While the NGO sector has remained on the rise in China over the past decade, the Party-State has managed to direct and dominate its development. How do Chinese NGOs adapt in this evolving environment? Have the Chinese Government and NGOs reached an understanding about how to deal with each other? And what research agenda can we pursue to move forward the study of civil society in China?
onistic environment than the organisations in my analysis (Franceschini and Lin 2019). The changes that have occurred in this realm since I penned those words have reinforced this view: while the NGO sector is on the rise in China, the Party-State has managed to direct and dominate its development. But what are those changes? How do Chinese NGOs adapt in this evolving environment? Have the government and NGOs arrived at a certain understanding about how to deal with each other? And, finally, what research agenda can we pursue to move forward the study of NGO development in China?

### The Role of External Actors

Various overseas actors have played a significant role in fostering NGO development and changing the relationship between state and society in China. Through their endeavours to inject new ideas into local governance, they have inspired and engaged both state agents and social actors, creating platforms for constructive state-in-society interactions. My study of a group of Hong Kong social workers building a social work profession in mainland China has enabled me to explore how those external actors, through their efforts to promote professional knowledge across borders, have helped build internal and external networks for Chinese NGOs to bridge their locally embedded practices with global norms and standards (Kang 2020c). The Hong Kong social workers were largely cooperative with the local state and made compromises in their attempt at ‘indigenisation’, but they also carried out prosaic yet constant struggles to incrementally expand NGO turf within the political boundaries of mainland China.

At the same time, local cadres make strenuous efforts to reshape the practices of external actors to ensure their actions conform to the government’s existing objectives and agenda. Stephen Noakes and Jessica Teets (2020) have found that international NGOs and foundations working inside China must comply with domestic rules, norms, and practices, facing difficult trade-offs in engaging with the country’s strong authoritarian government. Thus, they make a series of strategic adaptations as a pragmatic response to operating within China. Echoing their work, my research also finds that the Chinese Government has engaged Hong Kong social workers in the neoliberal management of indigenous social work organisations, which promotes apolitical pragmatism while suppressing advocacy and discouraging cultivation of expertise (Kang 2020b). Being vulnerable to the government’s political clout, these overseas professionals have become increasingly frustrated by the various gaps in mentality and substantial power asymmetry between themselves and the agents of the Chinese State. Frictions accumulating over time, along with the growing hostility of the Chinese Government towards external civil society actors, have driven many of them away from mainland China in recent years. Such dynamics have resulted in shrinking external funding and support for Chinese NGOs, which have forced many NGOs that were previously supported by overseas organisations to turn to domestic funding sources (Gåsemyr 2017).

### The NGO Funding Game

Although it should be noted that there are regional differences in terms of the funding game and its implications for state–NGO relationships in China (Hsu et al. 2017), my fieldwork in Beijing, Shanghai, and Sichuan between 2016 and 2017 has allowed me to gain some insight into the current dynamics (Kang 2019). The government is increasingly using purchase-of-service contracting to incentivise and manage NGOs (Jing 2018; Yuen 2020). Private foundations are growing rapidly, and some have actively supported the development of grassroots NGOs although funding remains relatively limited (Shieh 2017). At the same time, funding to Chinese NGOs from international foundations and organisations has gradually shrunk in recent years due to tighter government restrictions, especially after the enactment of the Foreign NGO Management Law of 2017 (Teets 2017). In this context, both existing NGOs that were previously supported by overseas organisations and newly established
NGOs have turned to government funding and the various grant schemes of domestic private foundations, which have become the two dominant funding sources for China’s civil society (Yu 2016; Gåsemyr 2017). In this situation—which I previously described as a ‘twin-pillared NGO funding game’ (Kang 2019)—Chinese NGOs simultaneously feel two opposing effects. On the one hand, the coexistence of government funds and private foundations’ grants—which differ in their focus, selection/evaluation criteria, and scaling strategies—has offered alternatives to NGOs’ practices and growth paths and thus widened the space for diversity. On the other hand, the two funding pillars similarly adopt commercial logics and drive NGOs to eschew challenging the status quo and fit into fields and roles supported by the government, hence repressing NGOs’ unique organisational missions and characteristics. While NGOs pursue dynamic and multifaceted resource strategies to exploit the space created by alternative funding sources, they eventually find their options extremely limited.

NGOs elsewhere also face isomorphic pressures as they voluntarily conform to donor expectations of appropriate and acceptable practices (DiMaggio and Powell 1983). The pressures Chinese NGOs face, however, are unique in their relative novelty and irresistibility. Since Chinese NGOs have long experienced coercive and mimetic pressures from an intimidating Party-State (Hasmath and Hsu 2014; Gåsemyr 2017), isomorphic pressures generated by friendlier funding mechanisms are unfamiliar to them, and they therefore remain wary yet experiment with flexible and versatile approaches. Some adopt mundane survival strategies, such as testing alternative opportunities to understand their differences and crafting development paths accordingly (Kang 2019); others pursue strategic advocacy, such as engagement in ‘service activism’ and ‘resistance through accommodation’ (Yuen 2018; Jakimów 2017). Chinese NGOs’ resource strategies are moving beyond the dichotomy between ‘state alliance’ and ‘state avoidance’ (Hsu and Jiang 2015) towards more multifaceted and interactive approaches, with ‘navigation, circumvention and brokerage’ being a more accurate description of the current situation (Gåsemyr 2017).

However, Gåsemyr’s (2017: 99) prediction of Chinese NGOs’ prospects of being ‘proactive and innovative and less donor-driven’ was too optimistic. The twin-pillared funding game has made Chinese NGOs passively accept donor dominance (unless they bravely exit the game) and has ultimately restrained their imagination and creativity. Moreover, unlike their counterparts elsewhere, who form mutually dependent partnerships with donors, Chinese NGOs face severe power imbalances and thus possess extremely limited bargaining power when interacting with government and private foundation donors. Newly established NGOs, in particular, face a vicious cycle: being weak and less well-developed, they lack the resources and space in which to accrue proficiency and demonstrate their unique value in areas where the public and private sectors lack competence, thus they are at the mercy of donors’ whims, which makes them even more vulnerable and likely to become government-like or business-like organisations (Kang 2019).

The Evolution of the Local State–NGO Relationship

Much work has been done to understand the relationships between local governments and NGOs in China. Researchers have observed that, with the practice of neoliberal governmentality, the Chinese Government has increasingly retreated from the provision of social welfare, leaving social services that the government supports but is unable to fully provide to NGOs and privately funded philanthropy programs (McCabe and Deng 2018; Zhan 2020). On the other hand, the local state is not retreating from control. Local officials at different levels and in different departments interact with NGOs in different ways and form various microlevel relationships. Accordingly, NGOs strategically cope with the multilevel, multifaceted institutions of the state (Newland 2018; Yuen 2020).
After closely following the evolution of local state–NGO relationships in six cities in Sichuan for a decade after the Wenchuan earthquake, I have found that the state resources that could have been used to advance the NGO sector’s overall capacity have been gradually channelled along patron–client lines (Kang 2020a). Local officials—especially those at the frontlines of governance—increasingly understand that it is counterproductive to simply employ some general policy frameworks to control NGOs. Rather, creating consensus and authority through their individual interactions with NGOs can be more effective for establishing stable working partnerships and reciprocity. Controlling manifold resources and possessing management authority in purchase-of-service contracting, local officials thus have progressively pursued clientelist strategies towards NGOs, actively seeking and nurturing NGO clients—the NGO working partners whom they consider to be loyal and reliable—to appropriate their resources and personnel for purposes such as policy implementation, service provision, stability maintenance, and so on. The NGO clients can receive favourable treatment and protection but need to continuously invest resources and efforts to strengthen the ties with their patrons instead of striving to enhance their expertise. Such clientelism is sustained by the marked power imbalance and resource inequality between state agents and NGOs, as well as the absence of security, space, and alternatives for NGO advancement in contemporary China. Its effect is to prevent NGOs from moving towards more competitive and pluralistic forms.

Officials’ clientelist approach enables the local state to coopt NGOs in a deep and extensive way—a form of control I have defined as ‘dispersed domination’ (Kang 2020a). Domination is achieved through unbalanced reciprocity as NGOs are more dependent on state agents; it is dispersed as local officials and NGOs interact in a scattered and atomised manner. Such ‘dispersed domination’ shows the diversity within both the local state and the NGO sector and the increasing fragmentation in local state–NGO relations in China. On the one hand, the development of cohesive civil society is unlikely, while on the other, the state can hardly achieve integrated control over the rising NGO sector as encounters between government authorities and NGOs remain highly scattered and atomised, with officials each groping for their own personal way to cope with uncertainty. Furthermore, as disparate parts of the state and the NGO sector form self-perpetuating coalitions, changing the status quo becomes difficult.

Contrary to the expectation that a growing, vibrant NGO sector could somehow ‘limit’ state power, in recent years, the Chinese local state has become increasingly capable of ‘moulding’ NGOs to fit its governing rationalities. Possessing the power to selectively allocate resources and opportunities, local officials have made highly conscious efforts to proactively shape the patterns of NGO development, with the aim of reasserting their dominance over new social actors and maximising personal gains from such relationships. The engineering of compliance and consensus is no longer the result of top-down authoritarian coercion alone. Rather, the local state has progressively intermingled with NGOs and coopted them into a structure of interests (Kang 2020a). Thus, Toepfer et al. (2020) asked the question: ‘[C]an civil society actively undercut democratization efforts by directly or indirectly supporting non-democratic regimes?’ Opportunities for NGOs to regain initiative and bargaining power lie in their ability to solve new problems and produce new knowledge that can create fresh learning experiences for the government. Such an ability may depend on, but at the same time enable, NGOs’ endeavours to establish meaningful new connections with domestic and overseas actors in the public and private sectors.

**Research Agenda: Attending to NGOs’ Knowledge Production**

In the era of a ‘risk society’ (Beck 1992) and digitisation, when crises occur more frequently and technologies bring greater uncertainties, NGOs’ unique role and capacity in fighting social vulnера-
bilities demand greater attention. Interdisciplinary knowledge accumulation has contributed to an ever-expanding understanding and imagining of vulnerability. Nonetheless, the actors noted for knowledge generation predominantly consist of research institutes, think tanks, and industrial research and development units. NGOs’ roles in knowledge (co-)production or as ‘boundary organisations’ (Guston 2001) remain understudied. This might be explained by the fact that NGOs’ tangible services and support for vulnerable communities always attract more attention. However, in coping with social vulnerability during crises or on a daily basis, NGOs continuously engage in knowledge production that can inform vulnerability reduction in the long run. Information and knowledge as crucial types of resources and weapons may bestow on NGOs their unique power. Moreover, activities related to knowledge production, such as archiving and fact-checking, which are so mundane in routine work and hence often go unnoticed, have become increasingly important in this information age and especially in crisis situations like the COVID-19 pandemic. Knowledge production processes also have relational characteristics (Plotkin 1994). They not only reveal the multiple, dynamic interactions between NGOs and a wide range of actors, but also open space for NGOs’ horizontal network-building, both inside and beyond regional borders.

A focus on knowledge production will enable us to tell the stories of NGOs that go beyond the conventional dichotomies of their service-delivery versus value-advocacy missions or cooperative versus conflictual relationships with state agencies/commercial sectors. How can NGOs be empowered by their knowledge possession and production despite their weaker economic and institutional status vis-a-vis state or private-sector actors in contemporary China? What explains different NGOs’ uneven capabilities and heterogeneous approaches of generating, accumulating, and communicating knowledge? How do the processes of knowledge generation and transmission bridge NGOs with diverse participants from government, business, external civil society actors, and local communities? These are the questions that lack systematic examination in the extant literature, and they deserve careful examination in future study.