

Plenary Address by Margaret Harris to the Annual Meeting of ARNOVA (Association for Research on Nonprofit Organizations and Voluntary Action), Philadelphia, November 2008

Leading in Building Civil Society: Obligations and Privileges

The speed at which political and economic changes have taken place in the last few months has surely left all of us struggling not only to make sense of how we got to where we are so fast but also what it all means for us as scholars and practitioners of the third sector, civil society and nonprofits. I mean not only the implications of the brave new world of the United States of Obama but also the apparently cataclysmic upheavals in the basic institutions of national and global capitalism.

Of course the fundraising crystal balls have been well polished in recent weeks. Will individuals and foundations be more or less generous in hard economic times? Should nonprofits take the opportunity to invest in staff and property while the markets are depressed or should they pull in their collective horns and keep the books in balance for as long as it takes for the storm to pass? After all, we need to keep a sense of proportion and realize that this is just a blip in history and this too will pass.

Boards and CEOs of nonprofits will debate and reach their own conclusions on these matters. As we have learned so painfully as individuals since the summer, there are really no experts on matters of investment – the only answer that makes any sense is to spread your risks and hope for the best.

What I want to do in the few minutes I have been privileged to have been given this evening, is to focus our attention on some of the deeper issues raised by our conference theme about obligations

and privileges in leading civil society. The theme of course was chosen well before the current crisis but it provides us with a wonderful opportunity to spend time dealing with ultimate questions about what it means to be a nonprofit scholar.

And I want to focus particularly on the *obligations* bit of our conference theme. This is partly because the idea of nonprofits having privileges is not something which is particularly salient in countries outside of the US where tax breaks are not such an important aspect of the state of non-profitness or third sectoriness. But it is mostly because I feel that our own key obligation in the current climate is to debate what our obligations are as nonprofit scholars and what are the obligations of the nonprofits which we study.

First, I want to make an observation. An interesting aspect of the political debates currently taking place in the UK about how to respond to the economic recession, is the *absence* of the third sector in the big political and policy discussions. What we *can* see in the UK is the re-emergence of the old and fundamental debate between Left and Right about what the role of the State should be in responding to problems and need. Is it the role of government to lead not only in policy making in response to the crisis but also in *implementing* policy solutions? Or, on the other hand, does failing capitalism need more capitalism; that is, should the market be left to sort itself out with, perhaps, a bit of gentle encouragement and special investment for the small battalions of family businesses and social enterprises?

But so far, nobody has seriously suggested that the third sector might have a key role to play. And this is despite the UK government's long standing love affair with the third sector as a potential

provider of public services. We even have a pre-nuptial agreement in the form of a 'Compact' between the two sectors attesting to mutual affection and respect.

What is it that we are seeing here? Is it the unpalatable truth that we really are just very much a 'third' and unimportant sector when the big boys have to go and sort out the important stuff? Is it that participative democracy, civic engagement and local empowerment are always trumped by representative democracy when the going gets tough? Or is it government insensitivity to the reality of the fact that third sector organizations are already bearing the full brunt of the economic crisis and quietly getting on with responding to the immediate needs of real people suffering loss of income, jobs and homes as well as a withdrawal of local services?

Whatever the reasons, this seems to me to be very worrying. Because the fact is that the third sector is not only picking up the pieces of the economic recession – and I hope we will hear examples of how this is happening in the discussion that follows – but that the third sector will probably be a key player at the grassroots as the crisis bites harder in the coming months. Here I am thinking not only about the need to meet basic needs for food and shelter which has always been a key strength of the sector, but also the need to try to preserve democracy, human rights and social solidarity as the deteriorating economic situation inevitably leads to scape-goating of minorities of all kinds – this is a point I want to return to in a minute. Meanwhile, what are the other obligations of civil society leadership at this time?

What I think the current crisis does is force us to address *questions* about our sector which have always been there but which we have been able to address in a more leisurely way in calmer and

more prosperous times. I want to mention just four. I know my two colleagues in this session will add to the list.

1. First question: Do we as a sector have an *obligation* or duty to pick up the pieces when things go wrong in societies and economies? On the one hand picking up the pieces is, in some views grounded in philanthropy and charity theory, our very reason for being. Not only that, we are famed for our flexibility, responsiveness, creativity and innovatory capacity. So if not us, then who else should be able to come up with responses in challenging times? And yet what we are mostly good at are *specialist* responses to *specialist* needs. And we are good at responding voluntarily and in our own ways. Can we really respond to major societal and economic crises which are manifesting themselves globally? Do the current times not call for broad solutions from visionary and determined governments and from a business and financial sector stiffened by an awareness of its ethical obligations? Should we allow ourselves to be pushed into the mopping up role of saving the wounded in the battle field after the warring parties have retreated? Or do we have clear boundaries around our understanding of our obligations? Should we perhaps just focus on being advocates and critics and keep away from direct involvement in a crisis which is not of our making?

2. Second question: Despite the immediate pressures to be seen to be doing good works for those in need, should we go on responding obediently to the enormous pressures of recent years to work in collaboration with the institutions of government in ‘partnerships’ and ‘alliances’ of various kinds to help respond to complex social problems? ‘What matters is what works’ we were told in Britain by Prime Minister Tony Blair. Which sector does it is not important; let’s just solve the problems. Yes, but now we are in a major crisis. In a world of hybrid

organizations spanning boundaries of sectors, it is now not clear who is going to take a lead in responding to the manifestations of the crisis at the local level. Hybrid organizations with hybrid governance structures are not well placed for taking major initiatives or indeed for taking any initiatives at all. Is this perhaps why the third sector has not figured much in the big discussions to date about responding to crisis? Is the third sector and civil society now so much incorporated into the governmental sector that it is incapable of taking a lead or offering ideas independently of governments? Have we lost our distinctive organizational features and societal niche?

3. Third: We need to think proactively and creatively about what third sector organizations can and should expect of governments. As some civil society theorists have argued, a key role of the state is to provide an environment in which individual citizen action and initiative is encouraged and nurtured. But we need to think hard about what we want and to articulate to government what we believe our role can be in times of economic crisis. Do we want to set ourselves up as an alternative welfare state providing services to all who are needy? Or are we perhaps to be seen as the definitive voice of the people so that government must provide us with fora where we can speak truth to power? Or do we just want money so that we can get on with applying band-aids to hemorrhages in our own way? Should we perhaps urge government to encourage acts of kindness and connectedness between neighbours, the very building blocks of any civil society? We need to decide quickly what we want from governments and express our answer with clarity and realism.

4. Fourth (and my last point for now): We need to think of ourselves as researchers, as leaders of civil society too. And if we are leaders of civil society, then we need to think about our own

obligations as nonprofit or civil society scholars in these exceptionally challenging times. Is it, for example, time for all of us to think hard, even if we have not done so up to now, about how to spell out clearly the implications of our research findings for practitioners and policy makers? Or should we perhaps be focusing on stiffening our civil society theoretical analyses so that we can engage effectively in the battle to ensure that civil society is not incorporated into the state apparatus in the name of solidarity in difficult times? Should we be focusing on long term strategies for building civil society for when the current crisis passes? Is it time for us to set aside our personal scholarly agendas and work for some other higher good?

I would like to finish by returning to the point about the role of civil society leaders in preserving solidarity at the grassroots level where we as ordinary citizens engage with each other. The moral panics and urban myths about who is profiting from the economic crisis are already in full circulation around the globe thanks to the dark side of the internet. We need the institutions of civil society to start NOW on ensuring that we are not overtaken in the 21st century by the xenophobic and every other kind of phobic behaviour which followed earlier economic crises of the 20th century.

Let's get out there and start looking at ways of preventing breakdowns in social solidarity and civic connectedness *before* the disturbances in civil society get under way.

Author's Note: This presentation was prepared at a few hours' notice at the request of the ARNOVA conference organizers. I am very grateful to my colleagues Ben Cairns, Director of IVAR, and Jane Andrews of Aston University who helped me to order my thoughts within a very short time frame.