Comparing governance patterns: the place of third sector organizations in policy across nations

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Introduction

Since the 1990s, governance processes have shifted significantly as most governments in industrialized countries began emphasizing the need for greater participation of third sector organizations in the process of design and delivery of public policy (Kendall 2009, Agranoff 2006, Brugue and Gallego 2003). There have been some important and significant theoretical writing on the subject of governance that has enabled us to identify some converging features or patterns in this new governance dynamic (Rhodes 2000, Kooiman 2003, Newman 2001). However, there remains considerable variation in the way governments' have structured their relationship to third sector organizations (Casey et al. 2010, Phillips and Smith 2010, Laforest forthcoming). Such differences reflect the interplay of several factors: the power of political actors and alliances; the nature of institutional arrangements that give access to the state; the dynamics of inclusion and exclusion in these institutional arrangements; and the expression of basic values about the third sector and its role in policy.

In this paper, we propose a lens for reading recent governance practices drawing on each of these dimensions. This is a first step toward developing a framework that can help us understand both convergence and divergence dynamics. While we do not
systematically follow earlier accounts of this nature, such as Philippe Schmitter's (1974) and Lehmbruch (1977, 1979), we are inspired by the comparative politics tradition of situating the intermediation of interests within a set of broader, longer-term state-society relationships. Governance systems have long provided routes for organizing access and democratic representation. Yet, as we will illustrate, these terms of engagement and political participation have come under pressure with new governance dynamics.

*Developing a theoretical framework*

Governance, the growing reliance on voluntary organizations in the policy process, has compelled scholars of policy to develop new analytical tools to understand the interaction between state and civil society. It is increasingly recognized that “the role of the state shifts from that of ‘governing’ through direct forms of control (hierarchical governance), to that of ‘governance’, in which the state must collaborate with a wide range of actors in networks that cut across the public, private and voluntary sectors, and operate across different levels of decision making” (Newman et al. 2004: 204). In light of the new demands of governance, governments have begun to change their practices and structures by emphasizing the needs to greater participation of third parties in the process of design and delivery of public policy.

While third sector research has produced a rich empirical literature, few
attempts have been made to study organized interests through comparative research. Part of the problem is because of the methodological difficulties and the lack of standardized measurements for cross-national comparison. Systems of interests intermediation are complex and subject to cultural and national variability. For this reason, most of the research has been quantitative aimed at establishing operational definitions that can be valid across contexts - a complex and difficult task. This work has been essential and valuable for providing comparative benchmarks to better understand the role and place of the voluntary sector across nations. Yet, this scholarship has generally taken for granted the existence of the voluntary sector as a collective entity. By treating the voluntary sector as a coherent object, researchers reify the sector, treating it as a thing or a given, rather than a constellation of social relations.

As a result, we know comparatively little on how shifts in governance have affected patterns of engagement of third sector organizations. In many countries, third sector organizations have engaged with government officials to represent a social relation of cooperation and partnership. The resulting outcomes, such as the Compacts in the UK or the Accord in Canada, were born out of a process of negotiated mutual recognition. While cross-sectoral collaboration is a growing trend, actors involved in governance arrangements in each country are not equally endowed with power or legitimacy. Indeed, significant variations in the way third sector organizations are involved in policy continue to exist across countries revealing the importance of representation.

Whether organizations make claims simply to improve the circumstances of
collaboration through the introduction of better managerial practices (Clarke and Newman 1997), or whether their demands are steeped in an understanding that their relation with the state needs to be transformed, does not depend on the objective interests of organizations but on the ways they depict the governance dynamic in their representations to themselves and to others. No third sector movement will adopt precisely the same discourse or collective identity. They participate in the construction of meaning systems and the definition of the political. Through this process, particular issues and interests are advanced, while others not. Thus the representation of third sector interests can and should be subject to systematic cross-national comparison.

As a field of research, a critical understanding of the voluntary sector as a discursive subject needs to be developed. Conceptual tools through which to analyze contemporary representations of the voluntary sector, and to assess the political and social consequences of different forms of representation, are necessary. Observing these variations across time and space allows us to identify significant differences in governance practices. With the greater involvement of third sector organizations in policy and the development of umbrella groups to represent their interests, the definition of politics may change. New identities and new claims can - and do - develop (Jenson 1990).

The biggest challenge remains how to combine an analysis that recognizes macro patterns and processes at play, while also acknowledging that time and space matters for there are different discourses and ways of understanding the role and place of third sector actors in each setting. One way to do so is to pay attention to ideas because they
provide meaning systems, discourses, and concepts, through which actors represent the world. This also involves recognizing that the processes by which new ideas arise are fundamentally political.

Seeing the sector as a collective agent

The voluntary sector is not a monolithic actor but rather is comprised of a number of voluntary organizations with multiple, even competing, interests. Over the past decades, government - voluntary sector relationships around the world seem to have hit a new level. For the first time, voluntary organizations in many countries have instigated processes to organize themselves, articulate their common interests, and to represent those interests on the political scene. Indeed, one of the most striking aspects has been that the voluntary sector, as a sector, has incontestably positioned itself as a new social agent on the policy scene. In Canada, in the UK, in US, in Australia, in New Zealand -- to name a few -- voluntary organizations across a variety of policy fields have come together, providing leadership, creating organizational structures to represent themselves as a collective, and have made claims to the state in the name of the sector (Casey et al. 2010; Toftisova 2005).

As voluntary organizations engage with the state and institutional actors, the question of identity and interests -- of who we are -- emerges. This identity is constituted through a process of interest articulation, mobilization, negotiation and representation. To speak in the name of the voluntary 'sector', voluntary organizations
need to develop mechanisms and processes to achieve intra-sectoral coordination and communication. The extent and character of their involvement in governance is shaped by the construction of a collectively shared meaning system, and reflects these values of solidarity. As a collective, they express a vision of how the relationship between the government and the voluntary sector could be reformed.

Laying these collective claims is important because:

- it delineates which claims are deemed important and which are not,
- it positions the actors in the political arena in relation to their allies and their opponents,
- it involves securing strategic resources (both financial and human resources),
- it also has a consequence on the strategic avenues/channels that organizations will select in order to circulate their claims (both within and outside of the system).

For this reason, the politics of government-voluntary sector relations are important.

The importance of Naming and Framing

The collective movement of voluntary organizations that we have witnessed over the past decades also calls attention to issues of identity. Too often voluntary sector studies have focused on providing a detailed static portrait of the character of the sector. They have taken the problematizing and the fluidity of the sectoral identity for
granulated. Melucci (1995, p. 76) notes that "one cannot treat collective identity as a 'thing', as the monolithic unity of the subject; it must instead be conceived as a system of relations and representations." Similarly, we cannot take the claims and interests of the voluntary sector as given, but rather pay attention to how they are changing in light of the context and the institutional environment.

"In a provocative formulation," writes Jane Jenson (1998, p. 5), "we might say that opportunities do not exist until perceived, interest do not exist until defined, and constituencies do not exist until named." A large part of the construction of the sectoral identity, involves voluntary organizations making sense and giving meaning to their collective experience. Precisely because the articulation of a collective sectoral identity involves the interplay of voluntary organizations with multiple, even competing, interests, outcomes cannot be fixed or predictable. It is important to look at who are the actors involved in the formulation of that collective identity, what they define as the meaningful claims to be made, and how they stand in contrast to others. All countries do not experience sectoral mobilization in the same way or to the same extent.

In the UK, the voluntary sector has long had an umbrella body through which to articulate its claims. The National Council for Voluntary Organisations (NCVO), previously the National Council of Social Services, has existed since 1919. The existence of this infrastructure body facilitated the maintenance of unity within the sector and their interests were well represented during the development of the compact agreements with government. In Canada, no such infrastructure existed; it had to be created (Phillips 2009). The politics of representation of the sector reached its heights in
the early 2000s with the development of an Accord between the federal government and the voluntary sector, much like in the UK. However, the success would not be long lived as the political process also created some rifts within the sector between large institutionalized voluntary organizations and smaller community oriented organizations. The result of their efforts was short lived as the umbrella group collapsed a couple of years later and the Accord between the government and the sector is now a forgotten memory. Despite its demise, the existence of an umbrella group at the time, much like in the UK, facilitated the development broad macro agreements between the government and the voluntary sector in both settings.\(^1\)

In others, such as the US, the mobilization of sectoral interests has not occurred to the same extent (Casey et al. 2010). While the voluntary sector has not made the same headway in the US as the UK and Canada in terms of developing a formal agreement with government (Casey et al. 2010), since the 1980s a number of umbrella bodies have been structured in order to represent the collective interests of voluntary organizations. For example, in 1980, the Independent Sector was founded to provide a leadership forum for American charities and foundations. In 1991, the National Council and the State Association Network, now the National Council of Nonprofits, opened an office in Washington in order to represent the voluntary sector on the national scene. More recently, in 2009, 12 nonprofit chief executives and academics launched the "Forward Together Declaration" calling for a renewed commitment to strengthening the relationship between the voluntary sector and the government. While nothing formal has transpired, these discussions around the nature of the relationship between
government and the voluntary sector compel groups to organize around various claims and interests.

One of the key and necessary actions in the process of building a collective identity is the act of 'naming' because it designates the constituency for which the movement speaks (Jenson 1995). If we compare the naming practices across nations, we start to see important differences in the way constituencies are framed. In Canada, the preferred name is 'voluntary sector'; in the UK, it is 'the voluntary and community sector' -- but more recently there has been a push for using the term 'civil society sector'; in European countries, 'social economy' is the preferred sectoral designation; whereas in the US, it is the 'nonprofit sector' and so on. As a field of research, insight would be gained by probing comparatively into the underlying political processes that have generated such different representations of the sector. They reveal important nuances about the many factions within the sector and convey different forms of social relations between the state and the constellation of voluntary organizations within each context.

Identity and interests are not objective realities. Voluntary sector studies assume too often that voluntary organizations are the same, that they share the same goals and objectives: to serve the public good. But it is important to recognize that there are multiple, sometimes conflicting interests, within the sector, each vying to be heard. Foundations and philanthropic organizations may be mainly concerned with regulatory issues such as tax laws and charitable status; service based organizations may be more concerned with the contracting regime and accountability issues; social economy
organizations or social enterprises may particularly interested in asset-building tools and innovation; some organizations may be more concerned with advocacy and autonomy issues; others still may be concerned primarily with the state of volunteering. Each of these discourses is embedded in the sectoral discourse and can be a basis for strategic action. When they come together, voluntary organizations, just like other actors, struggle to define and realize their collective interests. Out of a range of possible identities and bases for action, many forms of politics can take root.

What prompted the development of our framework is the recognition that we have entered a particular historical moment where the representation of sectoral interests is in flux. Political practice within the sector over the last two decades has been shaped by the rising influence of new actors in policy, such as social economy groups, philanthropic organizations, and service oriented organizations, who do not derive their legitimacy from representation. They struggle to legitimate themselves based on what they do and what they deliver. This shift has altered the nature of claims being made in the political arena. It has focused some voluntary organizations away from a "state of being" to a "state of doing". What makes the new paradigm a significant departure from earlier forms of politics articulated around the politics of recognition or the politics of identity is that organizational dynamics have now become an increasingly defining feature of the relationship between voluntary organizations and the state. It evokes a very different representation of the relationship; one where government relates to an organization based on what it does and how, not based on who it represents and why. Moreover, it evokes a very different power relationship with the state. An organization
that gains its legitimacy from its identity base is a product of social needs and pressures -- it is responsive and adaptive to the broader system of social relations. When the 'identity' of the group is threatened, there is more likely to be resistance to change and administrative measures that would submerge that identity. As these two paradigms collide, new representations of political spaces are emerging; the outcomes of which are still very much open.

Collective action does not occur in a vacuum of course; numerous factors can determine whether collective action efforts will be successful or not. The theoretical framework proposed in this article strives to make the link between action, identities, strategies and the broader institutional context. It acknowledges that political strategies are partially crafted by actors, but are also constrained and shaped in significant ways by institutions, structures and context. Although voluntary organizations make deliberate choices, not everything is possible through agency; it is bound by time and space.

Institutional context

Governance shifts have been accompanied with a restructuring of basic policy instruments and "a complex and variegated shift in the pattern of rule" (Bevir, 2010: 89). For example, governments increasingly steer the ship of state through a process of metagovernance (Newman, 2005) whereby they define the context in which network actors negotiate with one another, who should be included and the terms of inclusion.
Metagovernance occurs through the use of regulatory instruments such as charity law (Phillips and Smith, 2011) and the imposition of contract based funding regimes including judgments about capacity to be a fit provider of public services (Carmel and Harlock, 2008), but also and more insidiously perhaps, sustaining the fiction that the meaning of social problems is beyond contestation and is a matter for technical expertise alone. These new institutionalized practices condition how politics play out.

It is no coincidence that sectoral interests have sought to organize themselves in many countries at this particular moment in time. The transformation of the political sphere -- in particular the growing reliance on voluntary organizations in policymaking and service delivery --- has affected the conditions of voluntary sector action. New potential for conflict originates from the blurring of the boundaries between the public, private and voluntary sector. These conflicts develop around the new conditions of governance with particular attention to organizational issues such as funding, contracting, reporting, workforce challenges, leadership, etc, which constrain the parameters within which voluntary sector action occurs. The specifics of the governance process necessarily depend on politics, on the historical relations among the actors, on their capacity to negotiate this new mix. Governance is a site of production and struggle over power where new understandings of the roles and responsibilities of each actor are given play (Newman 2005). The outcomes are necessarily shaped by varied interests, practices and meaning systems.
The voluntary sector and patterns of governance: The example of Canada and Quebec

Our ultimate goal is to gather data to provide an empirical account of the differences and similarities between organizational patterns and strategies of third sector mobilization within a variety of settings. This paper has proposed a theoretical framework to do so. In this section, we apply the framework to the study of voluntary sector mobilization in Canada and in Quebec as an example of its potential.

Canada operates as a federal system, whereby social policy is of provincial jurisdiction. Quebec is one of the provinces in Canada, yet it is distinct because it is the only French language province and because of the sovereignty movement, the provincial government governs as a nation state. For this reason, it offers an interesting comparative point vantage point to the rest of Canada in terms of studying the voluntary sector and its interaction to the state.

The voluntary sector in Quebec has always presented unique and distinct features to that of English Canada. For one, it is characterized by strong militancy committed to social action and to reforming social relations. Local activism is traditionally seen as a potentially transforming force in the social and economic realms. Dating back to the 1960s and the Quiet Revolution, the voluntary sector movement has been instrumental in putting forward a vision of society that recognizes community participation as a fundamental exercise in citizenship and democracy, and as a means for empowering citizens. With its statist tradition, the Quebec government has long embraced the voluntary sector as an important ally in the construction of collective
solidarity, promoting a sense of shared solidarity, and playing a unifying role in the political realm by representing important symbols of the Québécois collectivity.

Throughout the 1990s, the Quebec state began to facilitate the collaboration of business and labour in economic development. At key moments, it established national tri-partite forums, called socio-economic summits, to discuss planning the future of social and economic development in Quebec. Over time, voluntary organizations came to share influence with business and labour representatives and in 1996, they were officially invited to participate alongside these traditional social partners. This formally legitimated the place of the voluntary sector in the planning process and gradually, its role expanded as organizations started to play a more crucial role in economic affairs. This corporatist style of policy making became a distinguishing feature of Quebec politics.

One of the first actions of organizations was to insist on being called the autonomous community action sector. The social movement literature has argued that the process of naming is an important process in the process of identity building. It signals what the movement stands for and positions the movement on the political scene. In the case of Quebec, this name embodied two core values that organizations shared: autonomy from state; and a grassroots orientation. By choosing this name, the autonomous community action sector was signaling the interests it would be representing and the claims that would be made to the state.
Given the statist tradition, the voluntary sector movement has felt the pressures of cooptation at various moments. Autonomy from the state has proved critical as organizations navigated the complex relationship of being both a partner at times and a critic at others.

As a result, the struggle to assert its autonomy has long been a central claim of the sector. In fact, by the mid 1990s, the voluntary sector movement in Quebec began using the expression of *Autonomous Community Action* when making demands for recognition. When the provincial government adopted an official policy of recognition and support of autonomous community action in 2003 (*la politique de reconnaissance et de soutien de l'action communautaire autonome*), the question of autonomy was at the heart of the policy. Government undertakings include formal recognition of the contribution of community action, funding to support the original mission of organizations, and recognition of the legitimacy of the movement’s diverse roles including public policy advocacy and representation. The policy also had the objective of institutionalizing interaction between the state and the community movement by lining up departments with organizations along particular policy areas or domains. It was hoped this would lead to a greater harmonisation of practices and a better management of relations. The importance and significance of the policy lied not so much in its application, however, as in the symbolic acknowledgement of the autonomy of the sector and the vitality of democratic activism for Quebec society. Hence, the voluntary sector movement in Quebec not only gained official status and recognition by the state, but they were able to secure funds to support a full range of activities beyond service
delivery, from core operations to advocacy. This is a unique outcome in Canada -- if we just compare to other provinces where advocacy is a delegitimized activity -- so much so that organizations are afraid to be associated with advocacy.

In the Quebec case, the name autonomous community action didn't just manifest itself. There was lots of debate and factions within the sector, in particular many were calling for the social economy to be designation of choice at the time. But because the women's movement, anti-poverty groups, more grassroots oriented groups were the main interlocutors speaking with the state on behalf of sectoral interest, and given that social economy groups were fairly new and many feared they would be co-opted by government agenda, the overall consensus was a preferred emphasis on the question of autonomy. The strength of the voluntary sector in Quebec came from its ability to present a united front.

This experience differs significantly from the Canadian case. In the past, the voluntary sector, as a constituency of organizations, was not recognized in the Canadian political discourse. Organizations were located according to the people they represented: gender, race, linguistic minority groups. The novelty of the late 1990s was the introduction of a sectoral identity into the political discourse and efforts to rally voluntary organizations around this new collective identity. The voluntary sector was not united in its discourse, bringing together charities, nonprofits, interest groups, community organizations with different visions, strategies and interests under one discourse proved challenging. Even during its moment of greatest strength, at the height of the Voluntary Sector Initiative (VSI) ii, there were important rifts between large and
small organizations, as well as between national and local organizations. The issues that 
brought together such a wide range of interest were organizational issues: funding, 
regulation, and accountability. Improvement in state policies and in its managerial 
relation with voluntary organizations quickly became to focus of the voluntary sector 
movement and of the VSI process.

The irony is that this period and the VSI process injected a large amount of 
support and legitimacy to the voluntary sector, which heretofore had not been 
experienced. This initiative was greeted with much enthusiasm by voluntary 
organizations across Canada and generated lots of academic research on government-
voluntary sector relations (Elson 2011, Phillips 2009, Laforest 2011). While these were 
certainly critical years for new projects and governance initiatives, they masked the fact 
that under the surface the role of the voluntary sector in terms of influence and 
representation was gradually being pushed aside.

Despite its many accomplishments, the VSI ultimately failed to produce a shared 
vision of the relationship between the federal government and the voluntary sector that 
could provide an institutionalized framework for continued collaboration (Phillips 2009). 
While both voluntary sector leaders and senior government officials favoured a stronger 
working relationship and better service delivery, the federal government did not 
support expanding the political capacity of the voluntary sector to be strong advocates 
for public policy, nor was it willing to institutionalize new funding regimes that are more 
supportive of the sector. In fact, discussion around advocacy was strictly kept off the 
table during the VSI process. There was not enough cohesion within the sector to
generate mobilization and oppose the process. Rather than moving towards a more complex appreciation of the role of the voluntary sector in policy - as one would expect with the VSI given the greater devolution of responsibility to voluntary organizations in service provision that has occurred under neoliberalism - the federal government agenda toward the voluntary sector has narrowed to the extent that it is now seen mainly as an agent of service delivery. Meanwhile, incremental cuts targeting organizations engaged in interest representation which began in the 1990s, continued to be administered throughout the VSI years and voluntary organizations' legitimacy to advocate on behalf of citizens further to eroded.

By 2010, funding cuts to advocacy organizations had destabilized even well established organizations, with solid reputations on the policy front. The main available resources to support voluntary organizations were bound to formalize accountability and monitoring procedures. These procedures were meant to enable a systematic comparison of the quality of services based on an analysis of their achievements. Yet for voluntary organizations, it meant that they had to embrace a very different kind of thinking in the new governance arrangement, one that emphasized process and implementation issues. This shift has been profound. What we are observing is a move away from identity and interest based politics and a public sphere organized around demands for extensions of rights; to a more constrained governance regime where there is only space for the expression of claims made on organizational terms. This has significantly reshaped the nature of the relationship between citizens and the state.
Conclusion

We are living through and are right at the key moment in the way ideas and interests of the sector as whole are created, articulated and spread within the voluntary sector, but also to governments. Understanding shifting forms of representation is important in light of the far-reaching policy changes that have developed since the 1980s. In these changed times, this paper has argued for a reappraisal of the analysis of changing government third sector relations. If networked governance was one narrative among many (Bevir and Rhodes, 2010) that had its moment in the sun and that masked the actual disposition of power (Davies, 2011), to what narratives are governments now turning to create a new normative field through which government third sector relations are conducted? To what extent is there convergence and divergence between countries? Variation in response to crisis will be associated with variation in approach to presenting the nature of the relationship between the state and the third sector. Such differences reflect the interplay of several factors: the relative power of political actors and alliances; the nature of institutional arrangements that give access to the state; the dynamics of inclusion and exclusion in these institutional arrangements; and the expression of basic values about the third sector and its role in policy.

We need more contextualized and complex comparative analysis in order to achieve a better balanced understanding of voluntary sector mobilization and how ideas about
the role and place of the voluntary sector in policy affects outcomes. Initially, community groups were involved in governance to the extent that they promoted/encouraged the rights of citizens to full participation society. But, as waves of neo-liberalism and new public management practices shrunk the size of the state, the state is increasingly turning to voluntary organizations to restructure social provision. We need a better understanding of how groups struggle and resist to reposition themselves within this context.

References


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Thinking Beyond Borderlines. A German gaze on a changing interface between society and the voluntary sector, forthcoming in: Voluntary Sector Review (1) 2, 2010, 139-161
In both the UK and Canada, the governments signed a broad framework agreement with the nonprofit sector signaling their mutual commitment to strengthening their relationship.

The Voluntary Sector Initiative (VSI), much like the Compact in the UK, is a unique undertaking launched by the federal government and the voluntary sector to review multiple facets of their relationship in order to better work together and to make improvements in the lives of Canadians. Contrary to its UK counterpart, the VSI has been criticized for lacking implementation mechanisms (Elson 2011, Phillips 2009, Laforest 2011).