing] the development of society by improving peoples' livelihoods and by innovations in social management"; "guid[ing] the healthy and orderly development of social organizations"; and "encouraging the masses to take a fundamental role in social management".

Several factors can account for these developments. First: government's desire to reorganize 'atomized' individuals into a cohesive society in order to maintain social stability.

In the past, urban society was organized and controlled through the *Danwei* system:⁹ almost everyone was in a *Danwei*. They could only get their resources, welfare and services from the *Danwei*. Due to resource dependency, they were fully controlled by the state. After China carried out its reforms and Opening-Up in 1978, people could get a job in both public and non-public economies. To a certain extent, that meant the state could not control everyone from the old *Danwei* system. With its demise, the only place for the state to find and organise everyone was in their dwelling communities. So by 2000, the notion of community building (and the development of society) was promoted by central government.

Second, promotion of the development of society was motivated by the desire to release the administrative burden on government. Chinese government has for a long time been top down - contrasting with China's passive society. People used to think that it was the government's responsibility to solve their problems and meet their diverse needs. A form of state dependency gained hold in the planned economy era. In recent years, to counter this, the state began to encourage the people to be more responsible in social management; in short, more self-sufficient. In consequence, community residents are encouraged to be more self-organized, self-managed, self-serviced, self-educated and rely less on the government. This is also seen as updating the prevailing governance system from below (by enhancing social vitality).

Third, it was motivated by the wish for greater professionalism (for professionals do professional things). This objective is closely related to 'guid[ing] the healthy and orderly development of social organizations' in the Central Committee's discourse. In the past, people received a variety of services from the *Danwei* system. But with its decline, government has given a portion of the responsibility for community service to the Community Residents' Committees (CRC). On the one hand, the NRC cannot mobilize adequate

⁹ A *danwei*, or work unit, constituted a form of social organization in Maoist China. It followed the principle of organizing workplaces and housing as spatial units. Each was assigned to a unit that would provide for their work, social, and cultural needs.

resources to do the community service work; while on the other, they are not professional enough to deliver the required services. Thus, the state is promoting the healthy and orderly development of social organizations to undertake government procurement services which cannot be adequately and smoothly provided by the CRCs.

A fourth aspect to note here is the existence of risks. To a degree, the state is worried about the risk of encouraging the creation of society. So on the one hand, it prefers to encourage the development of social organizations with little risk of instability (such as community service organizations, scientific and high tech organizations, trade unions and charities), and restrict the development of what are viewed as risky social organizations (e.g. rights-based organizations). The latter is called “the System of Differential Controls” (Kang & Han, 2005).

As Xi Jinping noted at the 19th National Congress of the CPC, “we will strengthen public participation and rule of law in social governance and make such governance smarter and more specialized. We will improve mechanisms for preventing and defusing social tensions, and properly handle problems among the people”. However, as Shen (2007a) has discussed, practical, normative goals and tasks are quite different in a country that has already built a market economy, than they are somewhere in the process of building one. The task of the former is to revive and strengthen the mechanisms of society and resist the dual invasion of markets and power: which is to say, its task is to ‘defend society’. The task of the latter is to face new historical conditions, reconstruct or create social norms and systems, which means ‘to create society’. In other words, although China has already entered a period of great social development, the primary problems facing social development are still the questions of “Where does society come from?” and “how can we create society?”

In general, in reviewing China’s recent political transformations, economic reforms, and social changes, we can see there are two main routes to ‘social creation’. The first,

which the academic community has discussed more fully, has given greater accord and respect, and consequently has placed greater expectations in, is the ‘自组织’ i.e., the ‘self-organization’ route to social creation. This means that society arises spontaneously or organically (Xia, 2003; Chen & Li, 2003; Shen, 2007b; Li, 2007; Wang, 2009; Sun et al., 2016). The second route, ‘他组织’, translated in this paper as ‘government-organized social creation’, is where the local government (or other entities) act as an external enabling agent, helping to make and organize society in China. The latter, ‘他组织’, is a relatively new social phenomenon, which academics have yet to subject to enough in-depth analysis. This paper focuses its attention on this.

‘Organizational and Operational Difficulties’: The challenges of self-organized social creation

This section begins by reviewing the self-organized path of social creation. In the early 1990s, the Ministry of Civil Affairs proposed the idea of ‘Community Building’: in order, on the one hand, to better meet the day-to-day requirements of urban residents; and on the other, to strengthen urban grassroots political power and management. Gradually, the ‘community’ not only replaced the *danwei* (‘work unit’) and became the basic management unit of urban space, but also became an important starting point for social development. Especially after 2000, with the state’s gradual change of role in relation to society, it became more of an enabling state. Researchers thought that the self-organization of residents from urban communities might become one of the paths to social creation (or the creation of society).

However, in practice, the state’s slow institutional devolution has, to date, not resulted in a qualitative leap in social creation in urban communities. In reality, community

residents' self-organizations still face problems at both the organizational and the operational levels. At the former, Community Residents' Committees, Community House-Owners' Committees and a variety of Community Interest Organizations are the three types of organizations upon which urban community 'social creation' depends. However, these Committees have long been viewed as an extension of government administration at the grassroots level.

In recent years, in order to alleviate the excessive administrative burden of Community Residents' Committees, enhance their ability to serve their residents, and restore the autonomy of the latter, various regions have established community workstations and service centres, as well as implemented institutional and structural reform at both the street and community level, all with apparent beneficial effects (as claimed by local governments). Yet sometimes, these measures may also deepen the degree of marginalization of Community Residents' Committees (Zhang & Wang, 2016), reducing their community involvement, and further strengthening the state's penetration into grassroots society.

At the same time, urban Community House-Owners' Committees are currently facing problems caused by their own executive decisions, giving rise to factional politics (Shi, 2010).¹⁰ Besides, there are high organizational costs, lack of decentralization and full supervision, insufficient motivation to move towards autonomy, and other issues. In recent years, a large number of community recreational organizations have sprung up, many of which still only provide entertainment clubs or organizations. They do not, as hoped, function as community governance organizations (Li et al., 2012). Only a few have changed from small 'mutual benefit organizations' into 'public welfare organizations' for the benefit of the

¹⁰ it is difficult to legally register because the formal requirements to do so are high and there are many restrictions.

wider community. This points to the reality that residents' self-organization will not necessarily stimulate 'public spiritedness'.

At the operational level, there has long been a low participation rate among urban community residents (in breadth, depth and frequency) and ineffective participation (prompted more frequently by traditional 'command' administration and less frequently stemming from community residents' spontaneous initiatives). The level of participation is only on the lower rungs of Sherry Arnstein's theory of the different levels of citizen participation, outlined in her seminal 'The Ladder of Citizen Participation' (Arnstein, 1969). Again, there is an imbalance amongst the population of those who do participate (here, older groups and the traditional community elite are in the majority). At the same time, our interview data tells us there is a lack of early intervention in community affairs, lack of interaction between the multiple stakeholders, and a dearth of collaborative decision-making within the community.

So far, there has been no clear indication that the self-organization of urban community residents has led to the creation of a society independent of the state and the market, with a high degree of autonomy and public spiritedness ('公共性'), unlike what was expected/predicted by the academic community and desired by the 16th and 18th Committee reforms. This is to say, using the self-organization of urban community residents to promote the creation of society is still a relatively fragile, challenging process.

From 'A Slow Retreat' to 'Positive Enablement': Government-organized social creation

If we now switch focus and view the source of social creation ('creating society') from 'society' to the 'state', it is not difficult to find that in recent years, in the sphere of urban community public service, the 'state-society' relationship has been changing from "gradual release [of state control]" to "promoting [community] initiative". This shift can be

characterized as a move from 'slow retreat' to 'active promotion'. Some cities' local governments are exploring their own administrative power to promote the participation of urban community residents in the supply of public services, thereby optimizing the mechanism, structure and efficiency of community public services. This is called 'supply side reform'. As Gu (2004) points out, in the development process of 'state-society' relations, the state withdrew from some areas and gave them more space and freedom to self-organize and self-govern. Although this is significant, it does not mean a blind withdrawal by the state. It still operates under the guiding principle of 'mutual empowerment', and still plays the role of 'the enabling state' (Gilbert & Gilbert, 1989; Peng, 2006) in promoting social development. Crucially, it retains ultimate power.

Section 3: Localized practices of state-made society

In recent years, we have seen more and more innovations in the way some cities' local governments have offered community public services. For example, local governments set up community public service funds to encourage and help establish community residents' 'autonomous organizations' or co-governing organizations (referred to by this paper as 'community councils'). In this way, residents will be able to propose and discuss their own community public service agenda by majority voting, which can then be submitted to the community council for discussion. Items on the agenda are then prioritized and ranked, potential beneficiaries are taken into account, then some items are selected and packed into a 'project'. Subsequently, an application for funding is made to the government. By promoting the self-organization of community residents and incorporating it in the supply process of community public services, it is possible to provide demand-oriented public services and advance local governments' supply-side reform.

Furthermore, regardless of the local government's original intention, in the practical outworking of the supply-side reform process, under the guidance of local governments and with the support of community public service funds, we can see that community residents' self-governance activities are gradually integrated at the community level. The key factors involved in localized practices of state-made society include administrative, economic and social elements.

The driving forces of state-made society

Our data shows that there are three main driving forces behind 'state-made society'. First, it is designed to increase the legitimacy of grassroots political power. If we divide the regime's legitimacy into four dimensions - political, legal, performance and social - it is not difficult to see that, in the current social context, legal and political legitimacy are more stable, whereas performance and social legitimacy have more flexibility, and have incremental legitimacy. The localized practice of state-made society enhances the 'incremental legitimacy' of the regime. Since ancient times, the legitimacy of China's political regime has to a large extent relied on the government's political achievements (Zhao, 2009).

In recent years, the government's performance legitimacy has gradually moved away from 'macro performance' (i.e. developing the economy and raising the GDP), towards 'micro-performance' (i.e. the welfare benefits enjoyed by residents, better services, and a sense of gain in everyday life). Shenyang, Nanjing, Shanghai and Wuhan have all introduced relevant policies, calling a halt to investment functions and economic assessment indicators for the street offices. This is to encourage them to put more energy into public services and management. If we take 'social legitimacy' to mean the political power to mobilize social participation and achieve social trust and recognition, then community public services supply-side reforms not only offer residents a way of expressing their needs, but

also allow them to see the government's responsiveness to their needs. Residents can also experience the effects of a service-oriented government: which both raises its social legitimacy and their satisfaction with it.

Second, 'state-made society' aims to lessen the powerlessness sometimes found in the self-organization of grassroots communities and their potential to create social instability. As outlined above, for a long time, a stereotypical view of state-society relations prevailed: namely, that they were mutually antagonistic and polarized. Therefore, in order to lower and avoid potential risks and uncertainties, some local governments tend to maintain a passive, cautious, guarded attitude towards the growth of social forces.

As part of China's ongoing modernization project, the state has also raised its requirements for the development of society, while local governments are paying more attention to reducing the powerlessness and disorderliness of residents' self-organization and trying to help solve social problems instead of covering them up: with a view to enhancing a stable, unified society and promoting the positive aspects of harmonious development. For example, a local authority from City Z, G District, said in the introduction to 'community public service funds': "Every person has 24 hours each day, and apart from eating, drinking and sleeping, and apart from going to work, every person still has some spare time. In this spare time, if we don't give people something to do, people may find bad things to do and rock the boat. . . It's better to encourage people to participate in more meaningful, more positive activities" (local authority member A from Z City G District government, 20160706).

Finally, 'state-made society', according to informants from the local authorities, enhances the administrative effectiveness of the government and reduces its administrative costs. It is difficult for local governments to interact with community residents: so they help them select their own representatives and let the latter discover the residents' needs and express them to the government. In the past, Chinese local governments used to spend a lot

of money on community public service, but always decided by themselves what to provide for the residents. Today, the emphasis is on local governments enabling residents to decide themselves, before trying to meet their needs. For example, in City B, D District, staff A at the Civil Affairs Bureau said: “Its policy is to let residents do what they themselves have thought of doing, and what they themselves are able to do” (Staff A of the Civil Affairs Bureau of City B, D District, 20160624). In this way, argue the local authorities, they not only enhance the government’s administrative efficiency and ease the pressures of its administrative system, but also reduce its administrative costs.

In addition, as we shall see, in recent years in community public services, the ‘state-made society’ mode of social creation has been increasing.

The route to actualizing “state-made society”

The ‘state-made society’ method of social creation is mainly actualized by means of the following channels. First: the creation of the governance platform and process of choosing representatives. In order to enable community residents’ public service needs to be presented and expressed in a coherent manner, local governments (mainly municipal and district ones) often require communities to set up their own self-organizing platforms. These are variously called, ‘community residents’ council’, ‘community council’, ‘Courtyard Residents Autonomous Council’, or ‘council for promoting community harmony’.

From this range, we can identify self-organized platforms based on the whole community, as well as ‘micro’ ones based on smaller spatial units (i.e. courtyards and buildings). For example, City C, N district, in principle, allows old courtyards to form their own courtyard, housing or family committees; courtyard or residents’ councils. Members of a community council always consist of representatives from the Community Party Committee,

Community Residents' Committees, the workstation, the house-owners' committee, the property management enterprise, *danweis* dwellings, and social organizations.

However, most community council members are residents' representatives. For example, City Z, H District stipulates that the Community Council is a community-level agency, which consists of 15-17 members, comprised of the following: two Community Party Committee members; three Community Residents' Committee members; one or two delegates from the National People's Congress; two representatives from community enterprises and institutions (including property); and 6-9 representatives from amongst the local residents, thereby ensuring diversity of representation. This differs from earlier practice, where only representatives from the community were involved, creating possible tensions.

Platform numbers might range from a dozen or so to tens of dozens of people. The platform's leading force is normally the Community Residents' Committee, which usually occupies a central position. In addition, the way in which residents' representatives are chosen differs from council to council: some are chosen by direct election. In City Z, H District, buildings serve as a unit, with each building selecting their own representatives; then, from among these, some are elected to become members of the community council. In contrast, some are elected by community residents, formally or informally, directly onto the community council. In other places, the Community Party Committee and Community Residents' Committee will take the place of residents to decide who can be residents' representatives, and always choose trustworthy residents on whom they can rely.

Second: the creation of the activation mechanism. The establishment of the Community Public Service Fund gave a certain impetus to urban community residents' self-organization. To begin with, it helped vocalize the needs of community residents and stimulate community participation. The most common need is for community landscaping, enhancing community services, and the construction, maintenance and transformation of community public spaces or infrastructure (such as community gardens, children's

amusement facilities and parking lots). As these issues are closely related to the interests of residents, it is easier to mobilize them to enter the communal sphere, focus on communal public affairs, and enthusiastically explore community affairs. Moreover, as the data shows, it has activated community organizations - especially cultural and entertainment ones – those organizations which help the weak and the vulnerable; and voluntary service organizations. These often rely on existing organizational structures to compete for the Community Public Service Funds.

The establishment of the Community Public Service Fund also activated some of the community's 'dormant organizations'. In the years prior, some places had already set up the equivalent of community councils, but many existed in name only. The injection of Community Public Service Funds not only provides new focus for these organizations, but also "gives them more substantial power to mobilize and allocate the community's financial resources" (Local authority member B from City Z, G District government, 20160706).

The next stage is to formulate the rules of the community. When establishing 'community councils', many local governments will require them to develop different levels of community rules: like Community Convention, Neighbourhood Convention, Community Rules of Procedure and Community Processes. In City C, J District, for example, when applying for Community Public Service Funds, it is necessary for residents to be self-organized before they can make an application. In this way, some communities, given their unique characteristics do, via face-to-face, internet and mobile phone channels, collect community residents' ideas and suggestions, promote their sense of identity and belonging, and advocate for their participation in creating community rules. In this way, "residents there are more likely to obey the rules set by themselves" (Staff A of the Civil Affairs Bureau of City C, 20151201).

Of course, some communities simply copy the residents' convention of other communities; and residents then do not care strongly about the rules, because they did not determine these for themselves. There is thus less incentive to keep the rules.

Finally, we come to the creation of factors that shape participation. Willingness and ability to participate are two variables that affect participation rates. Although the injection of Community Public Service Funds has greatly stimulated community residents' interest in community public affairs, this does not necessarily demonstrate that participants already possess the ability to negotiate a meeting under the guiding principles of openness, fairness, equality and reasonableness.

To facilitate the smooth and orderly development of community councils, some local governments have engaged with selected social organizations which are good at community empowerment to promote residents' ability of participating in community affairs. Through democratic consultation training, they want to improve the allocation of community public service funds. For example, oriented towards Community Residents' Committee members and residents themselves, City B, D District, commissioned professional social workers to teach them consultation techniques and how to organize and host meetings. They also drew up a "community consultation operation process manual" for them. Through the realization channels referred to above, 'state-made society', this grassroots social governance innovation initiative, is gradually making progress. This in turn can also serve to strengthen the state.

Section 4: Evaluating 'state-made society'

The local practice of 'state-made society' is informed and shaped by the supply-side reform of urban community public services, which means letting residents themselves decide what kinds of community services they want. As far as most local governments are concerned,

their objective is to raise the level of grassroots social governance and public services. In this scenario, promoting ‘the creation of society’ is a by-product; an unexpected result. But the objective impact of this practice, to a greater or lesser extent, is that using the government-organized method slowly promotes urban community residents’ social self-organization.

For urban community-level creation of society, this practice offers a new direction and an unforeseen force for the mutual empowerment of state and society. However, worthy of further attention and reflection is that there appears to be a discrepancy between the government’s policy documents and their practice of promoting ‘state-made society’. The state’s empowerment of society does not always help bring about its internal energization, and at times even results in the exact opposite: restricting and limiting its creation.

‘Independence’ or ‘dependence’ - the urgency of system movement

When the administrative system is in its daily operation, a ‘political tournament’ and ‘administrative cycles’ often co-exist (Zhou, 2007; Qu, Zhou & Ying, 2009). Higher level governments (like cities or districts) hope to be quick and efficient when determining work tasks and setting responsibilities, while lower level governments (like streets and communities), when implementing these tasks, frequently impose ever higher targets for each administrative level below their own, improving completion rates at each. This means they can finish their duties in a short time, within the time constraints of the administrative term of their leaders, thereby increasing their chances of upward mobility in the bureaucratic system. This practice operates in both the establishment of community councils and community public service requirements.

In order to improve efficiency, the Community Party Committee and Community Residents’ Committee have sometimes crossed a line and exceeded their duties, either by

directly choosing 'trustworthy' residents' representatives to enter the Community Council, or establishing community public service objectives on behalf of the people. Equally, local governments' assessment indicators frequently emphasize measurable indicators (for example, whether there is a community council set up or not, the frequency of activities, the number of public service requirements generated, etc.) and overlook that grassroots community self-organization is a process that is steadily accumulative, where consolidation takes place over the longer term, and is relatively slow in becoming effective.

There is still significant tension between the progressive nature of social growth and the urgency of 'policy implementation'. Therefore, although the Community Public Service Funds policy was designed to enhance the autonomy of community residents, in order to be quick and efficient and win in 'political championships', sometimes street office and Community Residents' Committees will again represent residents and not allow them to decide for themselves. This in turn will make community residents rely more on central government, instead of becoming more independent and autonomous.

In City Z, G District, for example, the district community public services fund has a yearly quota of almost one hundred million Yuan, which should greatly help improve living standards, raise community public service levels, and promote community residents' autonomy. But after a trial period, the person responsible for the project reflected:

Originally we hoped that ordinary people would propose their own motions, but it was very hard to actually realize this. Basically, it was easier to return to the governments leading and its proposals. One year is so short, there are a lot of funds and projects to manage, and within a one-year period ordinary people are not capable of proposing so many motions. We must think of a way to control this problem... young people in City Z rarely have time to deal with this situation because life is so stressful, and the time they have for participating in civic affairs is so limited... A certain level of empowerment is necessary. If the residents' right to stay informed about, participate

in and express views on community public affairs are not protected, they will lose interest in participating in such affairs and will not attend the Community Council either. What we need to do next is to make the councils more truly representative, more expressive of the people's opinions, and less about a few men making decisions, because that way is truly frightening (Author's translation) (Local authority member C from City Z, G District government, 20160708).

This shows that if local authorities, in order to be more efficient, do not act in accordance with the newly established rules, they will gradually lose public trust and participation.

'Integration' or 'fragmentation' - partial empowerment in policy implementation

In the process of establishing community councils, deciding on their representatives, and establishing their rules, the community's inherent power structures are subsequently challenged: especially the authority of the Community Workstation and the Community Residents' Committee. Due to living at the end of the bureaucratic structure, street offices and Community Residents' Committees frequently adapt a 'flexible' interpretation and implementation of higher levels of government's 'standardized' policy; and through 'partial empowerment', maintain the stability of the existing power structure. The common form of expression is to only bestow on community residents the right to know, the right to express, the right to participate, the right to consult and the right to inspect with relation to 'community public service funds', while retaining the right to make decisions, and at times to veto the decisions of community councils. Thus, community councils' decision-making strategies no longer rest on the council members' votes.

The proposer's focus has shifted from the reasonableness of the project itself and moved towards obtaining the attention and recognition of persons in authority (i.e. the Community Residents' Committee members). Some authority figures have not given

reasonable guidance to this change of focus but have been glad to see it happen. By doing so, they could maintain their authority and the inherent power structure in the community. In short, they are still at the peak of the community power structure. Therefore, it is easier for them to fulfil the tasks given by local government and maintain stability.

Consider City Z, H District, W community as an example. In 2012, H District's Civil Affairs Bureau selected W community for a pilot scheme, to explore establishing a community public service fund named the 'happiness fund'. More than 20 community council members were elected from among the residents themselves, who were responsible for discussing how to use the fund and, according to 'Robert's Rules of Order', forming the community's 10 procedural rules. Afterwards, there was a honeymoon period between these council members and the community's rules of procedure. During the meetings of the community council, members were able to strictly comply with the community's rules of procedure, and pass several beneficial resolutions.

In 2014, W community started to hold elections of the Community Residents' Committee for a new term. According to the proposals of the district's Civil Affairs Bureau, Mr G., seen as a fair-minded man, became a candidate for Director of the new Community Residents' Committee. If Mr. G were elected, he had the right to "form a cabinet" from among the local residents. To this end, Mr. G had done a lot of publicity work and featured several candidates for the Community Residents' Committee; but the idea was not successfully realized, as he:

Because I myself am not a party member... The original deputy director of the Community Residents' Committee wanted a second term... So he took advantage of my identity as a non-party member and appealed to the street office, arguing that it would be no good to assign a non-party member as Director of the new Community Residents' Committee. Thus when it came time to vote, the big slogan had already been changed to "elect the Community Residents' Committee's principal" and not

“director”. (Author’s translation) (Resident G from City Z, H District W Community, 20151028)

In order to lower the risk of instability, the street office authorities would rather maintain the original community governance structure than reform it.

Afterwards, the original deputy director of the Community Residents’ Committee became the new Community Residents’ Committee’s Director, and Mr. G became its Deputy Director. One of Mr. G’s original candidates, Ms. H, thus could not become one of the committee members. As Mr. G’s initial promise to form a cabinet that included Ms. H was not fully honoured, the situation also produced feelings of animosity amongst the residents. It was hard for them to form a consensus, discussion gradually became personal rather than impersonal, and ill-will gradually grew. Just as W community’s Ms H explained:

Originally, the rules of the community council meeting were that each person could speak for 3 minutes, but then it got to a stage where this was not controlled. If you don’t agree with me, no matter what you say, I will oppose your opinions and suggestions... Over several thousand years China has developed a habit, if ordinary people have any issues they look to the government, and they’d like to listen to whatever the government says. But you (neighbours) are small people, we are all ordinary residents in the same community, you are equal to me, thus you have no authority over me. For example, when a person from the Community Residents’ Committee says “Quiet” during a Community Council meeting, everybody will obey his order rather than their neighbours’ order (Author’s translation) (Resident H from Z City H District W Community, 20151028).

This shows how factions and fragmentation among community residents began to appear due to partial empowerment in policy implementation. Therefore, gradually, W community council members no longer adhered to the community’s 10 procedural rules. In addition, it

was difficult for them to form a consensus through voting. At the same time, the Community Party Committee and Community Residents' Committee also gradually strengthened their intervention into the resolutions of the community council. As the Party Secretary said:

Nowadays, the entire design process of the proceedings is like this: The Community Residents' Committee receives the residents' proposals, the Community Party Committee initially reviews it, then the Community Residents' Committee reviews it, and then the community council gives it a final review. Possibly in some practical operations, for example, some projects may involve questions regarding social stability, it is necessary to give more comprehensive consideration, and on these occasions, after the final review, it needs to come back to the Community Party Committee for comprehensive consideration, and the Community Party Committee has the right to veto the proposal (Author's translation) (Secretary of Community Party Committee from Z City H District W Community, 20151026).

Over time, fewer and fewer residents have taken part in the community council, and forming resolutions is becoming harder and harder. W community's experiment in autonomy, when considered from several viewpoints, "can be said to have failed" (Director of the Civil Affairs Bureau of Z city, H District, 20151029). This again shows that with the aggravation of internal fragmentation amongst community residents, the inherent community power structure is further strengthened.

'Decentralization' or 'Centralization'? Internal structural tensions in the bureaucratic system

'Devolution' (还权), or the empowerment of society to be self-organized (赋能), and the promotion of effective governance functions (归位), are common terms in the prevailing

policy discourse on government implementation of community public services supply-side reforms. However, with regards to 'giving rights to the residents', or 'decentralization', the different levels of the bureaucratic system (district, street, community) frequently have different criteria and use different logic in their decision-making processes. The most common is that there is often a certain level of structural tension between government planned 'decentralization' at district level, and actually executed 'centralization' at the street and community level. Take City Z, H District W community, for example. According to H District's Civil Affairs Bureau introduction:

Originally we had this tentative plan - W community has elected more than 20 community council members amongst all the residents, right? We've planned to let them decide all public affairs within the community. We expected that after a few years, the residents' ability of self-governance will gradually increase and they could also learn the skills of rational negotiation (Director of the Civil Affairs Bureau of Z City H District, 20151029).

However, because the pilot scheme was relatively "ahead of its time", and there was no existing role model, in practice, the street office and Community Party Committee had a relatively large degree of autonomy. W community's Party Secretary, when discussing the community council's decision-making process, had this to say:

For each residents' motion, the Community Party Committee (on behalf of the CCP) and the Community Residents' Committee (on behalf of local governments) must both review it and decide whether or not the motion is reasonable. If it is reasonable, it needs to be discussed by the council and during this discussion the Community Party Committee and the Community Residents' Committee have to decide whether or not it is feasible to implement it. Without this framework, many residents will become more and more arrogant and want to have the final say on community affairs all by themselves. That might cause tremendous trouble. If the Community Party

Committee has the right to veto, things would be under control (Author's translation) (Director of Community Residents' Committee from City Z, H District W Community, 20151026).

Here, we can see that, compared to public policy innovation, stability which could be easier achieved by centralization is of much more importance. From the Community Residents' Committee's point of view, centralization instead of decentralization at community level has three benefits. First, it counters the 'pressure systems' of political contests (Rong et al., 1998); second, it preserves the intrinsic power structure and authority of the Community Residents' Committee; third, it reduces the 'unstable risks' of devolution to the society. From the street offices' point of view, they often tacitly acquiesce in the Community Residents' Committees' "flexibility and expediency" and their "selective handling" (Yang & Yu, 2012) when implementing higher level policies.

As grassroots street offices, which have limited power and resources but unlimited responsibilities, want to quickly and efficiently complete the administrative orders issued by higher levels, they still have to depend on Community Residents' Committees: who can help them a lot by fulfilling specific administrative tasks and mobilizing local residents. At the same time, the stability of the community is also a buffer zone for the street office. Therefore, both sides "conspire" (Zhou, 2008) to maintain structural stability. After all, with the pressures of 'political correctness' and "stability overrides everything", maintaining stability seems to be more rational than facing uncertainties brought about by innovation. Therefore, taking advantage of the "fuzzy contract" (Huang, 2015) given by city or district level government agencies, street offices and Community Residents' Committees borrow "the visible hand" and "the invisible hand" (Wang & Wu, 2011), and realize the self-replication and self-reproduction of grassroots communities' governance structures.

Given the various reasons outlined above, we still cannot make too perfunctory or too optimistic a judgement. Although in recent years, some local governments have helped

community residents become self-organized in the process of urban community public service provision, on the evidence of this case study analysis, we still cannot reach the conclusion that it has already become an effective route to creating community-level society.

Section 5: Conclusion and discussion

This article took 'state-society' relations as a starting point: clarifying former misunderstandings about this key relationship, then making preliminary remarks about the developmental trend of 'mutual empowerment' between state and society. The discussion then returned to a question of general concern for sociologists: "Where does society come from?", a traditional theoretical question concerning 'the creation of society'.

In China, sociological researchers used to think that society could grow spontaneously in the community (which could be the first route to the creation of society). However, over the past few years, they have been somewhat disappointed in this regard. With the changing relationships between the state and society, the level of residents' 'self-organization' did indeed increase somewhat, but it is growing extremely slowly and still not to the extent that proponents in academic circles anticipated. They expected a society born in the public sphere in the community: external to, and independent from, the state and the markets, having a relatively high degree of autonomy and public spiritedness. In recent years, through local governments' practice of "optimizing the supply structure of urban community public services", some of them have helped residents organize themselves, establish Community Councils, give them some funds and let them discuss and decide for themselves how to spend their money.

However, in practice, local governments have merely set up a platform (Community Council) for the residents to run by themselves. In this scenario, we can see that it is the external force (from the government) (他组织) that helps the residents become self-organized (自组织): which in turn could become a second route to the creation of society.

By analysing this new path to the development of 'state-made society', this paper reached the following conclusions. First, as far as most local governments are concerned, 'creating society' is merely an 'intermediate product' or 'unintended consequence', brought about during the process of increasing its own incremental legitimacy, reducing grassroots society's self-organization, powerlessness and disorderliness, and raising the efficiency of government administration - while also reducing its costs. In the localized practice of 'government making society', there is still not enough evidence to conclude that the state is deliberately doing this.

Second, it is undeniable that the local practice of 'state-made society' has a positive effect on both government and society. From the former's point of view, local governments have not only improved the public services supply structure, but have also raised its efficiency and accelerated the transformation of government functions in responding efficiently to projects proposed by community councils and local governments. Moreover, this has frequently optimized the speed of response between different levels of government and different agencies and branches of it. It has led to the development of effective collaborative services that have increased the wellbeing of community residents.

From society's point of view, incentivized by 'economic elements' (Community Public Service Funds), under the guidance of 'administrative elements' (local governments), we can, to a certain extent, see the integration and reorganization of 'social elements' (residents' autonomy) at the community level. On the one hand, the practice of urban community residents' self-organization, driven by external forces, has inspired and trained community members, especially those who are passionate and concerned about community public affairs, into participating in grassroots democratic consultations. On the other, this kind of practice has established a connection between residents' 'self-organization' and residents' 'public spiritedness', which helps push them from 'cultural spaces' or 'reciprocal spaces' (which are only small scale interest groups or for mutual entertainment and benefit)

towards more extensive, communal 'political public spaces'. Objectively speaking, it has promoted the construction of "social infrastructure" (Gu, 2004) and urban community level social creation. Therefore, it can be said that the local practice of 'state-made society' is indeed beneficial: for the case study material suggests that it promotes mutual empowerment of state and society.

Third, we still need to avoid being too hasty or overly optimistic in concluding that the local practice of 'government-organized' promotion of the 'self-organization' of society has become an effective way of promoting social creation at the community level. After all, during the process of 'state-made society', it is still possible to see a divergence between 'policy documents' and 'policy practice'. The urgency of policy implementation, incomplete empowerment and bureaucratic structural tensions have all, to a certain extent, not succeeded in enhancing the self-organizational level of grassroots community; rather, they have increased community residents' dependence on the government and internal divisions, as well as increasing the centralization of grassroots government: thereby advancing the reproduction of 'dependence', 'fragmentation' and 'centralization'. Helping maintain the stability and self-replication of grassroots level social governance structure actually makes it more difficult for it to be reformed.

In summary, whether it is 'intentionally' or 'unintentionally' 'state-made society', the present findings suggest that, objectively speaking, the post-16th Committee governance reforms have, to a greater or lesser extent, reshaped grassroots' social power structures, optimized the prevailing model of grassroots social governance and released the space, opportunities and possibilities for the creation of society. However, the original intentions, implementation logic and objective results of 'state-made society' still need more detailed observation and in-depth analysis.

After all, state power not only shapes the physical space of urban society; but within that physical space, it can also shape the benefit structure and social relations between

people. The state's institutional arrangements for grassroots-level social governance and social services limit the power boundaries, dynamic mechanisms, and both the practice and the direction of social creation. On the one hand, this provides an opportunity for social creation; yet on the other, it possibly creates distortions in social creation. At the same time, residents' self-organization produced by local governments can sometimes encounter greater instability, because it may be mixed with personal interest, lack substantive representation and effective checks and balances.

Some Community Residents' Councils, although they have the organizational frameworks for residents' autonomy, nonetheless lack the true essence of residents' autonomy. These frameworks operate as the "mere skeleton" or "appendages" (Foster, 2002): something deeply embedded in the logic of the local bureaucracy. They have not yet played a sufficient role in optimizing the community public services supply process, neither improved the grassroots social governance structure, nor promoted community residents' autonomy and the creation of society. Therefore, we cannot simply judge whether 'self-organized' or 'government-organized' is the best way to analyse contemporary urban governance developments in China. It is true that we cannot deny the importance of the 'self-organized' path for 'social creation', yet it is still necessary to explore the effective transformation mechanism of 'government-organized' promotion of society's 'self-organization'.

The limitations of the present research are that in order to discuss things at the macro level, in most cases, 'local government' has been used to replace 'the state': thus, there is the danger of simplifying the meaning of the latter. At the same time, 'local government' itself is not a homogenized whole – it has different internal power structures, bureaucratic systems, segmentations and benefit differentiations. There is scope for further consideration of what characterizes successful 'social creation'. During the process of analysing 'state-made society', more attention has been paid to the state's perspective, to

the detriment of the tactics and responses of society itself (as well as those of 'market bodies' and 'social organizations'). In future research, these areas need further detailed consideration.

Finally, in the current social context, perhaps it is only the state's 'empowering effect', via the 'complete empowerment' of society, which promotes society's 'self-creation' and realizes state and society's 'mutual empowerment', which can indeed optimize China's 'state-society' relations, and promote the health, harmony, stability and development of society.

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3. Structural Differentiation: Social organizations in contemporary Chinese community governance

Xiang Jinglin

Abstract: *Against the backdrop of the contrast between the rapid development of social organizations (SOs) and the limited effect of their participation in community governance, this paper discusses the relationship between social organizations and community governance. Its analytical framework explores SOs' external environment and the match between supply and demand across different governance levels. Specifically, it focuses on the problem of matching supply and demand with respect to social organizations and community governance; and analyses the key factors responsible for this inadequate matching as well as possible solutions. The study shows the following: i) from the perspective of demand, embeddedness and professionalism are two basic requirements that social organizations need, in order to support community governance. However, on the supply side, structural differentiation has occurred among social organizations engaged in community governance, where floating professional social organization (PSOs) (with a low level of embeddedness), weak community-based social organizations (with a low level of professionalism), a small number of ideal social organizations (with a high level of embeddedness and professionalism) and other types of social organizations (with a low level of embeddedness and professionalism) coexist, resulting in an inadequate match between supply and demand. ii) The top-down government environment and bottom-up community environment are key in affecting structural differentiation, and the core influencing mechanism is resource dependence. iii) A possible solution is to strengthen the embeddedness of PSOs and promote the professionalization of community-based social organizations, enabling better understanding of the practice and exploration of grassroots governance.*

Keywords: Community governance (CG); structural differentiation (SD); professional social organization (PSO); community-based social organization (CBSO).

Introduction

In recent years, pushing social organizations to participate in community governance (CG) has become an important measure aimed at the modernization of China's social governance system, and formed an important part of governance capacity-building. To this end, the Chinese government has issued several guidelines and policies regarding social organizations. For example, in 2013, the 18th National Congress of the Communist Party of China (CPC) proposed “innovating the social governance system, [and] improving the way of social governance and stimulating the vitality of social organizations”, placing the focus on fostering and giving priority to developing four types of social organizations, including those providing urban and rural community services. Subsequently, in 2016, the General Offices of the CPC Central Committee and the State Council issued their *Opinions on Reforming the Social Organizations Administration System and Promoting Their Orderly and Healthy Development*, proposing "making great efforts to foster and develop community-based social organizations (CBSOs)."

In 2017, the *Report to the 19th CPC National Congress* made it clear that it is essential to "build a social governance pattern of co-construction, co-governance and sharing... strengthen the CG system, shift the focus of social governance to the community level, bring social organizations into play, and realize the benign interaction of government, governance, social regulation and resident autonomy." On the other hand, local governments across the country pursued innovation in social governance, investing considerable resources in promoting the participation of social organizations in CG. From this point of view, the participation of social organizations in community governance generally has a good institutional basis.

It is not difficult to find confusing phenomena, nevertheless, if a closer look is taken at the practice of social organizations' participation in CG. On the one hand, as the government system stepped up top down policy communication and encouraged innovative practices in social governance at grassroots level – with reforms introduced one after another – this frequently led to lowered requirements on the registration of social organizations and increased purchase of services from social organizations, with a large number of hub-type social organizations established. As a result, social organizations increased rapidly in number¹¹: especially those providing various kinds of social services, many of which were contracted by governments to provide communities with services in various forms. In the meantime, CBSOs also received financial support from communities and their Party organizations.

On the other hand, as observed by many researchers and leaders of grassroots, community Party and autonomous mass organizations, the practical role that social organizations play in CG is still very limited. Social organizations have limited autonomy, incline to offer services rather than participate in governance, rarely go deep into communities, have inadequate capabilities to deal with a broader range of problems, and are not strong enough to sustain themselves as independent actors. Moreover, for different communities, social organizations differ considerably in the effects of their participating in CG.

The governance reforms mentioned above raise key questions that we will discuss in the course of this article. For example: what is the significance of the stark contrast between the rapid development of social organizations (e.g. their quantity, scale, pace of development, etc.) and the limited effects of their participating in CG? Why is such contrast ubiquitous, what causes it, and what possible ways may there be to deal with this problem? No studies to date have provided a systematic and proper explanation.

¹¹ Studies show that, as of 2016, China had 702,000 social organizations altogether, an increase of 155,000 from 2012 (Yang Yiyong and Huang Yanfen, 2017). If unregistered CBSOs were included, the total number of social organizations in China would be much bigger.

A review of the exiting research shows it mainly covers the following three aspects: first, studies have focused on the relationship between the state/government and social organizations. These emphasize the government's administrative systems and strategies regarding social organizations, often proposing a range of concepts to describe the relationship between the government and social organizations (e.g. "macroscopic encouragement, microscopic constraint" (Yu Keping, 2006), "control by classifications" (Kang Xiaoguang and Han Heng, 2005), "control and support" (Tao Chuanjin, 2008), "interest convergence" (Jiang Hua et al, 2011), and "development by classifications" (Tian Kai, 2016)).

This research holds that the government has two basic attitudes or management strategies concerning social organizations: namely, control and development. The former is the central reason for the limited development of social organizations. Yet such authors pay attention to the relationship between the government and social organizations, not that of social organizations to communities. They presuppose a linear relationship between the official constraint of the system and the development of social organizations - but provide no analysis of the relationship between the development of social organizations and the effects of social governance. Furthermore, these studies focus more on macroscopic structural discussion than research into microscopic mechanisms.

Second: studies that focus on empirical models regarding social organizations participating in social governance. Based on the texts of national and local governments, these focus on the role that social organizations are expected to have in CG. They also discuss how to push for their participation in CG, identify local empirical practices (Guan Xinping, 2011; Gao Hong, 2011) and what actual problems there are in this respect, and summarize effective paths and concrete ways of pushing for social organizations' participation in CG. Such studies pay more attention to normative research than substantive outcomes of participation. In some cases, an analytical framework has been developed, yet the research has failed to answer why, despite government efforts, there are still less than expected effects of social

organizations' participation in CG. In addition, there is a lack of detailed empirical research (Yu Jianxing and Jin Lei, 2012).

Third, studies have focused on the practical institutional environment and its influence on social organizations. Studies on this level in recent years have attempted to break with the above-mentioned macroscopic and microscopic studies and analyse: with the logic chain from "the institutional environment to social organizations to outcomes of governance" as their point of departure. They have focused on the characteristics of the institutional environment confronting social organizations, as well as outcomes of governance emanating from them (Huang Xiaochun, 2014, 2015, 2017). These studies have noted that the project system affects the structure of CG; its intrinsic technical rationality leads to such problems with social organizations as dependence on projects and estrangement from communities, inadequate sustainability, and imbalance of development (Yu Jinmei et al., 2014; Zhang Qiongwen et al., 2015).

This research, however, has focused mainly on the impact of the transformation in the government's governance mechanism over social organizations (Huang Xiaochun and Zhou Li'an, 2017). Moreover, it has failed to examine the problem theoretically by examining the links between social organizations, government and communities; and in rare cases, unveil the structural characteristics of the sphere of social organizations.

To sum up, existing studies have focused more on the relationship between the state and society or between the government and social organizations (to discuss the characteristics of the environment in which social organizations operate), than that between social organizations and communities and related examinations of the matching mechanisms between them. Research to date lacks a bottom-up perspective relative to communities or developed from the field of social organizations; and is unable to provide fundamental, systematic and mechanism-oriented thinking for understanding the relationship between social organizations and CG. Therefore, this article attempts to start from the perspective of

organizational sociology and focus on the match between social organizations and CG, influencing factors and possible solutions, providing analytical thinking on the issue at hand.

This article builds a theoretical framework that comprises "external environment, supply-demand matching, and governance level," through which to analyse problems with social organization participating in CG. Here the external environment means that where social organizations participate in CG, including the top-down government environment and the bottom-up community environment; supply-demand matching refers to the matching relationship between demand which communities have for social organizations and the supply which the latter offer to meet what the former demand; and governance level is the degree to which social organizations participate in and interact with CG.

The ensuing analysis has three parts. First, it looks at the match between demand-side CG and supply-side social organizations and points out the limited effects of social organizations participating in CG. This shows that the problem is essentially the inadequate match between supply and demand. In other words, social organizations fail to satisfy what communities demand. Second, we analyse environmental factors that affect supply-demand matching. Finally, the paper examines the consequences of inadequate supply-demand matching, as well as proposing solutions that grassroots governments and communities could introduce to improve the supply-demand relationship.

Social Organizations and CG: Supply-demand matching

On the demand side: Double demand in CG for social organizations

CG has multifarious demand for social organizations, which differ from community to community and are dynamic. If properly simplified theoretically, this article believes that CG social organizations exhibit two features: embeddedness, the degree to which social organizations are embedded in communities (Zhang Qiongwen, 2015); and professionalism, the professional ability that social organizations have to deal with problems about CG. These

two aspects may be used as basic yardsticks by which to measure the supply-demand matching relationship between social organizations and CG.

Embeddedness reflects the degree of correlation/integration between social organizations and communities: with indicators measuring, among other things, to what degree social organizations grasp community demand, understand cultural and value systems of communities, earn trust from community residents and networking resources and take root in communities. The reason embeddedness is required is that it has a direct effect on whether the actual operation of social organizations accord with community development.

Professionalism reflects the capabilities of social organizations participating in CG (Guan Xinping, 2011): including such indicators as the quantity and level of full-time employees, professionals, expertise, technical facilities, internal management and other aspects of social organizations, which determines to what degree social organizations can deal with problems others cannot, and help improve the efficiency or quality of CG. The reason professionalism is significant is that it has a direct effect on the capacity of social organizations to address community problems practically.

If we combine these two dimensions, we may divide social organizations participating in CG into four ideal types (see Figure 1). In the figure below, A stands for social organizations with a higher level of both embeddedness and professionalism; B for social organizations with a higher level of embeddedness and a lower level of professionalism; C for social organizations with a lower level of embeddedness and a higher level of professionalism; and D for those with a lower level of both embeddedness and professionalism. Generally speaking, A and D are types of social organization for which the degree of CG demand is highest and lowest respectively; while B and C are two types of social organization for which the degree of CG demand is moderate. The arrows between them mean that the government or communities have a demand for changing social organizations from D to B or C to A.

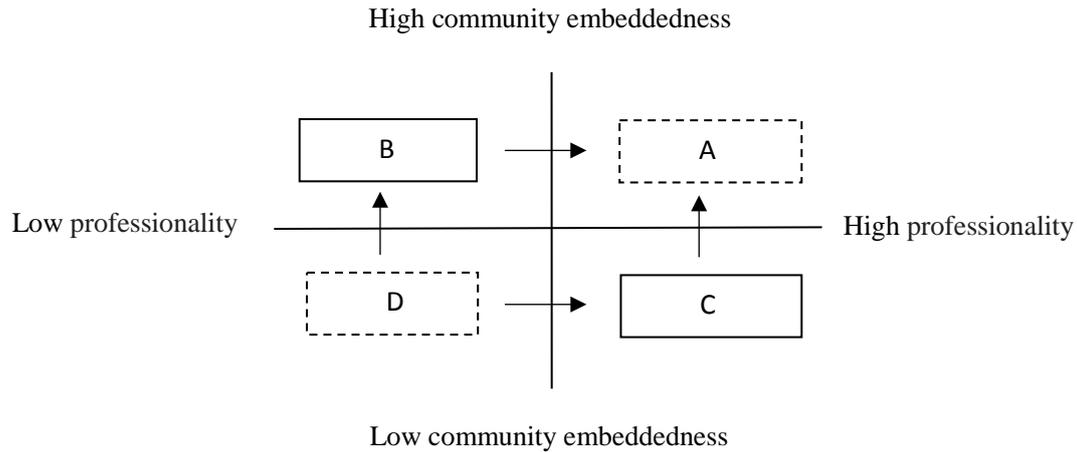


Figure 1. CG Demand and Types of Social Organization

On the Supply Side: Structural differentiation of social organizations

Given the CG demand, social organizations on the supply side are not a monolithic bloc and often, within the field, structural differentiation (SD) occurs. In other words, social organizations participating in CG do not all belong to one of the four types; but there is a relatively stable structure of their distribution among them. So-called SD means that in the process of CG, different types of social organizations form distinct differences from one another: which gradually solidify in terms of their objects of focus, actual functions, working mechanisms and relationships with communities.

To urban and rural communities in contemporary China, there are two main categories of social organization participating in CG: (1) Professional social organizations (PSOs), created outside communities and officially registered with civil affairs authorities. These participate in CG by, for example, undertaking service projects that the government purchases, including social work service organizations that have emerged in large numbers in recent years. (2) CBSOs, grassroots social organizations which "are founded by community residents to serve urban and rural communities by providing charitable, aid, cultural, sport and

entertainment, and/or agricultural services"¹². This second type are often not officially registered; instead, they're simply put on record at sub-district offices or town governments and rely on self-organization and management of community residents.

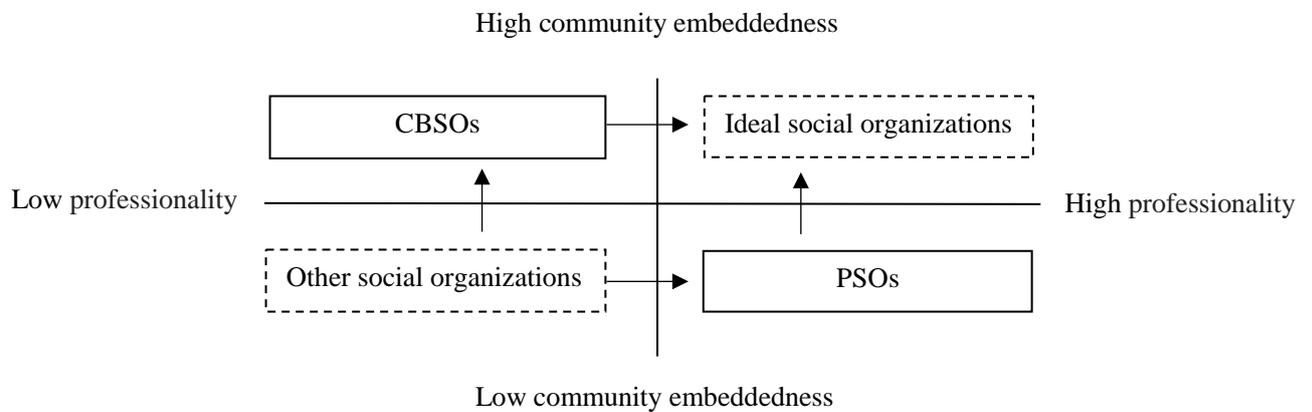


Figure 2. SD: Supply-Side Social Organizations

As shown in Figure 2, there is SD among social organizations participating in urban and rural CG. Social organizations with a higher degree of both community embeddedness and professionalism are ideal social organizations which grassroots governments, officials and community residents are in dire need of, but are few in number. Most CBSOs have a higher degree of community embeddedness but a lower degree of professionalism, with inadequate capabilities of governance. In contrast, most PSOs, with their relatively high degree of professionalism, are the main body from which the government purchase services; but have a lower degree of community embeddedness, meaning a limited degree to which they participate in CG. In addition, there are also many social organizations with a lower degree of both community embeddedness and professionalism: for example, those ‘zombie’ social organizations that have not been annually audited nor carried out activities for years. Given

¹² See ‘Opinions of the Ministry of Civil Affairs on Stepping up Community-based Social Organizations’.

all these social organizations, there arises the problem of overall supply-demand matching in relation to their participating in CG.

Generally, the SD among social organizations participating in CG is manifest in different participatory situations, logic and trends, in a basic environment where simultaneously, there are "floating PSOs", "weak CBSOs", "a small number of ideal social organizations" and "other types of social organization". The term 'SD', it should be noted, is used here in relation to CG. This article does not deny that different social organizations have different service objects and priority areas; but is intended to provide a structural picture of social organizations on the supply side and present their matching relationship with CG.

Moreover, Figure 2 represents a general picture of social organizations and does not deny differences which may exist between PSOs or CBSOs. First, as shown by the solid line arrows, this article recognizes that some PSOs have a higher degree of community embeddedness and some CBSOs have a higher degree of professionalism, including these social organizations in the 'ideal' category. In practice, we indeed could find some outstanding PSOs that pay particular attention to in-depth community embeddedness: manifested by, for instance, their being highly acquainted with and closely following community developments, trusted by community residents, and capable of having an accurate grip of community needs and mobilizing all kinds of resources at community level. On the other hand, we also may find some CBSOs with a higher degree of professionalism, thanks to their members' diverse backgrounds and extensive knowledge.

Second, as shown by the dotted line arrows, PSOs are likely to weaken professionally, and CBSOs in respect of embeddedness; there is the likelihood that they change into "other social organizations". We indeed could find, in practice, many PSOs with a very low level of professionalism, and many CBSOs limited to a minority of residents with a low degree of integration with communities, gradually declining and struggling to continue operating.

Supply-Demand Matching

The SD discussed above leads to widespread inadequate supply-demand matching between CG and social organizations. Considering that PSOs and CBSOs are two relatively common types of social organizations, the following analysis focuses on the match between them and community demand.

The problem with PSOs participating in CG mainly manifests itself in three aspects. The first is about their understanding of community demand. Due to their low embeddedness, PSOs often enter a community by undertaking a government-purchased service project: they pay attention to only a particular aspect of the community's needs, do not have an adequate understanding of the community, nor a full grip on community demand. The second is about mechanisms for participation in governance. After entering a community, PSOs have to engage and collaborate with diverse stakeholders from within the community - the neighbourhood committee, CBSOs, residents, etc. - but if they are unable to properly do this and collaborate inadequately with CBSOs, they will find it difficult to earn trust from community residents.

The third is about the accumulation of effects. PSOs, even if they have achieved some effects in respect of CG, will struggle to produce and accumulate governance effects on a continual basis, given their low levels of embeddedness and high degrees of mobility. Such effects, even if already accumulated, would be difficult to spread or extend within communities, given the lack of related mechanisms as a result of the PSOs' mobility.

In addition, the problem with CBSOs participating in CG mainly manifests itself in three ways. The first is about the stability of these social organizations. CBSOs are not stable in terms of their staffing or structure, among other respects. They are small in size, staffed much more by part-time employees (predominantly seniors) than full-time ones, have a high turnover rate of employees, and often lack competent leaders and a core team, making it hard for them

to operate effectively. The high instability of CBSOs in itself would affect their ability to participate in CG.

The second is about the scope of jobs they can do. A lack of professionals and expertise hinders CBSOs in addressing problems, especially complicated or technical ones; often, they must turn to public or private resources of neighbourhood committees and residents. The third is about how effectively they participate in governance. As they lack professionalism, CBSOs can usually identify problems or needs but have difficulty providing strategies or solutions; and if anything, what results is quite general and broad, and often not tailored to specific circumstances.

Environmental Factors and Influencing Mechanisms

In the ensuing discussion, the article will analyse the factors influencing SD among social organizations participating in CG. Theoretically, there are at least four levels of factors that affect SD among social organizations: the individual level, organizational level, governance level, and environmental level. This article mainly discusses influencing factors at the environmental level.

We will follow a logical chain of "external environment - organizational characteristic - level of governance", as shown in Table 1 below; and analyse different external environments facing PSOs and CBSOs, their operational characteristics in the corresponding environments, and their effects on CG. In dealing with the relationship between external environments and the operation of organizations, this article takes a perspective of resource dependence (Pfeffer & Salancik, 1978) in organizational sociology, and lays emphasis on important effects that sources of resource supply have on the behavioural characteristics of social organizations participating in CG.

Table 1. External Environment - Organizational Characteristic - Level of Governance

Type of Organization	Environmental Characteristic	Resource Dependence	Organizational Operation	Problem	Level of Governance
PSO	Responsibility for higher-ups	Dependence on government	Attention allocation	Degree of embeddedness	Degree of participation in governance
CBSO	Endogeneity	Dependency on community resources	Resource integration	Degree of professionalism	Governance capacity

The Environment for PSOs

Responsibility for Higher-Up: Dependence on government resources.

PSOs, generally established outside communities, mainly face an external environment that is more related to local governments as resource suppliers than to communities as parties in need of governance. They chiefly acquire resources through such mechanisms as bidding and government procurement, obtaining financial support from governments by applying for specific project funding. Many PSOs "strongly desire to acquire resources and stick to instrumentalist development strategies rather than making strategies based on particular public values" (Li Youmei et al., 2012: 131). As a result, between the government and PSOs is a "responsibility for a higher-up system"; and these social organizations are mainly responsible to the government as the contract awarding party.

Attention Allocation: Limited focus on communities

The "responsibility for higher-up system" affects PSOs with respect to their attention allocation. In other words, they tend to concentrate on finding more project resources (Huang Xiaochun and Ji Xin, 2014). The first is attention allocation between the government and communities. PSOs are concerned more with the top-down contracts that reflect government priorities than with bottom-up needs of communities. The second is attention allocation between multiple and specific projects. PSOs pay more attention to how to acquire more project funding than completing particular projects. The third is attention allocation between the application for and execution of projects. PSOs pay more attention to how to win projects and obtain resources than how to implement them effectively.

Degree of Embeddedness: Floating above communities.

The above characteristics of attention allocation would lead PSOs to 'float above' communities. First, the scope of participation in governance is limited by approval constraints on government projects and to the particular fields specified by those projects. Second, participation in governance is not active. PSOs are more concerned with obtaining project funding and providing services than truly getting involved in CG and addressing community concerns. Third, participation is unstable. The state of the relationship between PSOs and specific communities is generally not stable and changes with projects awarded funding by the government. All the above affect the degree of PSOs participating in CG, bringing about difficulties in access to communities and the relationship between multiple stakeholders; as well as problems around the accumulation of governance effects, ultimately affecting the level of CG.

Yet while the above logic chain shows the actual state of many PSOs participating in CG, not all follow this behaviour: a few have displayed the characteristics of ideal social organizations. In recent years in grassroots governance, for example, a number of outstanding

PSOs have emerged which, though they might differ from one another in specific forms of participation in CG, have one thing in common: they could be clearly defined as public interest-oriented, rather than behaving purely to acquire resources; stay close to community residents and integrate into CG.

The Environment for CBSOs

Community Endogeneity: Dependency on community resources

CBSOs operate in the communities where they originated and remain based, independent of external environments. The main way through which CBSOs obtain resources is to mobilize through various other organizations and non-official connections among other channels within communities: drawing down resources scattered inside communities, including material, cultural, human, and other resources. In addition, in recent years, the state has invested large resources in urban and rural grassroots communities; but those are intended for use in all aspects of communities, with quite limited a proportion of them going to CBSOs. Therefore, CBSOs rely more on resources generated from inside communities.

Resource Integration: Difficulties involved

The endogenous nature of CBSOs affects their ability to draw down resources, with many such organizations facing the difficulty of effectively integrating community resources (Gao Hong, 2011). First, communities differ from one another in terms of their stock of resources, which determines the amount that CBSOs can obtain. Second, different communities have different resource composition; the governance capacity of CBSOs is closely associated with the degree of complementarity of resources to be integrated. Third, communities may differ in their resource integration mechanisms, which mainly include authority-supported vertical integration and social capital-supported horizontal integration (Putnam, 2001). Social capital, at the core of which are trust, norms and networks, represents a much more common resource integration mechanism.

Degree of professionalism: Weak governance capacity

The characteristics of resource integration, outlined above, make the capacity of CBSOs participating in CG rather weak on the whole. There are several reasons for this. The first is the vulnerability of organizations themselves. Community resources have an influence on the age and knowledge structures of CBSO employees, as well as their internal governance structures. Most CBSOs have a membership of predominantly middle-aged and elderly people, a simple knowledge structure, largely inadequate internal governance structures, and operate in ways that are neither regularized nor stable.

The second is the change of resource mobilization. CBSOs' level of governance relative to communities' changes with the state of community resources and mobilization. Even in communities with plentiful resources, ability to mobilize these is important, which is why most of these social organizations do not have adequate capacity for participating in CG. The third is the limited scope of participation. In practice, CBSOs are focused more on particular groups of people with shared interests or hobbies – say, entertainment - than getting immersed in CG (Li Youmei et al., 2012).

However, the few exceptions to this include social organizations spontaneously formed in recent years in many urban communities: such as parking self-regulation committees that have played quite an important role in solving difficulties in parking and engaging residents in community consultation; in other words, they have participated in CG effectively. These organizations have one common characteristic: they could, with the help of grassroots government and autonomous mass organizations, integrate various resources and improve their governance abilities.

Given the above analysis, we still need to answer two questions: in practice, when the problem of inadequate matching between social organizations and CG is prevalent, what is the relationship between professional organisations, community-based social organizations and the state? Why is there only a small number of such ideal social organizations? In order

to answer these, the paper examines the response strategies that governments and communities adopt as well as the constraints of these.

Response Strategies and their Constraints

Local governments and autonomous mass grassroots organizations have adopted several strategies aimed at dealing with the problem of SD among social organizations participating in CG, for related environmental reasons. Given the analytical framework defined earlier, those strategies may be understood in two ways: strengthening the embeddedness of PSOs; and enhancing the professionalism of CBSOs. In practice, achieving embeddedness and professionalism requires longer-term efforts to be made continuously.

Strengthening the Embeddedness of PSOs

There are diverse ways through which to strengthen the embeddedness of PSOs. At the core here is how to better integrate them into communities. Exploring these issues mainly involves three important mechanisms: evaluation, entry, and long-term.

Evaluation mechanisms: Degree of penetration.

Since PSOs' attention allocation is mainly influenced by the government, when purchasing services from these organizations, it could pay attention to evaluation mechanism-building and the quality of services. Introducing indicators relating to community embeddedness of PSOs could help guide the process of evaluation. Such indicators could include, for example, whether PSOs have performed a thorough survey of community needs; whether they have sustained regular staff members in communities; and how long and how satisfied the organizations and residents within communities are with services that PSOs have provided.

Entry mechanisms: Relations between neighbourhood committees and PSOs

The degree of community embeddedness of professional social organizations is closely associated with the extent to which they are supported by autonomous mass grassroots organizations: in other words, neighbourhood or village committees. Without positive support from these, PSOs' engagement with urban and rural communities is limited. Local governments believe it is important to build good relations between neighbourhood/village committees and PSOs: by seeking the former's support and latter's cooperation, and requiring good relations between both.

Long-term mechanisms: Project support

To enable PSOs to take root in communities providing services and participating in governance, some local governments have begun operating long-term service purchase projects. This shift from their previous practice of seeking quick results makes it possible to maintain relatively stable relations with and continue to accumulate effects in communities. Long-term projects allow PSOs to help build CBSOs by, for example, training them in professional knowledge, techniques and skills.

Despite the above explorations by local governments, mature, universal practices have yet to emerge. On the evaluation mechanism, the general approach that local governments adopt in purchasing services is to have social organizations evaluated by third-party expert teams; but this is usually limited to contractual procedures and contents - characteristic of technical governance - and often neglects what is most important: whether they address the needs of communities and residents. Moreover, pushing these three mechanisms would touch on matters dealing with relations between various government departments and related systems, making it necessary to carry out reforms.

Enhancing the professionalism of CBSOs

Enhancing the professionalism of CBSOs involves the interplay of community infrastructure, governance structure and external resources. Practical efforts at grassroots level include community-building regarding infrastructure, collaboration between communities, social organizations and social workers, and knowledge training: all as resources introduced into communities.

Infrastructure: Community building

In the long run, the development of CBSOs is influenced by community infrastructure, and community-building represents the fundamental pathway for their development. Community-building helps increase the stock and optimize the structure of community resources; foster community civility, social capital and capacity for self-organization; and integrate community resources better for effective use by CBSOs: thereby providing basic support for improving the professionalism and governance capacity of CBSOs.

Collaboration between communities, social organizations and social workers

In the medium term, fostering CBSOs with a certain level of professionalism through collaboration with professional organizations or personnel, training them in professional skills and methods for providing services and participating in governance, are also important ways of improving the professionalism and governance ability of CBSOs. In recent years, many local governments have been pushing for collaboration between communities, social organizations and social workers, by making moves in this direction.

Bringing in resources: Knowledge and training

In the short run, a method widely adopted by local governments is to introduce different types of resources into communities, aimed at addressing specific governance issues: including expert lectures and knowledge training programmes to help CBSOs acquire skills in technical methods, governance structures and operational mechanisms typical of PSOs; as well as knowledge about scheme designing, activity planning, collaboration on governance, rules making, project application and dispute settlement.

Yet these explorations need to take account of the time it takes for new practices to take hold. Long, medium and short-term impacts on the professionalism of CBSOs happen in descending order, and are costs to be incurred for them. It follows naturally that short-term resource input may have some impact, but does not work effectively to improve capabilities.

Limitations and Way Out

The foregoing experiments by local governments and autonomous mass organizations at grassroots level have yet to change the basic environment of SD among social organizations participating in CG. This illustrates that the existing explorations have their limitations. On the one hand, institutional arrangements involved in existing explorations are still far from perfect; on the other, these are mainly focused on the incentive and constraint roles of resources relative to social organizations, without considering the more important guiding role of culture. In other words, although resource dependence is the central mechanism contributing to SD, simply regulating the roles of the resource incentive and constraint mechanism is not enough to bring about changes in the state of SD. In the long run, to solve the problem of matching social organizations and CG hinges on culture-building centred on public consciousness.

Discussion and Conclusion

This article has looked into the relationship of social organizations to CG: taking as its point of departure the rapid development of social organizations versus the limited effects of their participating in CG. By building a theoretical framework that comprises "external environment, supply-demand matching, and governance level", this article has explored the fit between demand-side CG and supply-side social organizations; and pointed to the limited effects of social organization participating in CG.

The article identified the lack of fit between supply and demand as critical; social organizations fail to satisfy what communities demand. On this basis, it examined the environmental factors which may be causing this inadequate match, as well as investigating possible ways of addressing this. Unlike previous studies, this article put social organizations in a dual environment consisting of government and communities; and examined mechanisms for correlation while unveiling the problem of SD among social organizations.

This study arrived at the following five conclusions. First, embeddedness and professionalism are two basic requirements that CG has for social organizations. The limited effects of social organizations participating in CG suggest that they cannot satisfy the two basic requirements. Second, the top-down government and bottom-up community form the dual environment for social organizations participating in CG, becoming the key factor influencing the matching between them. Third, the dual environment affects the organizational character and behavioural logic of various types of social organizations (especially of professional and community-based ones), to the extent that SD arises among social organizations participating in CG; an environment where floating PSOs, weak CBSOs, a few ideal and other types of social organizations co-exist.

Fourth, resource reliance is the core mechanism through which the external environment-shaping social organizations participate in CG. Specifically, PSOs rely heavily on government resources; through agenda setting, this causes them to often float above communities. On the other hand, CBSOs rely heavily on community resources: through

resource integration, this usually renders them quite weak. Fifth, strengthening the embeddedness of PSOs and enhancing the professionalism of CBSOs is possible. Strategies for this have been identified, especially as this exploration helps us better understand the constraints of grassroots governance.

Notes

'Embeddedness' is a classic concept in the sphere of sociology, with diverse meanings and usages (Liu Shiding, 2015). This article uses this concept in the sense of Granovetter (1985), to stress the degree to which social organizations are integrated into the internal networks of communities.

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4. Pushing the Boundaries: Exploring the action space of an NGO in the context of devolution in urban China

Liang Chen

Abstract: *In recent years, governance reforms in China have resulted in significant changes in the role of Non-Governmental Organizations (NGOs). To provide further insight into this shift, this paper presents a case study of a social organization in a city in Southern Jiangsu. Drawing on a qualitative research methodology, the following discussion explores how emerging forms of new governance have expanded NGOs' space for action and given them increased autonomy in the prevailing institutional environment. It also describes the respective action spaces and characteristics of local government. These two strands of the research are synthesized in order to provide new insights into the reshaping of the boundaries between NGOs and the local state. The findings show how, in a government-dominated institutional environment, devolution of power has certain positive impacts on the development of NGOs.*

Keywords: NGO; Action Space; Boundaries, Devolution, Governance

Introduction

In recent years, in the wake of the 18th and 19th CPC Central Committees' reforms on 'social governance', the role of NGOs has developed rapidly in China. The reforms entail a process of 'devolution' – or the transfer of power from central to subordinate tiers of government - as well as other sectors, including the voluntary one, which incorporates community groups. Under this scenario, government plays a guiding role, encouraging and supporting all sectors

of society to participate in governance; rather than have an exclusive reliance on state provision.

In consequence, NGOs' development and their evolving relationship with the government has attracted the attention of many scholars. Existing analysis tells us there are three principal developmental forms of NGOs in China. The first is when government directly delegates part of its public management function to NGOs. The second is when the state transfers market space to non-profit organizations. In such cases, grassroots organizations will emerge. Such a process is closely related to the degree to which a market economy has developed in a specific locale. The third is when government follows market trends, directs and promotes the formation of social autonomy (Jia Xijin, 2003). From a comparative perspective, the first form is most important in the early stages of the development of an NGO. This is especially true in areas where state institutions are traditionally powerful in welfare and service delivery. In such localities, in the wake of reforms introduced by central government, it is common for it to directly participate in, foster, lead and promote the development of NGOs. The most likely consequence is that, in contrast to the changing roles of NGOs seen in Western societies given the rise of welfare pluralism, they take a distinctive developmental route: outlined in the following discussion.

Some earlier studies have explored the strategic behaviour of NGOs in the context of governance reform in the PRC (Wang Xinxian, 2006). Notably, a leading examination underlined the need to analyse the action strategies of NGOs, including their "informal politics" (Zhang Jingen, Zhuang Wenjia, 2008). Such works have enhanced contemporary understanding, not least because they explain key changes in the interaction between government and NGOs. Here, it should be remembered that the government has different ways of managing and supporting different NGOs. For example, there are government organized non-governmental organizations (GONGOs), as well as grassroots NGOs. The latter have different action strategies and influences compared to GONGOs. As White (1993) points out, GONGOS obtain actual influence with government by sacrificing aspects of their

autonomy. Compared to grassroots NGOs, they are more closely aligned with government's agenda.

However, other scholars have taken a contrasting view. Lu Yiyi (2007) for example, believes that GONGOS do have "actual autonomy" – although their close association with the state may suggest otherwise. This brings with certain advantages - for when they are 'embedded' in government agencies, they can play a key role in mobilizing resources and achieving their organizational goals.

These earlier studies describe the relationship between government and NGOs. Adopting contrasting viewpoints, they variously describe how NGOs exist independently of the government; or emphasize that they are attached to the government, as a result of the administration's infiltration into society. Notably, Huang Xiaochun and Yan Xin (2014) apply the theoretical framework of "non-synergetic governance – strategic response" in order to better understand governance transformation in contemporary China. Specifically, they examine the impact of the government's 'governance logic' on NGOs in the context of a post-reform diversified institutional environment.

However, notwithstanding these earlier studies, a key *lacuna* is the lack of discussion about the space and boundaries of actions between the government and NGOs. The following discussion seeks to address this knowledge gap and explores the characteristics of NGOs' action space, boundaries and degrees of autonomy.

The following analysis is a case study of the Chengnan Social Work Service Centre in one city in Southern Jiangsu, China. We examine the institutional environment in this locality and explore the NGO's coping strategies, in order to analyse how it interacts with governments at various levels, seeks to expand its action space, and acquires autonomy. Based on this, the paper then discusses the wider situation, in terms of the characteristics, action space and boundaries between governments and NGOs.

The social work service agency examined in this case study is only one of the many types of NGOs established under the leadership of local government, supported and funded by the state. Such NGOs are more commonly found in the institutional environment of 'strong government'. In order to ensure effective welfare delivery, local government needs to nurture and incubate these NGOs. However, as the following discussion reveals, due to their dependency on government funding and resources, their ability to access resources in the marketplace is limited; most of their services are needed and bought by local government

To explore these issues further, the remainder of this paper is structured thusly: following an outline of the research methodology, the discussion has three sections. First, attention centres on the research context ('Devolution and its impact on the Action Space of NGOs'), sub-divided to consider the challenges of devolved governance, space conflicts and boundary establishment. Subsequently, the case study findings are presented ('Testing the Boundaries: Exploring the actions of Chengnan social work service centre'). Again, the discussion is comprised of two parts: 'Multiple Logics and the Demands of Various Government Departments'; and 'Expanding NGOs' Action Space and Increasing Autonomy Through Testing and Gaming'. Lastly, attention focuses on the boundaries and autonomy formed in the process of testing. The concluding section reflects on how the case study findings advance understandings of the emerging forms of governance in contemporary China.

Methodology

This paper takes Chengnan Social Workers Service Centre as a case study. It uses in-depth interviews and participatory observation methods to conduct case analysis. The data include interviews with and working logs of staff at Chengnan Social Work Service Centre, as well as local government and community residents' committees.

The reason this case study was chosen is that is typical. Chengnan Social Worker Service Centre is a non-governmental organization established by the help of government, because of the perceived need for this service by the state. Yet it has nonetheless gained autonomy despite a strong government environment.

Devolution and its Impact on the Action Space of NGOs

The Challenges of Devolved Governance

The case study city (anonymized for reasons of participant confidentiality) is a county-level city in Southern Jiangsu. In the 1990s, with the rapid development of township and village enterprises, it became representative of the 'Sunan Model': which refers to how Suzhou, Wuxi and Changzhou, all in southern Jiangsu, realized non-agricultural development by evolving township and village enterprises. In the mid-1990s, most township and village enterprises took advantage of their location in the Yangtze River Delta region to attract investment and secure a transformation away from a state monopoly to a mixed economy: including private enterprises, foreign-owned businesses, and new state-owned enterprises. Progress was rapid; the city's economic development was among the top 100 in China (Saidi Consultants, County Economic Research Center, 2019).

In the past three decades, the municipal government has played an active role in the urban development process. Notably, in the face of problems arising amid marketization, it has implemented a series of administrative actions, such as urban-rural integration, equalization of public services, and merging townships into larger urban conurbations. However, in many respects, the impact of these state interventions has been to undermine social capital and the autonomy of local communities (Wang Chunguang, 2013). In short, the interventionist nature of government has weakened social bonds and the autonomy and self-management ability of social communities. It has also blurred the boundaries, with increased tensions, friction and conflict between the government and society.

In 2011 and 2012, our case study city planned to extend its southern suburbs into a new district of science, education, culture and healthcare. Therefore, the government carried out large-scale land acquisition and demolition of farming households in the area. In order to complete the demolition task quickly, the newly established Chengnan Town Government promised to pay the property management fee for the residents who were relocated, while simultaneously increasing the demolition efforts. As a result, the town government has to spend about 10 million Yuan on the property management fee each year: which not only added a financial burden, but also blurred the boundary of responsibility between it and residents, and directly led to the challenges faced by what, for reasons of anonymity, we shall call 'Community B': newly established after land acquisition and demolition.

As the first urban community in Chengnan Town, Community B was formally established at the end of 2012. It covers an area of 1.16 million square metres. It is expected to accommodate a total population of 10,000; currently, around 4,000 people have settled there. It is a typical resettlement community; most residents are former farmers. Its layout is comprised of three relocation resettlement areas and four commercial residential areas. At present, the occupancy rate of commercial residential areas is low, while the relocated farmers account for 81% of the total population.

The tensions arising from the rapid land acquisition and demolition are directly reflected in the relationship between the relocated residents living in concentrated communities and the community neighbourhood committees (*Juweihui*). In the eyes of residents, the neighbourhood committee represents the government. The whole process of land acquisition, demolition and relocation has been led by the government. Therefore, if the residents encounter any problems, they go to the neighbourhood committee for help.

One of the most prominent issues is use of the community club. Newly relocated residents are still used to following rural customs at weddings and funerals. There are often conflicts about using the club for weddings or funerals, which require the neighbourhood

committee to mediate: as evidenced in the following comments by the former director of the Community B's Residents Committee:

The biggest problems are weddings and funerals. Any family who wants to hold a wedding will make an appointment with the club several months in advance. But for funerals, there is no way to make an appointment in advance. If a funeral happens to be on the same day as a wedding ceremony, there will be a conflict. In fact, the town government has transformed an old factory into a place for funerals, but people are picky, thinking it is too far away and inconvenient for relatives and friends to go there. It is very noisy to hold funerals at the club. We encourage civilized funeral customs. But residents don't want to lose face and insist on holding funerals at the club. Every time there is a conflict of this type, they make trouble in my office. One day, some residents even carried a coffin to the office of the neighbourhood committee, asking why we didn't build two clubs. They came in the evening, and I was scared to death. Once some people came and damaged my office. (Interview with Ms. L, former director of the Community B's Residents Committee, number FTLJ20130108).

The cadres of the neighbourhood committee are considered a part of government by the inhabitants; but are not so legally. They felt very aggrieved. They believed that they and the residents did not understand each other. Moreover, the tensions gradually deepened because the villagers, who as a result of the development programme found their status transformed overnight from farmers to urban residents, were low-educated and not grateful. At that time, residents' attitude to the neighbourhood committee was to regard it more like a subordinate institution of the government. For this reason, it could not achieve its goal of boosting local decision-making and advancing resident autonomy.

At the same time, the city's government also made efforts to adjust its role, devolve some power and space to enable NGOs to operate more independently and solve problems on their own. Thus, reflecting the Western literature on 'new' governance and state steering

(Rhodes, 1997; Stoker, 1998), the city government's functions have gradually changed from being the principal governing 'actor' to directing, supervising and assuring NGOs and other organizations as they participate in local governance and complement the work of the state. Officials aim to complete a role transition from 'player' to 'referee', thereby avoiding direct participation in all specific matters. They hope to formulate strategies, develop plans, conduct supervision and coordination, and provide service and support. They also expect to play a role as an 'arbitrator' and maintain their neutral authority.

In 2008, the city's Civil Affairs Bureau took the lead in implementing the social management system reform of "interaction of government and society" and "joint operation of communities, NGOs, and social workers", a local government innovation. Accordingly, it tried to delegate power and action space by emphasizing cooperation between local government and social forces, including social workers and NGOs; promoting social autonomy and fostering self-organization to reverse the government-dominated situation in China over the previous several decades.

However, this ambitious transformation of the mode of governance has encountered various difficulties. The government "cannot find 'society'". This refers to the comparatively small number and undeveloped nature of NGOs in the city. For example, in 2011, apart from privately-owned non-enterprises and foundations, there were just 175 NGOs, the fastest growing of which were industry associations and academic societies. The former reflected the demands of enterprises; the latter were administrative. Both were largely unsuited to playing a role in social building and service delivery in the local urban development programme.

Among the social service organizations, educational organizations registered as private non-enterprises were in the majority. Most of these were engaged in education or vocational training for children of migrant workers. But NGOs, such as social service and charitable organizations, were rare, with professional social work organizations even scarcer. In 2012, the city had 80 qualified social workers, but most were staff members from community neighbourhood committees and sub-district offices. The only professional social work

organization was a social work agency established with the assistance of a social work teacher at a local university in 2011.

In the original design for “coordination of communities, NGOs, and social workers”, it was intended that the three parties would cooperate and undertake joint actions. However, community organizations often struggle to find skilled NGOs and professional social workers to undertake work in their area. Instead, they resort to community neighbourhood committees for help. Thus, the ‘government-society interaction’ is mainly between the government and community neighbourhood committees. However, neighbourhood committees are more like agencies affiliated to the government which undertake many administrative functions. For this reason, they cannot truly be regarded as the representative body of local society.

The second difficulty is ‘social immobility’. In the early stages of the ‘government-society interaction’ and ‘joint operation of communities, NGOs, and social workers’ reforms, the staff of the Civil Affairs Bureau complained that “society is not moving”; and “no matter how hard you try, the society does not move”. The problem is one of limited capacity to engage and participate. This is compounded by the historical absence of engagement. Put simply, communities lack the tradition of social self-organization and engaging with those in power. In the absence of NGOs and professional social workers, the government regards community neighbourhood committees as a representative of society, but it is very difficult for them to step up and engage with the state because of lack of social capital, capabilities and trust in communities.

The community neighbourhood committees could not galvanize community residents to participate in self-governance. This ‘social immobility’ – or inability of NGOs to fully engage with the local authorities as hoped for in the joint operation of communities, NGOs, and social workers reforms - greatly troubled the city government. It was trying hard to change its traditional mode of working and delegate power and action space, but could not find suitable NGOs to engage with. In consequence, local government officials were eager to cultivate NGOs, especially social work service organizations, to undertake service projects which could

meet the aims of central government's governance reforms, encourage social participation, and contribute to resolving the prevailing social problems.

Space conflicts and boundary establishment

A team from a research institute came to the city to study the local situation during this period. The institute has an extended history of undertaking social research there. After learning about the situation of Community B and the 'participation deficit', they offered to assist officials, set up a social work organization and provide community services for Chengnan Town Government based on demand orientation and capacity-building. The city's government and Civil Affairs Bureau were pleased to accept the offer. The research team acted as a go-between, and the city government and Civil Affairs Bureau invited a professional social work organization from another province to undertake a thorough investigation, recruit and train local social workers.

In June 2014, following these negotiations and efforts, the Chengnan Social Work Service Centre was formally established. It mainly focuses on community-building for Community B and is funded by the purchase project of the Chengnan Town Government (with the budget preliminarily set at 120,000 Yuan per year). In addition, the local government has reserved part of the budget for funding bids from community self-organizations (including mutual aid and community service organizations).

Chengnan Social Work Service Center serves all residents of Community B. Its main objectives are to satisfy the needs of residents, provide services, cultivate self-governance capabilities, and alleviate the conflict between residents and local government. The law stipulates that the community neighbourhood committee is a self-governing organization, responsible for self-management and services to residents. However, Community B's neighbourhood committee, like most equivalents, puts most of its energy into the work

assigned by local government. Thus, it is more like a quasi-government department. It does not have much capacity to play the role of a self-governing community organization.

Our analysis shows how Chengnan Social Work Service Center has complemented the work of the community neighbourhood committee and secured a more autonomous space for action, in furtherance of the government's expectation of alleviating social conflicts. As a professional social work organization, it has different working methods from neighbourhood committees. It focuses on demand orientation and capacity-building. It also emphasizes the professionalism of social work.

In definitional terms, 'demand orientation' emphasizes changing the old way of top-down decision-making and resource allocation, shifting to the actual needs of the public, guiding and supporting communities to participate in decision-making and deliver services to local people. 'Capacity-building' places emphasis on enabling NGOs, communities and residents to acquire the skills and resources to manage themselves. Although some staff members of neighbourhood committees in the city have passed social work qualifications, their committee work limits their ability to undertake social work; so instead, they are principally focused on community building and social activities.

In contrast, Chengnan Social Work Service Centre emphasizes the professionalism of social work. Their goal is to cultivate an independent, localized team of professional social work talent, develop a series of local adaptive and effective community work methods, and establish a set of deliverable, replicable community work practices. Its two goals have been recognized by the municipal government and the Civil Affairs Bureau. This official recognition has given it a lot of space for action; including acting as an independent NGO and encouraging social participation to alleviate social conflicts.

However, the main priority of Chengnan Town Government remains land acquisition, demolition and economic development. Due to the need to maintain social stability, the government has placed certain restrictions on the Centre's work; it fears that the actions of an

independent NGO will cause more dissatisfaction among the population. This has had a negative impact on its ability to achieve its goals and expand its action space.

From this, we can see that by cultivating the professional Chengnan Social Work Service Centre, the municipal government has effectively transferred the community service and self-governance functions originally belonging to the community neighbourhood committee to it. The underlying motive is to encourage social participation and alleviate social tensions. However, the Centre, predicated on meeting the actual needs of the city's government, has inherent limitations in its independence and autonomy. Its action space is also restricted by different levels of government, as discussed below. Nevertheless, the prevailing political will from the local authorities mean it is likely to achieve greater autonomy, independence and greater space for action over time.

Testing the Boundaries: Exploring the actions of Chengnan Social Work Service Centre

Multiple logic and the demands of various government departments

In the wake of the 18th and 19th CPC Central Committees' reforms on 'social governance', some scholars have pointed out that the Chinese government structure has two important characteristics. One is horizontal and refers to the authority and interest conflicts between departments. The other is vertical, reflecting multi-level governance structures. This complex, special government configuration also provides a context for the operation of NGOs (Ji Yingying, 2013). In this regard, Huang Xiaochun and Ji Xin (2014) used the concept of "non-synergetic governance" to offer more detailed analysis of the institutional logics of 'vertical', 'horizon' and public liaison departments towards public service NGOs.

The institutional logic of vertical departments tends to shape the autonomy of these organizations based on government objectives and fact-oriented characteristics: so much so that they are concerned about whether the government's goals have been achieved. The target governance logic of 'horizon' departments tends to shape the autonomy of these

organizations based on regional demands; whereas the unique preference of public liaison departments means they are more inclined to shape the autonomy of these organizations based on the “mainstream symbol” production process, which means they are more concerned about ‘political correctness’.

Given the different demands and institutional logic between government agencies at different levels and in different departments, government agencies have different attitudes and approaches to engaging NGOs. In this case, Chengnan Social Service Centre must test the boundary between itself and government, including across different governance levels and departments.

Against this backdrop the city government expects professional social work teams to use new methods in solving the current community tensions, arising from mistrust between community neighbourhood committee and residents. There are two main motivations for local government to innovate in social governance: one is that it hopes to highlight this action in their political achievements; the other is it is forced to solve real problems through innovative methods. The two motivations are reflected in the action logic of the city government: which addresses its lag in economic competition compared with neighbouring cities.

At the same time, social issues arising from rapid land acquisition and demolition in Community B cannot be effectively resolved with past methods. Therefore, the city government's support for the Chengnan Social Work Service Centre is a pragmatic response to promoting development and meeting the aims of the ‘social governance’ reforms.

The City's Civil Affairs Bureau is a fact-oriented ‘vertical’ department which also supports the Social Work Service Centre. Its efforts in 2008, when it sought to introduce new practices aligned with the ‘government-society interaction’ and ‘joint operation of communities, NGOs and social workers’ reforms, were hampered because the number of social workers and NGOs was too small to enable interaction with the government. Without this, innovative practice could not be carried out effectively.

Thus, the Bureau and its subordinate Social Organization Service Centre set up the Chengnan Social Work Service Centre and hoped that it would fully exert its role in innovative practice. The main task of the Centre is to incubate and nurture NGOs. Since 2012, it has invested 2 million Yuan each year to support NGOs in carrying out projects and increase the numbers of their employees. It has also set up an incubator base to provide free workplaces and invited experts from Shanghai and elsewhere to offer professional training and lectures. With their efforts, the number of NGOs in the city has increased significantly: from 180 in 2011 to 807 in 2016. The number of NGOs per 10,000 people has reached 11.23. In a short space of time, an NGO system – spanning a full range of functional types, organizational size and coverage - has been established.

NGOs such as Chengnan Social Work Service Centre, which has professional capabilities and enjoyed fixed funding support during the start-up phase, are most likely to be 'incubated' successfully. These developments prove that appropriate investment of resources into the Social Organization Service Centre has achieved good results, given it has attained more financial resources and more staff.

As for Chengnan Town Government, as a basic level 'horizontal' department, its demands and logic are different from those of the municipal government and civil affairs bureau. Social stability is the foremost priority. Assessing progress against this objective requires unanimous citizen support. Should even one local resident express dissatisfaction, the town government may be deemed to have failed. For it, unfamiliar social work methods may bring risks and must be treated with caution.

The city government oversees a project in Community B of Chengnan Town. It regards it as a task assigned by its superiors. For this reason, it can guarantee purchase funds and offer financial support, but it holds a wait-and-see attitude towards social work concepts and methods, along with the Chengnan Social Work Service Centre itself. Chengnan Town now has five departments following the institutional reform: Economic Development; Planning and Construction; Investment Promotion; Human Resources and Social Security; and Civil Affairs.

The latter, with seven staff members, is responsible for civil affairs, family planning, disabled people, culture, education, sport, judicial administration, comprehensive management, complaint letters and visits, market supervision, health and stability. The Director of the Civil Affairs Bureau of Chengnan Town explained the current challenges:

There are only seven staff members in our Civil Affairs Bureau, but we have to do so much work. To be honest, our major efforts are put in comprehensive administration, maintaining stability maintaining and handling social issues and disputes. At present, many conflicts arise due to our limited capacity and lots of historical issues. The pressure of maintaining stability is particularly huge. The priorities of Chengnan Town government focus on investment, construction, as well as land acquisition and demolition. We definitely need NGOs to help us, but we cannot spare our time in building and supporting NGOs..." (Interview with Ding, Director of Civil Affairs Bureau of Chengnan Town, No. FTCJ20150916).

The importance of land acquisition and demolition means that Chengnan Town puts economic development and social stability at the forefront of its priorities. It adopts an expedient approach; its core goal is a working method that can quickly achieve results and bring about community unity and stability.

The recently established neighbourhood committee of Community B is also unsure about the actions of the Social Work Service Centre. As in Chengnan Town, in the new resettlement community for residents relocated due to building demolition, ensuring social stability is the first task that the town government requires the neighbourhood committee to undertake. However, previous data shows that local people regard the neighbourhood committee as a "representative of the government". This has made its work harder: it has felt tremendous pressure when directly providing services to residents. In the face of dual pressures, the neighbourhood committee is very nervous about any changes in the community. It is also sceptical about the social workers who want to mobilize residents.

Furthermore, it worries that they may antagonize residents and undermine the community's stability.

Due to their different institutional logic and demands, different levels of government departments have different views on the Social Work Service Centre. Since it began its work, it has tested different action strategies, and gradually found different means of expanding its action space and securing greater autonomy.

Expanding NGOs' Action Space and Increasing Autonomy through Pushing the Boundaries

From the outset, the Social Work Service Centre wanted to recruit volunteers in the community in order to mobilize residents to participate and promote it. Its method was to recruit volunteers next to the major road in the community. However, Community B's neighbourhood committee opposed this idea. Ms. L, the then director of the committee, believed that it might cause "some troublemakers" to create chaos.

However, social workers went ahead with their plan and started their recruitment next to the main road between 4:30 and 7:30 pm: the main commuter time, with residents returning from work. The social workers introduced themselves and the Centre to those passing by. Residents' enthusiasm for participation greatly exceeded the expectations of the social workers. On the first day, more than 30 volunteers were recruited, including English teachers, kindergarten teachers, Latin dance teachers, professionals engaged in fire control and private business owners who were willing to sponsor charitable activities. One female resident said, "Our residents are kind and caring, but no one is going to organize us".

The social workers were moved. After several recruitment drives, not only had the number of community volunteers increased, but also the popularity of the Centre. At the same time, the community neighbourhood committees gained a deeper understanding of the work and working methods of the Centre. The recruitment was the first formal interaction between

it and residents. It showed residents its employees' professionalism as social workers; and formed a preliminary understanding of existing resources and current needs among the community. It was its first test with Community B's neighbourhood committee. The Centre successfully demonstrated its ability to adopt effective working methods to the committee. This led the committee to overcome its earlier doubts and accept the Centre's work.

The Centre's second test involved whether it could organize large-scale activities in the community. It designed three tasks: starting and supporting new community social organizations; organizing large-scale community activities; and community lectures. However, for the sake of security and stability, Director L strongly opposed "organizing large-scale community activities", because of concerns that crowds could make trouble. Director L poured out her grievances, as the following interview extract reveals:

Before the age of 30, I was well regarded. But since I became the director of Community B's Neighbourhood Committee, I have suffered abuse on several occasions. I really dared not to engage in any large-scale activities. I was afraid that there would be residents who would make trouble. Our neighbourhood committee was almost in trouble when it was unveiled.

Under pressure from government to ensure that "stability prevails over everything" and fulfil its territorial management responsibilities, the Community Neighbourhood Committee is ultimately responsible if residents vent their dissatisfaction about large-scale community activities. This explains its cautious attitude toward community residents and activities. However, the social workers resisted the pressure and persuaded Director L to hold a Lantern Festival party in response to demands from the residents. They even promised they would be responsible for any emergency. After consultations between the two parties, the party, jointly

organized by recruited resident volunteers and community activists, was held successfully in the Neighbourhood Committee hall.

On the day, Director L insisted that the police were invited to maintain order. This was resolutely opposed by social workers. During the party, the 'chaos' that Director L feared did not materialize, which was quite reassuring for the Committee. After that, the Social Work Service Centre successfully planned several large-scale activities, such as the Women's Joy Club, May Grand Party and a Summer Carnival - all within the space of a year. The venue gradually changed from indoors to outdoors, attracting more residents to participate. Residents carefully prepared for their performance, and even gave improvisational shows on stage. The successful activities have made the atmosphere of Community B much better; the number of community volunteers has also increased. Some self-organized interest communities, such as knitting club and community dance groups, have also been established.

The active Community B has been envied by the residents of nearby communities. The work of Chengnan Social Work Service Centre has been approved by residents and the Neighbourhood Committee, and has gradually broken through the restrictions initially imposed on it. It has kept the Committee's bottom line firmly in mind: as long as the stability of the community can be maintained, the Committee welcomes the work, including resident participation and capacity-building. To this end, it is willing to make certain compromises to ensure the activities are a success.

The Social Work Service Centre changed the attitude of the cadres of Community B's Neighbourhood Committee through practical action. By these means, it won praise and support. However, it did not obtain full understanding and support from Chengnan Town Government. Chiefs and social workers of the Service Centre engaged with the town government by drawing on different logic and responding to the diverse demands of different government departments. The result was an expansion of the Centre's action space and resilience.

First, the Centre needed to obtain independent power to hire from the town government. As it is a service project funded by the government, the social workers' salaries were also paid by it. The government hoped that newly recruited social workers would directly become cadres of the Neighbourhood Committee after training. Yet those in charge of the social work agency responsible for the recruitment and training of social workers were firmly opposed to this. They believed that social workers can maintain objectivity and professionalism as a third party only by maintaining a status as employees of the Service Centre; and hence, that social work institutions must have independent personnel rights.

To make her case, the chief of the provincial social work organization called on research team members to try and convince the city government and the Civil Affairs Bureau. She also sought support from the city's Deputy Mayor. In the end, the Centre retained its independent personnel rights. After training, the newly recruited social workers became professional employees.

This hard-won autonomy has laid the foundation for the independence of the Centre. This is also reflected in its decision-making regarding day-to-day operational matters. In the eyes of Director J, responsible for social undertakings in the Chengnan Town Government, the Centre's main job is to "organize activities and parties" in the community, in order to enrich the cultural and entertainment life of residents.

From the perspective of maintaining social stability, the government does not want the Centre to independently conduct operations in other fields without its control: especially the introduction of participation and governance initiatives in community self-organization. At the end of 2014, residents proposed a voluntary patrol in the community. Under the guidance and organization of social workers, Community B's voluntary mutual-aid team was established. The team consists of more than 10 resident patrols in the community every evening. Broken public facilities are recorded and reported to relevant departments, with a watchful eye maintained on public spaces. Later, when they patrol, the team also visit older residents who live alone in the community.

The work of the voluntary mutual-aid team has shown the town government the effectiveness of bottom-up communication channels, and the mutual benefits for residents. Thus, the government has obtained a new understanding of the governance-oriented self-organization of residents; in turn, this has changed its attitude from earlier doubts to support and assistance.

Through this interaction with Community B's Neighbourhood Committee and the town government, the working methods and abilities of Chengnan Social Work Service Centre have been recognized and praised as "a reassuring organization" by local government. As a result, the Centre has gained more independence and resources, so it can successfully organize large-scale community activities and assist residents in establishing governance-oriented community self-organization. Its service scope has extended to three further urban communities in Chengnan Town; as well as beyond it to the whole city, which has had a significant impact on the city government.

With the Centre now promoted by the Social Organization Service Centre under the Civil Affairs Bureau, both Chengguan Town and Liuhu Town have expressed their desire to purchase its services. The former is the old town, with crowded communities and a mixed population. Its demands are increasingly diversified. Given a dearth of effective community services, the Chengguan Town Government hopes that the Centre can provide guidance on professional social work methods for its neighbourhood committees; and offer NGO start-up and training services organized by communities.

In 2016, Liuhu Town established 'Neighbourhood Homes' in each community. It purchased professional services from the Centre in order to maintain daily operations. The basic-level government, as a 'horizon' department, tends to control the activities of these organizations and does not want them to develop their business across regions. Service-oriented NGOs contracted by basic-level governments will try their best to maintain good relations with them and complete tasks according to their requirements. However, Chengnan Social Work Service Centre breaks the geographical constraints. It has extended its service

out of Chengnan Town to our case study city and beyond: to Suzhou, which enables it to acquire more resources and space for action.

Under the influence of the Centre, the city government has attached more importance to social work. In 2012, there were only 80 qualified social workers. Most were staff members of neighbourhood committees and sub-district offices. There was only one organization of professional social workers. After 2014, the number of professional social workers in the city increased significantly. Outstanding talents in the social work profession have also received subsidies of more than 100,000 Yuan. The policy has attracted over 40 people to work in the city and establish new social work organizations, including those with postgraduate training (such as a Master's degree in Social Work and Doctorate in other related disciplines, such as Sociology and Social Policy). In addition, the city government has also intensified its training of local recruits. From 2015 onwards, local students enrolled on a social work major course were rewarded with 10,000 Yuan per year. In 2015, 10 undergraduate students in the city chose to take a social work major, with the number increasing again the following year.

Some scholars believe that the autonomy of NGOs can be understood as having three components: the extent to which they can decide the scope of the services they provide; determine the geographical scope of their organizational activities; and decide their internal operating processes (Huang Xiaochun, Ji Xin, 2014). Chengnan Social Work Service Centre has obtained independent power to hire through its negotiation with the town government. It can make independent decisions in personnel recruitment, deployment and management. Its service scope has expanded to other towns and communities in the city and beyond. It has also obtained support from the Red Cross and the Disabled Persons' Federation.

The Centre, then, has won the trust of government at all levels and expanded its space for action. It has transformed from an organization that resolves community conflicts and organizes community activities under the supervision of the Neighbourhood Committee and the town government into one that independently chooses working methods and determines the scope of its operations. Its work has extended from Community B to other communities in

the city and beyond. Its working methods have also been transformed; from offering services to actively influencing neighbourhood committees and the town government. It even urged the municipal government to pay attention to social work and relevant human resources. It has been testing current policy, changing behaviours, and reshaping inter-organisational boundaries as a result of its interaction with government at all levels.

The boundaries and autonomy formed in the process of 'boundary pushing'

The foregoing discussion illustrates how NGOs, as third sector organizations, differ from government organizations (GOs) in terms of remit and mode of operation. Both have fixed aims, thereby establishing the boundary between NGOs and GOs. However, this may change as a result of interaction between the two sides; in some cases, it is even reshaped.

This process can be explained as follows. First, a boundary emerges in the interaction between NGOs and GOs of different levels. In our case study, the city government was a fine example of an assertive government with wide-ranging responsibilities; yet lacking awareness of action boundaries and self-restraining action space. After realizing its limitations, the city government fostered Chengnan Social Work Service Centre. Its interaction with it allowed it to develop an awareness of the boundary between GOs and NGOs, creating more space of action for the latter.

Second, the GO-NGO boundary is dynamic: flexible and ever-changing during interaction between the two sides. In this case, at first, the Community B Neighbourhood Committee had been wary of the Service Centre. It is imperative for it to maintain stability of the community; therefore, it did not give the green light to the Centre for hosting big community events. Yet with the success of several large events, the Committee made compromises to create more space for action for the Centre.

The Chengnan Town Government attempted to control personnel rights, resources and service portfolios of the Centre. It held a very prudent attitude toward its activities, which

encouraged residents' participation. However, through negotiation between the two sides, the social service agency secured its autonomy over personnel issues. Furthermore, the voluntary mutual-aid team, an organization for self-governance, was established with the help of the agency. It provides an example of the benefits of involving residents in social governance. As a result, the local government made further compromises and afforded more autonomy to the Centre.

At the same time, the needs of the government were also evolving from only focusing on fostering and incubating NGOs to promoting the professionalism of their work and developing a team of high quality social workers: in turn creating a more favourable environment for NGOs. In the process of negotiating with governments at different levels, the Centre recognized its capabilities and limitations, made a breakthrough in improving its autonomy, expanded its service categories, enlarged its domains of action and looked beyond the city to attain greater space for action and more resources.

Third, the GO-NGO boundary is multi-layered, with different layers formed between NGOs and governments of various levels. To residents, the Neighbourhood Committee is often viewed as the mouthpiece of government. It is predominantly seen as an administrative body. However, neighbourhood committees are autonomous in nature, with blurred boundaries with NGOs. In our study, the head of B Neighbourhood Committee was initially wary about the social service agency. However, through considerable engagement with it, she is now the individual who best understands its work concepts, service guidelines and work practices. The logic of the Neighbourhood Committee is pragmatic in nature; as long as the Centre's work is effective, it will make corresponding compromises, blurring the division between it and NGOs.

As the needs of the city government are similar to those of the Centre, so the former makes adjustments. However, the government is more conservative. Despite the interaction between it and the Centre helping it recognize the latter's capabilities, it is still wary. This restricts Chengnan's action space and creates a distinct GO-NGO boundary. After repeated

interactions, both sides have made compromises, while remaining committed to their principles. The result is an ever-changing boundary between NGOs and government.

Fourth, this discussion furthers understanding of autonomy and its relation to GO-NGO boundaries. The three dimensions of the autonomy of NGOs and GOs are closely correlated with the boundary. Autonomy enables NGOs to build confidence and push the boundary set by the government. In other words, autonomy is the foundation for more space for action: redefining the boundary. When enhanced, this is conducive to setting the boundary and expanding NGOs' space.

Conclusion

The founding of Chengnan Social Work Service Centre arose from the needs of the city government in our case study. In the wake of the 18th and 19th CPC Central Committees' reforms on 'social governance', the city government was aware of calls to devolve power and create space for action to NGOs, such as Chengnan Social Work Service Centre, a community-based social service organization. However, the analysis here reveals how, in its early days, the social service agency was a top-down product rolled out by the city government. It subsequently fell under the influence of an assertive government which exerted strong control over it.

Notwithstanding this, some space for action was allowed in the institutional environment fostering NGOs. Distinct institutions and various needs of government at different levels meant that NGOs adopted different strategies in order to pursue opportunities for survival and development, and secure greater space for action and more autonomy. The GO-NGO boundary is continually formed and reformed through the interaction between NGOs and governments at various levels, as both sides adhere to principles or make compromises.

However, in the case of administrative logic replacing social self-organization, what factors will shape the government's devolution of power and space? To answer this, NGOs

need to consider the manner of their operation from the perspective of the administrative logic of the government. Action space released by an assertive government is the result of awareness of diversified social needs and pressure for the innovation needed for better governance.

This case study has shown that government at town level embraces a more stubborn attitude towards NGOs, while the Civil Affairs Bureau proved more open-minded. This is easy to understand, because the development of NGOs is directly related to government's performance. Amongst a myriad of responsibilities, government faces pressure to maintain social stability and territorial jurisdiction. This forces town government to be prudent about all potential risks. On the other hand, reform and innovation in social governance is usually carried out by the county government and government divisions. For this reason, town government finds it difficult to mobilize sufficient resources to exercise social governance, reform and innovation. With the prospect of risks instead of benefits, government adopts a cautious attitude towards NGOs. This explains why in this case, the government of Chengnan Town was initially wary of the Centre; expedient and driven by opportunism (He, 2010).

From the perspective of the different institutional logic of various divisions, NGOs' space for action allowed by government divisions at various levels and of different departments will vary. The influence of the administrative logic of government over NGOs determines their space for action and autonomy. Thus, capability-building NGOs funded by government develop autonomy in a complicated manner, shaped by competing forces of top-down government and grassroots action. In order to develop the autonomy of NGOs, Huang & Ji believe this dual mechanism of "non-synergetic governance-strategic response" creates a unique mechanism in contemporary China.

Under the framework of "non-synergetic governance", social factors have often been overlooked in the process of institutional development. At the same time, the institutional environment has long reinforced the orientation of development on the basis of programmes and issue-centred approaches, downplaying attention on NGOs' autonomy (Huang & Ji,

2014). This has hampered the development of NGOs in the contemporary era. For social work service organizations, such as Chengnan Social Work Service Centre, this initially resulted in a lack of autonomy.

Amid the different institutional logic of administrative bodies, however, NGOs with professional knowledge, skills and concepts have adapted their negotiating strategies based on their needs. In the process of interaction with government at different levels, NGOs may become concerned about increasing their autonomy. As Saich (2000) posits, through negotiation with the state, NGOs will seek to offset the government's control by deploying different strategies and expanding their action space. From the perspective of the government, as it delegates power and space for action, NGOs can improve their space for action and autonomy and even exert subtle influences over the logic of action by the government.

This study's exploration of the action space of a social organization has centred on capability-building social service organizations funded by the government. Future work will need to extend this to NGOs of other types in other regions, such as those in other parts of China with financial strains, or organizations that directly offer social services.

The findings in this article are distinctive. Capability-building social service organizations are mainly engaged in services that involve the participation of residents, and community development rather than offering public services to the public. Compared to other NGOs, these organizations are more vulnerable. This is because of the limited categories of services they offer, their heavy reliance on government resources and poor ability to access market resources. For this reason, they take negotiating with the government more seriously. In contrast, NGOs, such as nursing homes that directly offer public services, are more capable of securing market resources and income from service delivery.

A call for future research to build on this study and examine NGOs of other types in other regions is important because our case study is located in southern Jiangsu, where

local governments have sufficient financial resources for the procurement of services offered by NGOs. However, in the central and east regions, local governments are often short of funding for social services or under financial strain; therefore, the relationships between them and NGOs are likely to exhibit different characteristics. Moreover, future work is needed to extend this study's analysis of the attributes of the boundary of action and its relations with autonomy in other contexts. However, for now, this preliminary study's findings show how, in a government-dominated institutional environment, the devolution of power has certain positive impacts on the development of NGOs in contemporary China.

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