

Partnering with Civil Society Organizations. The contribute of volunteers and not for profit organizations in the provision of welfare services.

Federica Viganò and Andrea Salustri

EasyChair preprints are intended for rapid dissemination of research results and are integrated with the rest of EasyChair.

May 27, 2019

Partnering with Civil Society Organizations. The role of volunteers and not for profit organizations in the provision of welfare services.

Federica Viganò¹, Andrea Salustri²

1. Introduction

Do civil society organizations (CSOs) play a role in the provision of welfare services? If yes, what should they do and how should they interact with public administrations? In this paper we try to illustrate how these questions might have different answers, depending on the socioeconomic and territorial framework, on people's availability to participate in the third sector, and on the level of entitlement accorded to SSE organizations (especially CSOs) by the public sector in contributing to the provision of public services.

Indeed, CSOs are a group of non-profit institutions characterized by an extreme heterogeneity of purposes, resources and geographical scales of action, therefore their global impact on a selected topic of interest might be rather unpredictable. Laying on this premise, whether CSOs should play a role in the provision of welfare services or not is a reasonable question to ask, and the answer is neither straightforward, neither unique.

Second, even by recognizing the positive impact of a group of CSOs' action on a specific topic of interest, its magnitude remains unpredictable, as it mostly depends, rather than on the scarce resources available, on the level of civic engagement that CSOs will be able to raise with the available resources. However, civic engagement primarily depends on people's willingness to cooperate (often at least partially voluntarily) to the achievement of a purpose of civic

¹ Freie Universität Bozen – Libera Università di Bolzano, Regensburger Allee 16 - viale Ratisbona, 16 - 39042 Brixen-Bressanone Italy. E-mail: federica.vigano@unibz.it.

 $^{^2}$ Sapienza University of Rome, Piazzale Aldo Moro, 5 – 00185, Rome (Italy). E-mail: andrea.salustri@uniroma1.it.

interest, and only secondarily on actions (i.e. communication campaigns, events, participative processes...) that the CSOs might implement.

Third, CSO's involvement in the provision of welfare services often requires a public authorization to proceed, therefore the effectiveness of their action is subordinated to the level of entitlement they receive from the public sector. There are also cases where CSOs intervene in the provision of welfare services mostly to compensate a deficiency of the public administration and without requiring any authorization, but these circumstances go beyond the scope of this analysis, that focuses instead on the opportunity to formally and substantially involve CSOs in the supply of welfare services within the legal framework established by the public sector.

Clearly, the "convenience" of allowing CSOs to participate in the provision of welfare services could be investigated empirically by assessing costs and benefits in selected cases of interest, but we believe that before performing this kind of analyses more effort should be devoted to the sociological, political and theoretical implications of partnering with CSOs. Indeed, in our opinion the rationale laying beyond this kind of interinstitutional cooperation needs further analysis to better identify the scopes (primary, secondary...) and the baseline scenario that should be considered when estimating costs and benefits (direct and indirect).

Finally, there might be political and sociological reasons to foster (or not to foster) CSO's involvement in the provision of welfare services whose relevance might overcome the economic evaluation of costs and benefits, independently from the positive or negative response of the latter. Consider, as an example, considerations involving the effectiveness or the universality of a specific welfare activity (i.e., political representation, healthcare services, education, ecosystem services...).

Lying on these premises, in the following paragraphs we discuss the major theoretical issues related to CSO's involvement in the provision of welfare services in local settings. Therefore,

we present a case study related to the implementation of family policies in South Tyrol through a process of governance involving local public administrations entitled to supply family services, households living in rural areas and local associations. Finally, we conclude by proposing some policy recommendations.

2. What do we mean by civil society?

According to Perez-Diaz (2014), the meaning of civil society, and therefore the groups of institutions that could be included under this umbrella has a complex nature, and several milestones in its historical evolution should be considered before discussing its current meaning³.

Laying on Perez-Diaz's analysis, by CSOs we mean a wide array of institutions with heterogeneous aims and scopes that cannot be considered neither market nor state institutions. According to Coraggio (2015), CSOs should be placed within the set of SSE institutions operating at the borders between the public and the popular economy, therefore within an area of overlapping public and socioeconomic interests. This perspective is close to the third sector's agenda illustrated by Perez-Diaz (CS3). However, most CSOs pursue goals of non-profit (at least, not-for-profit) nature, and contribute to animate a debate on ethics and on the moral concerns that should inspire social (formal and informal) norms. Therefore, in our view civil society includes also some topics included in the second and in the fourth definition (CS4). Finally, we consider the role of CSOs within a western model of society and we emphasize CSO's institutional capability of fostering a process of socioeconomic integration and effective democratization (CS1 and CS2).

³ The table in Appendix summarizes Peres-Diaz' findings on civil society's complex and multifaceted nature (Perez-Diaz, 2014).

A consistent literature on CSOs focused on the role played by the latter in democratizing global governance, i.e. on their relevance within the public sphere (consider, as an example, Fukuyama, 2000; Scholte, 2002; Lister and Carbone, 2006; Castells, 2008; Bernauer and Betzold, 2012). Without overlooking the important lessons drawn, we shift the focus of the analysis toward a recent literature that sheds light on how CSOs, and more in general the institutions of the social and solidarity economy (SSE), might contribute to democratize local contexts by empowering marginalized people, fostering the accumulation of social capital and contributing to improve local welfare in partnership with local administrations (Utting, 2018; Salustri and Viganò, 2018). While these issues might seem more distant from the intrinsic political nature of CSOs, it is worth mentioning how in marginalized contexts a legal democracy, rather than being a starting point, constitutes an end, and its achievement should be supported by a preliminary action aimed at achieving some practical needs, i.e. a decent level of local welfare, market accessibility and people's well-being.

This issue is also relevant in all those national settings characterized by a shirking welfare state due to the occurred unsustainability of public debt. In all those cases, governments forced to achieve primary surpluses might find extremely convenient to involve the third sector in the provision of public services (within a normative framework and under a constant monitoring process) in order to avoid the collateral effects of spending cuts. By contributing to the widespread availability of welfare services, indirectly the third sector might foster a process of socioeconomic integration and a higher level of democracy. Finally, it is worth mentioning how CSOs and more in general SSE institutions might foster a process of identification and exploitation of the territorial capital within the economic process (public and private), therefore achieving a higher level of effectiveness and factor productivity of local, regional and national economies, independently from the initial level of territorial and social development.

3. The Esping-Andersen paradigm revisited

Laying on these premises, we contribute to revisit the Esping-Andersen paradigm by extending its field of the analysis, i.e. by considering also non-Pareto optimal settings as peripheral territorial and social contexts at risk of marginalization and exclusion. Indeed, in his seminal contribution, Esping-Andersen (1999) proposed a comparison among three models of welfare: the Scandinavian model, the Anglo-Saxon model and the European Continental model. In the same year, he also presented a short contribution illustrating the Pareto-optimality of reforms aimed at achieving a "comprehensive welfare state (with or without an extensive third sector)" (Esping-Andresen, 1999).

While agreeing on the Pareto-optimality of a comprehensive welfare state, we cast some doubts on its implementation in countries, like Italy, affected by a high and unsustainable public debt, low or even negative GDP growth rates and stagnant labour productivity. Within this discouraging scenario, the Pareto-optimal scenarios are too far to be achieved in the short run. Rather, the trade-off is between "getting some fresh air" (i.e., a higher level of current public welfare) at a cost of a higher public deficit and debt, and the empowerment of CSOs and more in general of third sector's institutions to foster civic engagement and identify and exploit untapped human and territorial resources.

Both measures aim at raising the current level of welfare, but while the former, in a context of low GDP growth and stagnant productivity, raises public debt and interests to be paid in the future at a cost of a lower public welfare, the latter provides an opportunity to move toward the welfare-efficiency Pareto-optimal frontier by cutting public expenditure (achieving sound public finances) and/or by reducing taxes (fostering economic growth). Therefore, our claim is that, when the welfare-efficiency frontier is too far to be reached, rather than extending the public provision of welfare services, the public sector should arrange partnerships with CSOs to raise the supply of welfare services with an intensity that is inversely proportional the distance of the economy from frontier. This claim might integrate the Esping-Andersen paradigm and its conclusions concerning the best welfare regime given a Pareto-optimal scenario. Indeed, in less developed economies, or in advanced economies facing a protracted stagnation, public finance constraints, underdeveloped markets, corruption and other distance costs might consistently reduce the effectiveness and the efficiency of the public sector. Consequently, CSOs might achieve at least a comparative advantage with respect to the public sector in providing welfare services in local settings due to their proximity to local needs and therefore to their lower exposure to the previously mentioned limiting factors.

In brief, without neglecting the fact that in Pareto-optimal contexts characterized by the absence of constraints on government action public welfare is the best option to choose, we notice how the third sector (and within it, the civil society) is the most resilient and therefore the most suitable option to face marginalization and exclusion at least in peripheral settings. This consideration, however, does not exclude the role that CSOs might play in providing welfare services also in central places, but we believe that in those cases their contribution might shift toward the involvement in the public sphere, with the public sector supplying the highest share of welfare services.

Finally, even if these situations usually go beyond the scope of our analysis, it is worth noting the case in which CSOs might play, rather than a complementary, an alternative role with respect to the public sector. This might occur when government refuses to supply specific welfare services that instead are legitimately demanded by one or more groups of citizens. In this case, CSOs, by directly supplying the welfare services demanded, might provide a contribution that is both economic and political, as, while raising citizens' wellbeing, they might also foster an effective process of democratization.

Our analysis, however, is mainly focused on those cases in which, by overcoming the diffidence in a loyal cooperation between CSOs and public administrations, it becomes possible

to foster the implementation of joint actions, merging a component of grassroot welfare production (the activism of CSOs) with the public intervention of the municipalities, i.e. the public institutions that are most capable of satisfying the real needs of families and citizens in terms of specific services due to their proximity to the beneficiaries.

4. Volunteering and social citizenship

The analysis of the forms of collaboration between the public sector and CSOs is part of the theme of volunteering and social citizenship, as implicitly it is assumed the existence of active citizens that, if mobilized, might contribute in the provision of welfare services, raising the level of wellbeing of the beneficiaries. This area of collaboration is indeed a voluntary space positioned between social rights and social obligations, that provides a contribution to the improvement of the redistributive capacity and the effectiveness of the public sector, through a participatory policy making that at the same time extends the borders of the public sphere.

Traditionally, volunteering has been considered as an additional source of economic value for the labour market (Salamon et al., 2011). In the standard perspective, therefore, volunteering is assumed to be a peculiar category of labour with a considerable number of divergent rules and dynamics compared to the standard labour patterns, but still able to provide goods and services to the community as all the other categories of labour. Indeed, in most of our previous researches (Viganò, Salustri, 2015, Salustri and Viganò, 2017; Salustri and Viganò, 2018), we also have considered volunteering and the third sector as instruments to achieve goals of economic interest. Specifically, we defined the third sector as a capability-enhancing workplace, i.e. a social environment able to improve the conversion factors that allow individuals to turn goods and services into functionings (Kuklys, 2005; Kuklys and Robeyns, 2005; Robeyns, 2005). Furthermore, we illustrated how the third sector might provide alternative sources of employment in marginalized places and during crises, laying on its informal nature and on a flexible management system to reduce endowments' costs and improve adaptive strategies. Finally, we explained how the empowerment of the third sector might help to reduce the public burden of the provision of collective services, contributing to a spending review process and redirecting the private sector toward more sophisticated and innovative economic activities.

However, volunteering, while being exploited in the production of goods and services to the community, it also contributes to the accumulation of social capital by intensifying the relations among individuals and provides a contribution to the amplification of the public sphere. Indeed, a flexible working place where people are highly involved in deliberation and decision processes offers to the individuals the opportunity to experience an entrepreneurial activity and promotes the recognition of multiple perspectives, inducing people to improve their competences and their level of agency. Finally, in the perspective of the implementation of the Third Sector Reform, which is underway in Italy, the hybridization of different forms of non-profit organizations could bring innovative solutions to tackle the new real social risks of the communities.

In brief, even when the provision of welfare services is placed before the extension of the public sphere, it is worth noting how volunteering implies an intrinsic motivation of the individuals that at least indirectly fosters social integration and a process of democratization. Saying it differently, even when volunteering is valued only for its secondary value (i.e., its economic value), its real value is higher and primarily related to the extension of the public sphere that is achieved, if not directly, at least as a by-product.

5. A case study: the implementation of family policies in South Tyrol's rural areas

Laying on these premises, we now illustrate a case study concerning the implementation of family policies in South Tyrol regulated by the Provincial Law n.8/2013 on family development and support. The case of South Tyrol is of particular interest as the Provincial administration is implementing a network involving citizens, families, municipalities and other local administrations animated by a decentralized process of governance and monitored by a public agency, with the aim of identifying specific family needs especially in rural areas characterized by lack of family services. Indeed, South Tyrolean rural areas are often marginalized places, i.e. small mountain villages often lacking public transport services to the urban centres.

The social partnerships implemented in South Tyrol at the municipal scale create new connections among the local administrations and South Tyrolean families, and therefore represent an attempt to overcome the marketization of welfare by mean of new forms of co-development and co-determination of welfare policies key objectives at the municipal scale. The emphasis on the provision of basic welfare services implicitly includes an extension of the political sphere fostered and coordinated by the municipalities. The latter, indeed, compared to provincial and other local administrations, are more effective in targeting families' needs by supplying *ad hoc* services, as, by coordinating a system of households' representatives (*Familien Referenten*), new needs are easily identified, and *ad hoc* projects can be quickly implemented.

It is worth noting how the South Tyrolean public sector faced during the last years (and is still facing) a period of expansion and recalibration rather than a phase of retrenchment. The Provincial administration, therefore, when partnering with CSOs at municipal level is effectively pursuing the design of need-based family policies rather than sustainability of public finances. Clearly, in cases of retrenchment, the additional goal of sound local public finances might add to the intrinsic motivation of fostering a better work-life balance.

In both cases, the success of the initiative passes by a higher degree of municipalities' managerial independence, but what really matters is the institution of the system of households' representatives and private organizations (CSOs) to foster households' political representation and a process knowledge sharing, co-design of new ideas and resource pooling (*Ideenbörse*). Finally, the measures activated in support of South Tyrolean families aim at achieving a balanced family development by mean of preventive actions directed to reinforce relational, educational and parental competences.

The programmed actions are directly implemented by the interested citizens under the supervision of the municipality. The areas of intervention are selected according to the identified local needs concerning households' work-life balance and training activities for young people at risk of abandoning the peripheral territories in which they live. The implemented actions range from the supply of a direct subsidy to the co-production of the programmed actions with the interested citizens, and the interface between the municipality and the residents is provided by a dense network of associations and volunteers.

6. The results of the explorative analysis

Laying on these considerations this paragraph illustrates the results of an explorative analysis involving two Municipalities in South Tyrolean rural mountain areas. A recognition of the implemented actions has been conducted using the standard tools of the explorative method (an interview plan involving the majors and the interested assessors of the two municipalities and the *Familien Referenten* and a desk analysis). It is worth noting how the two municipalities (Salorno and Trodena, respectively 3,829 and 1,026 inhabitants) are both characterized by a high risk of depopulation (especially the youth have strong incentives to migrate), low population density, few of null services of general interest, lack of a direct connection to the closest urban centres. Therefore, in both municipalities social and territorial risks tend to

overlap according to a multiplicative model, raising the need of welfare policies aimed at supporting household's quality of life and work-life balance.

Table 1 illustrates the actions implemented that we were able to survey. It is worth noting how only few actions were implemented in both municipalities and only in few cases the Province was directly involved. Secondly, family policies targeted several classes of beneficiaries, generating direct and indirect benefits for an ample share of local dwellers (i.e. family policies have been considered both as an end and as a mean to foster local development). Thirdly, it is worth noting the wide array of activities implemented, and, in most cases, their multipurpose and hybrid nature, probably due to the plurality of actors involved in the governance process and to their proximity to local needs, suggesting the existence of economies of scope that might be difficult to detect at higher scales of analysis.

7. Concluding remarks

In this paper we explored several arguments suggesting that the involvement of CSOs in the provision of welfare services might improve both the effectiveness and the efficiency of public policies targeting social and/or territorial inequalities. Indeed, CSOs create an interface between local administrations and active citizens, therefore playing a role that is both of economic and of political nature. In a third sector perspective they contribute directly to the provision of welfare services, while in a sociological perspective they facilitate the extension of the public sphere and contribute to the accumulation of social capital. In all these connotations they play a peculiar role that could be hardly transferred to market and/or public institutions. Therefore, even if they could be placed in an area of overlapping public and social interests, CSOs have a specific identity within the social and solidarity economy (SSE) that might reveal of the utmost importance to foster a process of effective democratization, socioeconomic integration end economic development.

| Beneficiaries | Activity | Salorno | Trodena | Province |
|---------------------|--|---------|---------|------------------|
| Adults, | Work-life balance improvement in | Yes | Yes | Family and |
| Families | local enterprises | | | profession Audit |
| Elderly | Social gardens, | Yes | No | |
| | Vigilant grandparents, | Yes | No | |
| | Food distribution at low tariffs, | Yes | Yes | |
| | Blood sampling mobile spot | Yes | No | |
| | Mehrgenerationenwohnen, elderly house with intergenerational activities | No | Yes | |
| Kids, local farmers | School canteen with local food (zero km) and menù shared with the local health unit. | Yes | No | |
| Children, Kids | Summer recreational activities with surveillance | Yes | No | |
| | Social integration activities (work with local craftsmen and retailers, school-work activities) paid with a credit to be spent locally. | Yes | No | Subsidies |
| | Volunteering activities with the neighbouring municipalities (social services, caregiving activities) | Yes | No | |
| | Youth Municipal Council | No | Yes | |
| | Sport activities | No | Yes | |
| | Recreational associations (chorus, soccer, sky, climbing) | No | Yes | |
| | Safe roads | No | Yes | |
| | Vigilant volunteers for kids at shools | No | Yes | |
| All citizens | "Coffee of ideas": open invitation to the local population in a club for brainstorming and audit | No | Yes | |
| | Volunteering activities (associations award) | No | Yes | |
| | Time bank | No | Yes | |

Table 1. Results of the explorative analysis: action surveyed in Salorno and Trodena

Source: our elaboration on the data surveyed.

Notwithstanding their peculiar nature, CSOs might also contribute instrumentally to pursue goals of other nature, i.e. by mitigating the negative effects of restrictive fiscal policy aimed at making public finance more sustainable, by offering a capability-enhancing workplace to the unemployed, and by contributing to narrow territorial and social imbalances. Finally, CSOs might empower active citizens to contribute to the achievement of goals of public interest, by disseminating information and by implementing projects able to improve the efficient use of resources at the local scale by mean of the identification of economies of scope.

In the two cases surveyed we recognized most of the issues discussed at conceptual level. Specifically, we noticed the high degree of variety of the implemented actions and, in many cases, their hybrid nature aimed at achieving economies of scope. Clearly, after having recognized the territorial and social needs, a selection of the most effective and efficient alternatives of development among the numerous activities implemented might foster the achievement of economies of scale in the implementation phase without loosing the benefits of the economies of scope initially identified. To conclude, the implementation of family policies in South Tyrol seems to be a best practice that might deserve further analysis in order to draw useful inferences on the role of CSOs in the provision of welfare services in partnership with the public sector and on their capability to foster and enhancing volunteering as a mean to extend the public sphere, foster social integration and promote socioeconomic development.

References

- BERNAUER, T., & BETZOLD, C. (2012). Civil society in global environmental governance. *The Journal of Environment & Development*, 21(1), 62-66.
- CARBONE, M., LISTER, M. R. (2006). Integrating Gender and Civil Society into European Union Development Policy. LISTER, M. R., CARBONE M. (ed.). New pathways in International Development–Gender and Civil Society in EU Policy. Ashgate, Hampshire/Burlington, 1-14.
- CASTELLS, M. (2008). The new public sphere: Global civil society, communication networks, and global governance. *The Annals of the American academy of Political and Social Science*, 616(1), 78-93
- CORAGGIO, J. L. (2015). Institutionalizing the Social and Solidarity Economy in Latin America. UTTING P. (ed.). *Social and Solidarity Economy: Beyond the Fringe*. London, Zed Books.
- ESPING-ANDERSEN, G. (1999). Social foundations of postindustrial economies. OUP Oxford.
- ESPING-ANDERSEN, G. (1999). *The sustainability of welfare states into the 21st century*. Barcelona, Spain: Fundació Rafael Campalans.
- FUKUYAMA, F. (2000). Social capital and civil society. International Monetary Fund.

- KUKLYS, W. (2005). Amartya Sen's capability approach: Theoretical insights and empirical applications. Springer Science & Business Media.
- KUKLYS, W., & ROBEYNS, I. (2005). Sen's capability approach to welfare economics. In *Amartya Sen's Capability Approach* (pp. 9-30). Springer, Berlin, Heidelberg.
- PÉREZ-DÍAZ, V. (2014). Civil society: A multi-layered concept. *Current Sociology*, 62(6), 812-830.
- ROBEYNS, I. (2005). The capability approach: a theoretical survey. *Journal of human development*, 6(1), 93-117
- SALAMON, L. M., SOKOLOWSKI, S. W., & HADDOCK, M. A. (2011). Measuring the economic value of volunteer work globally: Concepts, estimates, and a roadmap to the future. *Annals of Public and Cooperative Economics*, 82(3), 217-252.
- SCHOLTE, J. A. (2002). Civil society and democracy in global governance. *Global Governance*, 8(3), 281-304.
- SALUSTRI, A., VIGANÒ, F. (2017). The non-profit sector as a foundation for the interaction among the social economy, the public sector and the market. MAPRA working paper n. 78113.
- SALUSTRI, A., VIGANÒ, F. (2018). The contribution of the non-profit sector in narrowing spatial inequalities: Four cases of inter-institutional cooperation in Italy. CIRIEC
- UN-TFSSE, (2014). "Social and Solidarity Economy and the Challenge of Sustainable Development". UNRISD website.
- UTTING, P. (2018). Achieving Sustainable Development Goals through Social and Solidarity Economy: Incremental versus Transformative Change.
- VIGANO, F., SALUSTRI, A. (2015). Matching profit and non-profit needs: how NPOs and cooperatives contribute to growth in time of crisis: a quantitative approach. *Annals of Public and Cooperative Economics*, 86(1), 157-178.

Appendix A. Multiple meanings of civil society

| | Brief definition | Historical meaning | Current use |
|-----|---|--|--|
| CS1 | Limited government, markets, a public sphere and voluntary associations | A framework of practices and institutions that brings together, in a systemic whole, a polity defined by limited government, accountable to a representative body and to public opinion, under the rule of law, and "commercial and polite society": a market economy and a society where | A western model of society that blended liberal democracy, markets, a welfare system and a plural society (a web of associations) |
| CS2 | Market and associations | voluntary associations play an important role. Markets were assumed to create interdependencies, prosperity and a peaceful compromise among conflicting interests. A myriad of | A return of civil society creates the conditions for democratic transition and |
| | | associations was expected to foster a sense of community. They were part of a public sphere, shared with politicians. At the same time, they attended local constituencies, nurtured religious experiences and enmeshed in networks of friends and families to find resources, incentives and opportunities for expressing their identity, solving problems and developing their own voice, later to be heard in the public domain. | consolidation, since habits and institutions shaped by the experience of markets and associations are basic preconditions for democracy to come about and succeed in the long run. |
| CS3 | Associations and social networks of any kind | Markets cannot increase society's collective knowledge by means of either the dispersed, practical knowledge fostered by Hayekians or the technical and sociopolitical expertise revered by Keynesians. Instead, modern social theory emphasizes the integrative potential of associations. | Three research agendas, on social capital, the third sector and the public sphere, have developed which highlight the public dimension of voluntary associations. |
| CS4 | A subset of associations that convey a moral message connected with the value of civility | The way associations and institutional contexts work depends, on the micro level, on people's culture, i.e. on their making a commitment to a set of values and translating these into a way of life. Individuals are invited to take part in a normative debate and choose their side. | A subset of civil associations pursuing a virtuous, good society as defined by the ideals of civility, of a society of (meta) reflective individuals, and of a deliberative society. |

Source: our elaboration on Perez-Diaz (2014).