promoting effective community action through research



Dear Reader

Do you remember the postcard pyramid schemes at school. You sent a letter to ten people with a list of names including yours. According to the instructions you had to send some postcards yourself and within weeks should have received hundreds of postcards from all around the world. I did as I was told but I never got any postcards. I was traumatised. Why am I telling you this?

At this year's NCVO/ VSSN researching the voluntary sector conference one of the participants was kind enough to tell me that he valued this bulletin. I had no idea that he was a reader. Also one of the contributors to this bulletin, from Australia, was previously unknown to me as a reader. until he wrote to tell me. That's the thing with these emailed bulletins, you never quite know who gets them or who reads them for that matter.

I now want to get over my pyramid scheme trauma. Hence, and as the bulletin is free, I thought I can ask you a favour.

arvac BULLETIN

When you receive this bulletin and you get around to reading the editorial, please send me a quick email.

j.grotz@roehampton.ac.uk

You can say something nice of course but mostly I need to know who you are. And if you enjoy the bulletin, just send it on to a few of your friends and colleagues around the world and maybe they too will send me the email that they got the bulletin.

Is this a flippant request? Do I display inappropriate levity? It is not and I am not.

In the last eight bulletins we have discussed issues from around the UK offering many different perspectives. In the present issue I am particularly grateful to Carl Milofsky and Jacques Boulet for taking our discussions even beyond the shores of this island and to Colin Rochester whose review continues the international theme of this edition.

Yet, I hate to admit this, I am an editor who doesn't know his readership. I know some of you but by no means all.

Today I am asking for your help. Since I have turned it into a free, solely webbased and emailed bulletin, I have edited it for you without really knowing who you are and where you are.

I am a volunteer editing this bulletin mostly on my own. I do not have sophisticated means for feedback at my disposal. A simple email would do.

PLEASE SEND AN EMAIL WITH YOUR NAME NOW

For any of you who want to know more about ARVAC or get even more involved, there is of course our AGM and excellent annual conference which I am advertising at the end of this bulletin.

Thank you.

Jurgen Grotz (editor)

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Issue 110 September 2009



Carl Milofsky The Nonprofit Sector in the United States

Viewed from a U.K. perspective, the most important thing about the voluntary sector in the U.S. (or the nonprofit sector as it is called in America) is that its biggest and most important elements do not, for the most part, have any counterpart in the United Kingdom. Financially, the largest "industries" among U.S. nonprofits are religion, health care, and higher education. The religion sector is (with the possible exception of Northern Ireland) smaller in the U.K. than in the U.S. and both education and health care are in the state sector rather than having significant private, nonprofit elements. The U.S. also has a vast number of small associations and organizations with few or no employees that come into existence and persist irrespective of state attention or support.

Religion

About 60% of nonprofit resources in the United States are controlled by religious groups and donations to religious organizations represents the largest portion of charitable giving. The United States differs from most countries in Europe in having a pluralist tradition that seems to cause competition and institutional growth in a way that does not happen in other countries. The U.S. also has nearly the largest rate of regular religious participation of any country in the world with over 40% of the population attending on a regular basis.

The high level of regular involvement in church causes a high level of commitment and also gives religious organizations direct personal contact with participants. This direct contact lays a strong foundation for fundraising and support in a variety of voluntary activities. It is striking that in the recent economic collapse funding for religious nonprofit organizations actually increased.

Health Care

Europeans have the impression that the U.S. health care system is a private, for profit system and this is not really true. About 35% of funding for U.S. health care comes from private health insurance with another 10% coming from out of pocket payments by clients. The remainder, more than 50%, is funding provided by a variety of government sources, sometimes through government owned hospitals (the Veterans Administration is the largest public hospital chain while Medicare and Medicaid fund care for the elderly, the disabled, and the poor).

Despite this large public presence most hospitals in the United States are nonprofit organizations, although there has been significant growth in the number of for-profit hospitals in the last three decades. Furthermore, most physicians are either independent entrepreneurs working on a fee-for-service basis or they are employees of hospitals or group medical plans (which are private).

Since health care is the largest industry in the United States, that hospitals control huge assets and also provide venues within which much medical care takes place means that health nonprofits are the focus of vast amounts of economic activity. Hospitals and other medical care organizations are among the largest and most effective fundraisers of charitable gifts. Meanwhile, direct provision of medical services is most funded by government or private insurance so the services provided are nearly recession proof. Despite the economic collapse health care expenses increased by about 20% in 2009 and thus as nonprofit organizations hospitals continue to enjoy growth.





Higher Education

Higher education in the United States is very expensive for students compared to most other countries and although most higher education is provided through public institutions many of the most prestigious schools are nonprofits-Harvard, Stanford, Chicago, and Duke are all nonprofits. While many of these institutions receive substantial government grants for research or other purposes much of their funding comes from private charitable donations. These donations are fed into giant endowments (it is not unusual for private universities to have endowments of over \$1 billion). Interest on these endowments is an important contributor to the annual operating budgets of these organizations but endowments exist mainly as a source of security and insurance against economic downturns.

Nonpaidstaff Nonprofits

Researcher David Horton Smith fostered controversy fifteen years ago when he asserted that 90% of the resources of the nonprofit sector were contained in small nonprofit associations and organizations that may or may not employ staff and may or may not be incorporated. Subsequent research has shown that his estimate is reasonably accurate and thus it is important to appreciate that the civil society sector in the United States, although mostly invisible to researchers, the government, and taxing bodies is an important and enduring aspect of voluntary action.

Alexis de Tocqueville called America a "society of joiners" in the 19th Century and the vast sea of small associations is an important manifestation of his observation today. Robert Putnam claims that associations are in decline today. While this may be true the spirit of association also has been important to the vast increase in the number of nonprofit organizations that has occurred in the U.S. since 1960. Each of those organizations must have a board and must hire staff who can make sense of the nonprofit environment. Those organizations, in turn, have proven to be so resilient that despite government cut backs and economic crashes the organizations manage to persist. This perhaps happens because individuals participate in part because the groups are associations to which they are committed. In a less associational society these organizations might collapse because they operated like economic firms. The associational character of U.S. society leads members to keep organizations alive because through their involvement as board and staff members they become committed to the cause represented by the organization.

Consequences

All nonprofits benefit from the U.S. having a culture not only of association but also of donation. Many Americans believe they should give because they have been beneficiaries of services from nonprofits and they know there is minimal government funding so support organizations. Willingness to give to religious, health, and educational institutions carries over to other nonprofits so that private fundraising is a strong option for U.S. nonprofits in a way that it is not in other countries.

Meanwhile, civil society organizations large and small expect that they will mostly have to survive on their own. Although many social service nonprofits and others that receive government grants become resource dependent there is a parallel understanding that organizations should be prepared to survive on their own. This creates a keen interest in nonprofit management, which, annoying as it can sometimes be to scholars, also is not an orientation strongly present in the U.K. Without attentiveness to managerial issues and long term sustainability from the outset, organizations become narrow in their resource base and vulnerable to funding pull backs when government policy changes.

Carl Milofsky is Professor of Sociology at Bucknell University, USA.



Jacques Boulet

Gift relationships and their political-economy: of volunteering, community involvement and creating (a) civil society.

Introduction

The following is a summary of the Conceptual Framework developed in the course of a major research consultancy -"Strengthening Volunteering and Civic Participation" - commissioned by the (Melbourne) Eastern Metropolitan Region Management Forum, funded by the Department of Planning and Community Development (Victoria/Australia) and undertaken by the Borderlands Cooperative (www.borderlands.org.au) throughout 2007 and into 2008. The geographical area covered by the project included the seven municipalities constituting a region stretching from the inner- to the outereastern Melbourne Metropolitan area, inhabited by almost one million citizens. Borderlands' researchers consulted with about 350 representatives of the many organisations, volunteering, community and civic society groups, networks, resourcing and support agencies activist groupings, churches, sports and recreation clubs across the region with the purpose of developing a strategic framework aimed at strengthening and sustaining their presence, their impact, their processes and their cooperation locally and across the region. In addition, we held two Regional Workshops to which interviewees and other interested person were invited and which attracted over 70 and 50 participants respectively. The full report is available on

http://www.borderlands.org.au/EMR/EMR

<u>Strategic%20Plan.pdf</u> and implementation across the region has started to take the shape intended by the project recommendations (see 'Participating in Community Life in the Eastern Metropolitan Region: A Directional Paper' from www.dpcd.vic.gov.au).

In another contribution (Healey, Boulet & Boulet 2006) we had already shared our growing conviction that existing conceptual and definitional boundaries unnecessarily narrowed and impoverished both thinking about and practice of 'volunteering' and we advocated for a progressively more inclusive understanding. The Outcomes' Framework for Volunteering and Civic Participation from the Project Brief included the following objective: [to develop] 'a broader understanding of what volunteering means, particularly that volunteering be seen as civic participation and community strengthening as well as a means for the delivery of services', offering rationale and starting point for a range of conceptual explorations.

We, therefore, devoted a great deal of attention to further developing - what we called - the conceptual field which was to 'carry' the project and informed the research instruments; we explored the notions of Volunteering - Social Capital -Civic Participation - Community Strengthening/Development - Government and Governance - the Gift- or Contributory economy and looked at overlaps and tensions between the respective 'discourses'. Rather then 'cite' definitions of and within the several conceptual domains at stake in this discussion, we deemed it more useful to critically reflect on the changing nomenclature or semantics in - what we eventually came to call the various civil society work areas and their evolving historical contexts.

We were able to show that the 'voluntary' aspect of civil society work is not to be understood in a simplistic operationaladministrative and vaguely moralistic sense as 'not paid' human activity. Rather, it is part and parcel of past and ongoing/contingent processes of political-economic change and is undertaken, intended and 'embodied' by people who, out of their 'free' will, commitment and a sense of responsibility to the 'commons' (however 'embodied' and/or distorted), seek to (re-)create, maintain and sustain ties and relationships of primary sociality. And what was, yet again, strongly confirmed - also through our examination of other research - was that unpaid work subsidises paid work and that the so-called 'regular' economy as well as many areas of public administration and politics depend on unpaid work.

Seeking to improve the present and possible future development of relationships between 'community-based' bodies and the different levels of government - and therewith the relationships between institutions of primary and secondary 'sociality' - we proposed subsidiarity as a potentially useful concept, which recently has been gaining more attention in policy circles, especially in the context of discussions about Human Rights and in the context of the integration of the European Union.. The Subsidiarity Principle proposes that higher levels of government should only perform functions that cannot be effectively and efficiently undertaken by lower levels of government and that decision making and administration is normally to be delegated to the most local practical level.

In terms of re-situating volunteering and civil society work in the economic context of capitalism (and the presently quite fundamental signs of collapse), we proposed the notions of 'gift economy' and 'contributory economy' as offering a gradually firming structural platform from which to perceive the contours of an alternative to the market-exchange economy (and its other components like competition, profit making, growth imperative, etc) and initiatives like Transition Town have certainly taken on board major aspects of this alternative way of 'practicing' community economies.

In sum, these conceptual explorations as well as our conversations with so many people involved in activities covered by community strengthening, volunteering and civic participation have – again and again – emphasised the need to:

Bring back notions of 'public service' by government to the community and the social ties that engender it (rather than imagining that relationship as a 'customer – provider' and, hence, a 'market exchange and economically abbreviated' one).

Give greater credence to ties of primary sociality within organisations & community whilst recognising basic Human Rights and opening up to a more cooperative federalism rather then the usual coercive model, favouring 'top-and-centre' that – consequently – strengthens the power of systems of secondary sociality.

Develop new forms of 'trust' (an important ingredient of social capital) between those living and operating (in) institutions and sites of primary sociality and the state/government.

Integrate conceptually, programmatically and in practice the three 'embodiments' of – what we would now call – Civil Society Work, i.e. volunteering, civic participation and community building/strengthening/development.

Such integration – whilst only possible here as the integration of three distinguishable 'typologies' – needs to include a 'personal' dimension, reflecting people's intentions and practices and a more structural/organisational dimension, reflecting the several types and kinds of relationships people engage in when they commit to working as volunteers, as community members and/or as 'active citizens'.



Below the much amended and gradually developed pictorial representation of this integrative typology, loosely built around the creative and mutually non-exclusive dynamic between three broad, 'typical' motivational foci or 'targets' of persons intending to engage in volunteering/civic participation/community strengthening activities, ranging from individuals and families, to local or interest communities, to foci on a civil society/global level.

Sets of 'typical' practices, ranging from 'caring and support' work, to 'community building/strengthening/development' involvements of various nomenclature, to 'activism/advocacy/governance/volunteering/ civic participation or service'.

Typical forms of relationships engaged in,

ranging from the direct interpersonal, to group reciprocities, networking and organisational or indirect relationships.

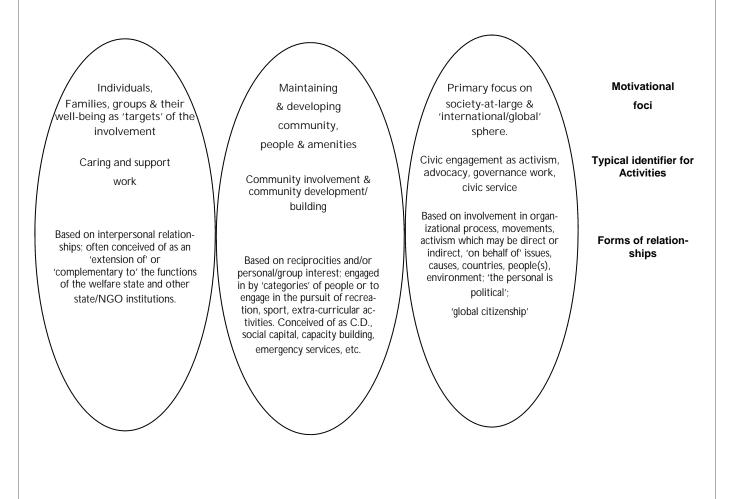
Reference:

Healey, L, Boulet, J. & Boulet, J. 2006 'Volunteering: What's in a name?' New Community Quarterly, vol. 4 (3): 39-47.

Jacques Boulet is head of oases Graduate School in Australia.

(note that the summarised conceptual framework below appeared under the same title in full in the New Community Quarterly, vol. 6 (2); an electronic version is available upon request via the above email address.)

Typology of Volunteering & Civic Participation as Civil Society 'work'







Smerdon, M. (ed) (2009) The First Principle of Voluntary Action: essays on the independence of the voluntary sector from government in Canada, England, Germany, Northern Ireland, Scotland, United States of America and Wales Working Paper No 3, Strengthening the Voluntary Sector – Independence, London, The Baring Foundation

Reviewed by Colin Rochester

The latest product of the Baring Foundation's programme on 'Strengthening the Voluntary Sector – Independence' provides yet more evidence of the emasculation of voluntary action as an independent actor on the policy stage and a distinctive voice for social justice by Government, not just in England but in the other countries of the UK, in the USA and Canada and in Germany. Unfortunately, it also reveals the limitations of the approach that underpins the programme and its lack of urgency and intellectual vigour in addressing the issues.

The First Principle of Voluntary Action is a collection of essays on the seven selected countries commissioned from academics. They are prefaced by an introductory essay from Baring's Deputy Director, Matthew Smerdon which highlights the pressures on independence identified by the contributors and their views on what can be done to resist them.

The essay on England (by Ben Cairns) covers familiar ground: despite the Government's rhetoric on the need for a distinctive and independent voluntary sector, much of the implementation of its policy is prescriptive and instrumental. This extends to the ways in which voluntary organisations are organised and managed 'with government agencies moving beyond identifying policy priorities and setting parameters for action, to prescribing operational and managerial solutions' (p40). And it leads to 'a gradual wearing away of independence – in particular their ability to stay true to their vision and purpose, and to organise themselves in the most appropriate fashion - and the slow disappearance of the very 'distinctiveness" which ostensibly makes the voluntary sector so attractive to this Government'.

A significant means by which the Government in England imposes its will on voluntary agencies is an approach to funding which is based on tightly specified contracts. The essay on Scotland identifies funding relationships as a similar 'threat to independence' as it draws organisations 'into tightly defined contractual, performance, accountability, modernisation and reform regimes' (p83). Northern Ireland's recent history has been atypical but 'there is evidence that organisations are also becoming subject to familiar pressures due to an increasing reliance on contract-based funding' (p67). The situation in Wales is somewhat different: devolution has brought the voluntary sector into a closer relationship with government in which it is expected to work with the state 'as part of a nation-building consensus'. In the process independence is threatened by the substitution of government's aims for 'those freely chosen by volunteers and the organisations they support' (p123).

Outside the United Kingdom, similar encroachments on the independence of the sector are seen more clearly as a product of the hegemony since the 1990s of New Public Management. In Canada, this has led to the remaking of the 'partnership' between the state and voluntary action so that contractual relationships dominate and the role of voluntary agencies in advocacy has been marginalised. Peter Elson argues that the sector's independence has become a complex, embedded relationship based on interdependence rather than one rooted in the idea of an autonomous civil society.

Historically, the relationship has been very different in Germany where the principle of *subsidiarity* has allocated clearly differentiated roles to government and charities. Within these arrangements voluntary sector providers have enjoyed significant funding and considerable autonomy in their fields of activity. In recent years, however, this system of state supported private welfare has come under challenge from a market-based approach labelled 'New Subsidiarity.

The experience of the USA is, however, the most chilling – especially as the members of our political elites are so eager to adopt the methods of their American counterparts. As with some other examples, there is a notable gap between theory and practice. 'Voluntary social compacts of citizens' which are independent of government or of an established church have had their 'rights and prerogatives of free association, speech and action' protected by the constitution for more than 230 years.

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In practice, however, these rights are not extended to those seeking preferential treatment – especially in terms of tax - as charities. Thus, as well as the 'clear and certain influence exerted by government through grant, contract and other third party payments' agencies are also subject to the requirements imposed by tax regulations applied to non-profit status' (p105). In fact, the independence of these organisations can be 'over-ridden at the whim of those politicians in power' (p106). President Reagan was able, for example, to prevent any organisations funded by the Federal Government from providing information or advice about abortion – even if that activity was funded by private donations.

Mark Rosenman's essay on the USA, moreover, takes us into territory not covered in the other pieces by arguing that the whole context within which American nonprofits operate has been redefined by the *neo-liberal state*. In essence, this involves the elevation of the market above the governmental and nonprofit sectors; the Government is seen to lack 'the power, the resources and the moral authority to address the political, social and economic problems that confront the nation and the planet' (p118) while the role of charities is restricted to palliative relief.

On the whole, however, The First Principle of Voluntary Action rehearses the pressures wearing away at the independence of the sector in terms of the processes of policy implementation rather than their underlying causes. Similarly, its treatment of the ways in which the issue can be addressed is essentially technical rather than political. The 'reflections and actions that could help voluntary organisations to protect their independence in the face of these challenges' (p11) are heavily weighted towards activity on the part of individual organisations and the role of their leaders; they should, for example, focus on their own values; take a strategic view of independence; make better use of their capacity to act as advocates; and demonstrate their value and effectiveness. Funding was also important: organisations needed to develop a diverse range of funding streams and the 'financial means to influence policy' (p11). Other suggestions are aimed at governments which should 'be appropriate and proportional in its demands on the sector and its expectations of it' (p12).

At one point in his introductory chapter, Matthew Smerdon notes the ubiquity of mentions of New Public Management in the seven essays and remarks that, beyond this, lies the 'role of the broader neo-liberal agenda' (p10) but he fails to pursue this promising theme. The various manifestations of pressure on the independence of the sector can surely be traced back to the common root of the capture of the political establishment by the doctrines of neo-liberalism and its conversion to idolatry of the market? This year's Reith Lecturer⁽¹⁾ has drawn attention to the prevalence of 'market-imitating governance' and the damage it can cause. The critique of neo-liberalism is beginning to develop and the authors of these essays would have benefited from taking account of it and making their contribution to its development.

At bottom, the attempt to answer the paper's own question 'What to do?' is of little value. There are two kinds of explanation for this inadequacy. On one level, the discussion is circumscribed by the search for technical solutions. The relationship between government and the voluntary sector is seen as something that is in need of adjustment rather than radical change. This is not altogether surprising; the Baring programme was designed 'to explore and to inform the continual search to discover how these relationships can best be managed' (p3).

Despite lip service to the importance of historical roots – and the serious attempt of Mark Rosenman and, to a lesser extent, Helmut Anheier to discuss the origins of the US and German sectors - the essays show little understanding of the history of voluntary action and its relationship with the state. Too often, they seem to have adopted the view of the British Government that nothing of any importance happened before the 1990s. The lack of historical insight is accompanied by an absence of theory: we look in vain for the kinds of conceptual framework that could help us understand better what is going on and how best to respond to events. Until and unless we develop a new paradigm of this kind, we will be condemned to respond to deep-rooted problems with solutions which remain superficial.

Colin Rochester is a Visiting Research Fellow at the Centre for the Study of Voluntary and Community Activity at Roehampton University.

⁽¹⁾ Sandell, M. (2009) A New Politics of the Common Good; the Reith Lectures 2009 at www.bbc.co.uk/programmes/b00729d9 (accessed 5 July

www.bbc.co.uk/programmes/b00729d9 (accessed 5 July 2009)



ITVAC INULIETIN

EVENTS AND ANNOUNCEMENTS if you want to tell us about upcoming events please email me on j.grotz@roehampton.ac.uk and we try to include it in the next edition Evaluation in the UK third sector: Toynbee Hall current issues, future challenges Learning from local action developing national solutions Thursday 8th October 2009, 12.30pm to 4.30pm UNITED KINGDOM Toynbee Hall, Aldgate This event costs £25+VAT to UKES members and £35+VAT to non members. Professional Briefings on <u>bookings</u>@profbriefings.co.uk EVALUATION SOCIET **Research Conference on Voluntary Action: Volunteering** Counts

1st and 2nd March 2010

Chancellor Hotel Conference Centre, Manchester, UK

The event is being organised by the UK Volunteering Forum Research Group, a consortium of researchers from the Institute for Volunteering Research (IVR), Volunteer Development Agency Northern Ireland, Volunteer Development Scotland (VDS) and Wales Council for Voluntary Action (WCVA).

They are currently calling for paper submissions. For further information visit http://www.ivr.org.uk/events/ or contact <a href="minitermin

Voluntary Sector Review

This new journal will be the first UK-based, peer-reviewed journal to focus on third sector research, policy and practice. It will be first published in 2010.

For further information visit

http://www.policypress.co.uk/journals_vsr.asp or http://www.vssn.org.uk/journal/index.htm







Making Community Research Work The Resource Centre 356 Holloway Road, London, N7 6PA 11th November 2009, 1pm – 4.30pm

The Association for Research in the Voluntary and Community Sector (ARVAC) in partnership with Islington Voluntary Action Council (IVAC) is hosting a half day seminar on community research.

The seminar includes presentations from eminent speakers and a number of practical workshops covering diverse issues related to conducting community research. This seminar will be of interest to community groups wishing to begin or to support research within the sector.

SPEAKERS Rt Hon Alun Michael MP

Prof John Diamond, Centre for Local Policy Studies at Edge Hill University

Mulat Haregot, Development Manager, Evelyn Oldfield Unit

WORKSHOPS

Community Research: Getting Started.

Key issues in approaching community research. Giovanna Speciale, Independent trainer and former ARVAC Community Research co-ordinator

Community Research in practice:

Supporting refugee community organisations to run research. Sarah Menzies, Development Worker, Evelyn Oldfield Unit.

Governance: Using the 'governance pages project web site' to improve governance. Kevin Nunan co author of the Joseph Rowntree Foundation governance report 'A lighter touch'

INFORMATION STALLS

A number of stalls offering information, advice and resources on Community Research.

Please turn over for more information









Making Community Research Work

The seminar will be preceded by ARVAC's AGM which starts at 11.30 to which all are invited.

To book a place, for more information, accessibility requests and to book workshop places and stalls please contact:

Valerie.lammie@cdf.org.uk

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ARVAC thanks CUE East, Beacon for Public Engagement at the University of East Anglia, for helping support the accessibility of this event.







and the Resource Centre





