

The First Principle of Voluntary Action - where's the politics and the history?

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[2] 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. 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^[3] 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.

[1] 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

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

Colin Rochester
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