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Part of the welfare mix: the third sector as an intermediate area*

Abstract

This article presents a conceptional framework which analyses the third sector as a part of a mixed welfare system, otherwise made up of the market, the state and the informal private household spheres. From this perspective, the third sector appears as a dimension of the public space in civil societies: an intermediate area rather than a clear-cut sector. Third sector organisations are understood as polyvalent organisations whose social and political roles can be as important as their economic ones; they are portrayed as hybrids, intermeshing resources and rationales from different sectors. In present policies of 'welfare pluralism' the emphasis is consequently more on 'synergetic' mixes of resources and rationales than on mere issues of substitution processes between different sectors of provision. The last section discusses the potential distinguishing features of such policies with respect to 'pluralist' approaches which try to safeguard the conventional hierarchies in a mixed economy of welfare.

The last decade has brought about an increase in public and political concern with the role of society or of 'the social' at the interface of states and markets. First, the problems of disintegration and of safeguarding cohesion in democratic market societies are problematic, whatever ideological framework is employed. In this context, the voluntary sector and civic association have attracted attention, as has the role and fate of forms of community building, with the family as a central institution. Second, the crisis of traditional welfare state concepts has already led to policies which try to make more planned use of non-state resources to guarantee welfare and well-being, and curb the costs of public welfare. While these developments have put the third sector higher up the political agenda in various ways, it seems that academic reasoning has only partly engaged in the debate. Understanding of the issues at stake — in US-influenced mainstream thinking — has been dominated by economic and organisational theories (for example, see Powell, 1987). However, they have little or

nothing to say about the historical sociological and political dimension, or else make assumptions about these 'aspects' which — as criticism of economic thinking has shown — are highly questionable (for a detailed criticism see Evers, 1993). Approaches from a more historical, sociological and political point of view are still in the minority. However, they are badly needed if academic research is to do more than just accompany current social welfare reforms, which are often of a technical and managerial character.

This article attempts to construct such a broader view. It belongs to a strand of thinking which revolves around what has been called the 'welfare mix concept'. Here, an attempt is made to shed light on the socio-economic background of the highly political and ideological nature of specific 'welfare mixes' (Evers and Wintersberger, 1990). On the one hand, the concept has been used for the description of the empirical and historical diversity of welfare systems which, *de facto*, have always been 'mixed' and to analyse the different types of mixes which can be found in this context (Evers and Svetlik, 1991). On the other hand, more recently the concept has been used as a reference point for developing socio-political analysis of 'welfare pluralism' (Evers and Svetlik, 1993). This article will concentrate on the structural analytical dimensions of the concept, in order to encourage reflection on the origins, potentials and limits of different 'balances' and inter-relations of pluralistic welfare systems. In so doing, the argument will be centred around the voluntary sector, the very area in which organisations relate in one way or another to all other sectors, and which is therefore called the 'intermediary sector' in this article. Four points where such an approach makes a difference towards mainstream thinking on the third sector will be discussed:

- the social and political role of third sector organisations which are otherwise usually primarily recognised in their economic role as alternative service providers;
- the intermediating role of third sector organisations, interrelating not only with states and markets, but also with the informal sphere (comprising families, informal social networks and community building);
- the variety of ways intermediary organisations act as hybrids, intermeshing different resources and connecting different areas, rather than setting clear demarcation lines around a sector and mapping its size;
- synergetic mixes of resources and rationales as opposed to substitution processes between different clear-cut sectors.

In social policy discourse, the notion of the 'welfare mix' has become common currency (Donati, 1992; Abrahamson, 1992), but the kind of

conceptualisation it stands for has also had its echoes and parallels in the debate on the third sector (van Til, 1988; Billis, 1989; Marin and Kenis, 1989; Bauer, 1990; Svetlik, 1991; Kramer et al., 1993). In what follows, by employing these four suggestions, an attempt is made to summarise the major theoretical assumptions and viewpoints which characterise the concept. The main emphasis will be on the specific understanding of the 'third sector' and its organisations which this concept entails. The article then finishes with some conclusions concerning the consequences of such an approach for the ongoing debates on 'welfare pluralism'.

The third sector as part of the public space in civil society

Our first thesis is that the 'third sector' should be conceptualised as one dimension of the public space in civil societies, i.e. as a tension field without clear boundaries where different rationales and discourses co-exist and intersect. In contrast to the American non-profit debate, and to be able to underpin theoretically a political debate on welfare pluralism, one needs a sociological concept behind the notion of different societal sectors. The 'third sector' must be conceptualised as a specific dimension of the public space in civil societies.

Notions like 'civil society' (see especially Cohen and Arato, 1992) or 'public space' suggest modern market democracies have developed a social field structured mainly by uncoerced association, social and political interest representation, solidarity, help and self-help. So, when using the general metaphor of 'public space', this means the space which opens up when conceiving the state, market and informal sector as cornerstones of a triangular tension field. Developments, orientations and strategies in this public space do exert influence but, at the same time, they are exposed to influences from the environment, marked by those three cornerstones.

When thinking of public space and the organisations which constitute and invigorate it, we usually think of social and political interest groups, political parties and the mass media. The issue of the 'third sector' touches a somewhat different and rather specific dimension of organisations in this public space which have a socio-economic purpose in so far as they deliver goods, services and practical help both to members and non-members. Rooted in cultural, social and ideological contexts, they can hardly be understood properly without referring to them as a part of the whole tension field of the public space in a civil society. Behind many voluntary organisations one can find churches, and behind many co-operatives, workers' parties and organisations. Charitable organisations mirror the specific attitudes and

convictions of their founders and members; new grass-roots service organisations are indebted to specific minorities or social movements. Therefore, the world of 'third sector' service organisations should be understood as one dimension of an organised civil society. Those approaches which only focus on the service aspects of such organisations fail in the development of an understanding of their other roles and dimensions as part of a specific civic attitude, reform project or discourse.

It should, however, be underlined that the very existence of a public space and of third sector organisations with a certain basic degree of autonomy is a democratic achievement, based on the liberal reforms which were the results of what Walzer (1992) calls the 'art of separation'. This refers to the separation of public and private spheres, of economic and political power, and of state and society, guaranteeing the independence of citizens and their associations. By the degree to which a society is able to organise itself in this public space — partly through voluntary organisations — it contributes to its character as a civil society. Authoritarian and totalitarian regimes do not allow such forms of self-organisation; even the less 'political' forms of solidaristic association — such as the Red Cross or church-based charities — are therefore either forbidden, incorporated into the state, or lose their quality as non-coercive associations, under both communist and fascist regimes.

With a perspective on concrete historical developments, and for an explanation of different cultures or types of the 'third sector', it is desirable to understand different mixed welfare systems as a dimension of different regulatory and welfare regimes (Bauer, 1991; Evers and Olk, 1991) enlarging already existing typologies which fails to account for this dimension (for example, Esping-Anderson, 1990). The impact of organisations with social and service-related purposes as part of the public space varies greatly according to history and political traditions. Some states, such as the US, are marked by the enormous importance of these components, while others, such as the Nordic states — in spite of the impressive number of social and solidaristic organisations found there — usually limit their operations to the dimension of interest formulation and lobbying.

While basically guaranteed in all market democracies, the characteristics of the landscape of organisations in the third sector — all of which make up a core area of civil societies — are simultaneously shaped by the respective influences coming from state institutions, the market economy and the 'informal sector' of family and community. Hence, their public space is constantly exposed to tensions. In return, the organisations in these 'civic' societal fields — by the inventions, conflicts and dissent articulated and organised by them — are them-

selves generating tensions, ideas and conflicts which cross-cut the borders of the usually well-settled worlds of market, states or communities. This argument about the manifold interrelations of public space and the 'third sector' with the state, market and informal sectors can be developed both on a structural and a more historical level.

On a structural level, it can be argued that each state, market and community area is expressing the dominance of specific rationales. Instrumentalistic orientations, individual choice and anonymity dominate and are constantly sustained by the economic world, in which social linkages are mediated by money. Strong universalistic orientations, requiring uniform rules and standards, dominate at the central state level. At the community level, norms and traditions of personal obligations and linkages are an important characteristic. Below the level of intended political actions, the spheres influence one another. For instance, the constant processes of commodification and commercialisation in market democracies may restrict the room for organising and defining public goods and services to be carried by state or non-profit organisations. They may also limit the room for the motives of self-organisation, solidarity and public concern — a historical dynamic which has been well captured by Wuthnow (1991). Relationships based on money open up new room for choices and anonymity for the individual, but can also undermine community-based or solidaristic social relationships. From such a point of view the 'third sector' appears as a tension field where different influences compete, cross or have to be outbalanced.

Switching to a more historically-oriented point of view, it can be seen that these dominating rationales in the state, market and community play a prominent role in historical political discourses about the organisation of a 'just order' and their implications for social policies, building on a specific *hierarchical order* of the 'mixed economy' of market, state, voluntary organisations and the family. Economic liberalism concentrates on the dimension of the 'free market' individual, on people as consumers and their choices, thus giving a very secondary place to people's roles and rights as citizens, for example. This can be recognised in 'consumerist' discourses about re-organisation of care services. Socialist doctrines have focused either on the 'worker' or the abstract 'citizen', and the state-led socialist concepts of progress and modernisation were especially dominated by universalist orientations. The latter perceive 'locality' and the subsequent particularisms created by subgroups and communities mainly as a barrier for 'general progress'. In the area of services, there was consequently a strong belief in centrally-planned and standardised service systems (for example, in school and health) as the best way to introduce progress and guarantee equality. Finally, conservative discourses often claimed

to build society according to the role model given by community and family, thereby naturalising authority, subordination and the obligations of citizens towards a patriarchal state. Until recently, many conservative social policies and voluntary organisations have been committed and restricted to helping the family in maintaining its central role.

Each ideological strand has a legacy of its own and it is fascinating to study the different ways voluntary organisations are incorporated into the respective hierarchical concepts of a social order and a 'mixed' economy. It is likewise interesting to see the contradictions which arise (for example, with respect to the impact of family and community values in relation to the rules of the market sphere) where liberal and conservative discourses mix. The latest basic controversy in which the 'third sector' plays an important part finds liberalist and left-wing discourses both challenged by communitarian thinking which emphasises the importance of community-based personal relations and their active participation as citizens with rights and responsibilities (Barker, 1984; Etzioni, 1993).

In view of the above-mentioned sectors and discourses, marked by the clear-cut dominance of one rationale over others, the special quality of the civil sphere which contains the 'third sector' is due to the fact that here these different rationales co-exist and mix. According to Walzer (1992), their singularity is structurally reduced in this 'public space'. The respective concerns and preoccupations of those interest organisations and non-profits which belong to a specific political and ideological camp are juxtaposed. Associations are open to — but at the same time they limit — the impact of the different rationales which dominate elsewhere. Voluntary organisations can entail profit-making, but they do not operate mainly for profit; some represent the special needs of local or cultural communities, but they do it on the grounds of voluntary uncoerced association-building.

This structural pluralism and diversity also hold true in a historical perspective. On one hand, we still find basic traditional rationales for self-organising, even if they have lost much of their meaning — as with religion (consider the revival of church-based voluntary organisations in Eastern Europe) and the organisational world built around the labour movement (cf. long-standing organisations like co-operatives). On the other hand, we find a series of new groups, initiatives and values co-existing beside these traditional organisations — the results of the cultural and social movements which emerged in the late 1960s. So, the greater variety and openness to be found in this tension field is something that is shared with the informal sector, where we also find a broad diversity of ways to define, for example, a good 'family life'. That makes both fields different from public administration and market economies. Therefore, it is always very difficult to find a broad

consensus on the role and responsibilities of 'the' third sector organisations, which in fact represent diversity and plurality in the broadest sense.

Keeping this in mind, it is clear that economic considerations about 'institutional choices' usually fail to consider systematically the degree to which strategies of voluntary and non-profit organisations are influenced by 'ideological' factors. Far from being merely 'irrational' features, they point to the special nature of such associations which separate them from business organisations.

Intermediation of different social spheres and rationales

The second argument is that today most organisations in the 'third sector' have an intermediary role, *viz* the task of keeping and balancing a number of cross-sectoral relationships. These relationships exist between these organisations' members and public authorities; between market-related economic constraints and their specific social goals; and between their formal and professional officers and their clients in informal settings, acting as 'co-producers' of respective services. However, the 'third sector' does not always act as an 'intermediary area'. Many countries face situations where self-organising is motivated by total opposition to a given social and political order, for example. Qualifying for intermediation is rather a precarious achievement of modern democracies and their welfare systems.

Many interest organisations, parties and organised movements operating in the public space have drawn sharp demarcation lines which they seek to uphold between themselves and ruling political powers, state institutions, economic power or market sphere. The same can be said of many 'third sector' organisations usually linked with broader civil, religious, ideological or political streams and attitudes. Those voluntary organisations which once belonged to the infrastructure of revolutionary movements or which are linked to contemporary alternative movements often follow the logic of strategies of (self-)exclusion. For example, self-help organisations linked with oppositional socialist and communist parties have neither received nor wanted any acknowledgement or support from state policies, historically. Total autonomy, both in ideological and financial terms, has also been a basic aim of contemporary organisations linked to alternative or counter-cultural movements. Other originally church-based or bourgeois-linked charities, in contrast, have over time often turned into quasi-market or state organisations by assimilating the respective rules, attitudes or discourses which dominate in the state bureaucracies or in the marketplace. It is then hard for both analysts and potential users to see the difference

between some 'non-profits' and 'for-profits' — as in the US — or between services delivered by a municipality or a subsection of one of the peak organisations of voluntary agencies so strongly associated with state bureaucracies in Germany.

Between these two extreme points, however, there is enough room for different arrangements. Beyond the constitutional guarantee for a public space and a 'third sector' with a certain degree of autonomy, market democracies have managed to pave the way for agreements and compromises, exchanging and balancing viewpoints and interests. On the political level, interest organisations, reformatory movements and alternative strands of organising life — including their own collective infrastructures — have achieved opportunities for dialogue with economic and political representatives about changes or securing their survival and resources. However, this responsiveness and prevalence of 'reformatory' over-'revolutionary' orientations took a long time to develop. A civilised 'culture of conflict', based on organisations in the public space which are basically respected and by themselves prepared to co-operate with other social and political actors and organisations despite ideological controversies, cannot be taken as given. Rather, it has to be achieved and cultivated. This relationship between the public sector and the political majority on the one hand and non-profits and other organisations on the other can be referred to as *conflictive co-operation*. It does not *exclude* harsh conflicts, but instead it serves to limit them. Guaranteed rights for organising concerns and a culture of conflict management in democratic countries has resulted in a tighter network of mutual contractual relationships between voluntary organisations and governments, balancing autonomy and integration. Hence, conflictive co-operation often seems to be the prevailing attitude beyond the alternatives of (self-)exclusion or symbiosis. In countries and regions like the Nordic States, England and Germany, different cultures of state-voluntary relationships have developed in order to manage in their specific way the balance of conflictual change and order. This leaves enough room for the different attitudes and relationships of voluntary non-profit organisations towards state and market organisations. This ranges from those which accentuate controversies (for example, over goals and ways of service delivery), to those which limit conflicts in competitive relationships and, finally to those which represent a well-tuned order of roles and responsibilities in co-operative relationships.[1] This intermediary quality and conflictive co-operation became of central importance in complex societies, where the different sectors and subsystems increasingly intermesh. It can be exemplified by the still-growing interdependence between economic and social spheres, state and society, public sectors and communities. This has changed the conditions for 'mixed' inter-

sectoral arrangements. Beyond that, this increasing interdependence has had an impact on the demarcation lines between 'public' and 'private', changing them and making them more permeable.

Safeguarding intermediation, however, needs a certain level of institutional guarantees, shared values and common sense which is to be kept alive by people not acting solely in their private interest but in relation to broader communities as local citizens, advocates of their regions or of their idea of the common interest. The institutions of a civil society including voluntary organisations have an important task in helping to intermediate and to balance different and often controversial rationales. Enabling organisations in the public space to take this role is, however, a difficult task. With respect to voluntary organisations, success then depends by and large on their capability to bridge the different rationales of bureaucracies, markets and communities, keeping these versions of a private and partial interest in touch with definitions of a public interest. This intermediation likewise needs a certain degree of responsiveness in the various sectors (for example, in the business sector and in local communities and public administrations). Three structural and constant tension lines, establishing continuous challenges for intermediation, can be identified. They take their course along the borderlines of the intermediary area towards the realms of markets, state and the informal sector.

The first central axis of tension and intermediary tasks concerns the relationships between the market economy, characterised by instrumental rationales and the public sphere, where solidaristic, social and democratic values can play a much more important role. Beside such well-known interest organisations as trade unions, an important contribution is made here by voluntary organisations, co-operatives and small-scale economic activity strongly embedded in the community. The French labels of 'économie sociale' and 'économie à proximité' (community-embedded economies of small shopkeeper, services, and so on; see Laville, 1994) point very clearly to this intermediate dimension, and the difficulties in drawing well-defined demarcation lines between 'social' and 'economic' rationales. Recent examples include experimental employment schemes in co-operatives might be a good example, linking the straightforward socio-economic goal of creating income and jobs with concrete purposes in ecological or social priority areas. It is especially difficult to keep alive strong social and cultural commitments with regard to pure instrumental orientations when organisations become bigger and operate at an increasing distance from a defined community of values and interest. Therefore, it is no wonder that the impact of social concerns can be associated with size rather than with their classification as 'for-profit' or 'non-profit'. This notion of different degrees of social commitments between small and

big economies cross-cutting a division between 'non-profit' and 'for-profit' has been discussed in the French debate on a hierarchical 'plurality of economies' (Verschave, 1994); it has recently been under-pinned as well in an English study on independent organisations in community care (Taylor et al., 1995). The intermeshing of more instru-mental and social concerns can, however, also be illustrated at the level of individual orientations. A good example is given by the changing ways of voluntary action marked by 'post-philanthropic' attitudes. These represent an explicit mix of egotism and altruism rather than a prevalence of pure solidaristic motives (see the review of literature by Olk, 1987).

The second central axis of tension and intermediary tasks is estab-lished by two other polar cases. On the one hand, we find the well-settled and formally-institutionalised world of central state institutions; centred around its core are historical discourses and projects for 'progress' with their universalistic principles, logics and powerful intervention strategies. On the other hand, the third sector represents different kinds of particularisms along with the social variety to be found at the level of different communities and subcultures. This is partly translated into the plurality of freely-organised interests and concerns with their specific viewpoints, needs and preferences.

One aspect of plurality versus uniformity concerns the dimension of *socio-cultural* pluralisation. The new hierarchies and cleavages which take shape in multi-cultural societies increase the controversies about systems and concepts of service provision which by tradition are often strongly 'étatised' and uniform in character. The conflicts concerning the pros and cons with respect to possibilities to opt out for alternative bodies responsible for schools looking for different educational ap-proaches give significant examples. Some political cultures, such as the French, see uniformity as more important than ever in face of a potential cultural fragmentation of society and of the respective social infrastructures. Others in turn — for instance the North American political culture — insist on the need to give more room to cultural specificities, including self-organised semi-independent service organis-ations (such as in the areas of education, health and housing). The tension between general and particular points of view and interests can partly be absorbed by the state apparatus itself. In the Nordic countries, for example, decision-making in vast areas of personal services and social entitlements is extremely decentralised. Central grants to municipalities are often not earmarked; therefore, there is a wide space for social policy arrangements which mirror particular local traits. However, one has to be aware of the fact that, while facing the problem of balancing universalism and particularism, such

a solution — and likewise an increase of third sector provision — endangers dimensions of equality.

Another aspect of pluralisation concerns the juxtaposition of prevailing and marginal *socio-political* strategies — for example, of traditional and innovative orientations. To the extent that arrangements related to the third sector allow new organisations to experiment with different solutions and to call for innovative social policies from other actors, the intermediary quality is also important. It keeps channels open between traditional styles (for example, service delivery) which mirror the compromises of the majority, and new innovative attempts which articulate the aspirations of (so far) minority viewpoints. Change is usually based on a long process of building up political support, compromise, and finding political decisions in accordance with democratic majority procedures. Such constraints favour precarious, often episodical, institutional answers in the 'third sector', contrary to stable state-organised rules and regulations, and a broad variety of organisational solutions concerning intersectoral networking (including the decision to contract in and out).

A third central axis of tension and intermediary tasks deals with the relationship between formal organisations as representatives of formal rules and professionalism, and the informal worlds of the family, personal relationships, neighbourhoods, communities and social networks. In general, this aspect of intermediation is of increasing importance to a degree in which our societies have turned into service societies where household work has been 'de-centred' into interactions with various multiplying and fragmented areas and types of providers and service institutions (Balbo, 1987).

One aspect of these interlinkages usually seems to prevail: the 'invasion' of the logic of formal organisations and the public world into the informal and private sphere. However, a new impact on and respect for the informal sphere has also shaped different grounds for mediation between formal and informal worlds.

While historically services were often prescribed or seen as a benefit, with the progress of the welfare state people became by and large better educated and more aware of their rights. We can see a broader diversity of informal community cultures, reaching from the traditional self-reliant community to a defensive privatism of modern small-scale households, suspicious of any intervention from outside. There is, however, also a move towards more open forms of socialising in the informal sphere. The self-help movements in urban contexts are a prominent new feature of intermeshing anonymity with the need for personal exchange.

There are, in addition, more self-conscious ways to tie in formal help in the arrangements of 'mixed' formal/informal support networks

which call for more interaction and open-ended negotiation of mutual roles and responsibilities. On the informal side, general and rather clear-cut cultural rules which prescribed the duties of mothers or children (such as with respect to their frail parents) have given way to situations where uncertainty and the possibility for different attitudes and solutions prevail. Therefore, the intermeshing of formal professional help and individual or family-based contributions can be negotiated and take very different and manifold forms and balances. Hence, the conservative approaches of 'strengthening the family' have a rather simplistic character in so far as they try to construct clear-cut and uniform links between rights and responsibilities of citizens (Mead, 1986; also see respective arguments in Gilbert, 1993).

The formal/informal tension axis is very familiar to many citizens, especially to the users of care services, such as adult people with disabilities. They have often called for alternative ways of providing destandardised services, so as to enable them to be the employers of assistants rather than being the clients of professionals and standard services (Baldock and Evers, 1992). The bulk of new initiatives, organis-ations, consultancies and support services which emerged after the late 1960s are rather semi-formal and small-scale. They have con-centrated on these problems of interrelated changes between informal and formal worlds. People's participation in service delivery and in community-based groups make it difficult to draw a clear-cut line between informal and more formalised, often non-profit, organisations in areas like help and care. Logically, recent surveys on the degree of people's involvement in civic life, like Putnam's (1995) study on 'America's declining social capital', tie together findings concerning the more informal sphere of the neighbourhood and the level of participation in formal organisations. In his study on intermediate organisations in Britain and the United States, Ware (1989, p.237) remarks that it is only by including the large number of these and other 'borderline' and 'hybrid' institutions that it can be possible nowadays to come up with something large enough to call a 'third sector'. Within this broad sector, the core area can often be far smaller than the more densely-populated borderlines to other sectors: in this case the informal sector. Therefore, excluding the informal sphere and neglecting semi-formal organisations at the community level is a serious weakness of the US-led debates on the third sector.

Mixes in the welfare-mix — polyvalent and hybrid organisations

A third thesis is that many organisations in the tension field between market, state and the community sector are themselves 'mixes in the

welfare mix'. As polyvalent and hybrid organisations, they intermesh different tasks, roles and rationales — in contrast to state or market organisations, clearly dominated by a small number of specific rationales.

Many organisations to be found in the intermediary area have to act under 'multiple influence' from different areas and under conditions of parallel dependence: both from public and private, as well as from market and community support. This often leads to organisational transformations and different types of organisational careers. Informal self-help and community initiatives turn into well-organised voluntary organisations, while institutions at the margins of the complex state apparatus can acquire semi-independence as negotiators and channels between different worlds and points of view. Hence, one of the dimensions of the special diversity in the 'third sector' is how voluntary organisations, with their internal intermeshing rationales, can show both ultra-stability (as in the case of some church-based organisations), or very low stability (like many of the new organisations and initiatives which emerged in the late 1960s).

The interests organisations in the 'third sector' stand for, often lead to *polyvalent* characteristics. That is, they have economic functions, such as delivering special goods and services to members or others, and simultaneously they exert lobbying functions and channel interests towards the respective points of decision-making. Furthermore, they act as organisations which shape public discourses by financing alternative expertise or by campaigning. The English organisation 'Age Concern', operating in the area of care of elderly people, is one such example. This voluntary organisation acts as an interest organisation for elderly people and, at the same time, often acts as service provider at the local level. Balancing these tasks is a difficult and often conflict-laden issue. Because government policies give incentives for developing service functions while tending to keep all planning authority, quests for participation may be discouraged, and it can be difficult to uphold the full spectrum of tasks and purposes.[2] One should note the absence of this plurality of tasks and roles in the economistic concepts of third sector organisations, which tend to emphasise their role as service providers.

By integrating usually separated rationales and functional orientations, third sector organisations often achieve a *hybrid* character. Their task of mediating or simply manoeuvring between different rationales and viewpoints in different sectors can become very prominent.[3] This comes to the fore in the following ways:

- by relying simultaneously on market, state and community-based resources;
- by counterbalancing for-profit and a diversity of non-profit rationales;

- by integrating paid work with voluntary commitment; and
- by balancing individual motives for co-operation, which can range from ordinary wage orientations to solidaristic reasons.

The more recent types of grass-roots initiatives and forms of self-help at the community level — which emerged alongside the social and cultural movements of the last few decades — are prime examples of the integration of the characteristics of formal organisations and informal community life into their organisational everyday life (see the analysis by Offe and Heinze, 1992). As an example, one can take self-organised kindergartens, community centres, clearing houses of local self-help movements or community-based consultancy services for special groups. They manage to balance the elements of uncoerced association and formal rules of operation, typical of public organisations, with elements of personalised relationships, semi-private settings and an assimilation to the culture of a specific clientele — so typical of informally organised community support networks.

However, the attempt to achieve hybrid status can also be an important basis for reforms in many well-established organisations of social service provision. This is especially the case when clients and users are voicing protest, or show their dissatisfaction by 'exit', choosing alternative modes of service provision. The history of 'rooming-in' after childbirth was a reaction to the rising number of women who opted for home-birth procedures instead of hospital deliveries. The latter provided professional medical care but left no space for the informal relationships which are important to mothers-to-be. Similar challenges and developments can be observed with institutional care shifting to home care, and the need to alter the whole 'script' of service provision, giving the informal side a more important role in the care arrangements. Finally, the discussions about how to make local service institutions more 'community-based' (for example, networking schools with the neighbourhood and the community) constitute another good example. All these reforms are characterised by an attempt to make boundaries more flexible, developing hybrid organisational solutions which allow better partnerships and complementary roles between the logic of formal and informal worlds, professionals and lay people, public rules and private attitudes. The challenge is to intertwine them rather than to uphold clear-cut separations and hierarchical relationships, with formal rules and professional routines clearly dominating the contributions of other parts.

To the extent that well-established organisations lose their intermediary qualities, the hybrid characteristics of others specialising in 'intermediation' become all the more important. In the area of experimental employment schemes, consultancy for dependants and their

carers, or other delicate problem fields, tasks are often contracted out to special bureaux or initiatives. The latter, sometimes due to the socio-cultural background of their personnel, are able to create the room for intermediating between different sides which would otherwise clash or not come into contact at all.

Towards more synergetic welfare mixes?

Finally, at the level of conceptual discussion about more appropriate 'mixes' and divisions of responsibilities, one of the key issues is the search for more synergetic welfare mixes — both at the micro level of individual initiatives and organisations and at the macro level of intersectoral arrangements. The notion of 'synergetic mixes' has been a keyword in the context of research on innovative welfare mixes in the field of care services, as carried out at the European Centre (Svetlik, 1991).

On a *micro level*, this can mean the studying of the aforementioned positive effects of 'hybrid' forms of organisation, which might make their mixed solutions more effective than those of other organisations. From areas like child care or the care of elderly people, a number of studies have shown the degree to which 'intelligent' solutions are an outcome of intermeshing public and private contributions, profession-alism and private voluntary co-operation, general norms and standards, and specific ways of caring according to the given case and situation (Evers and Svetlik, 1993).

The definition of a synergetic mix of resources varies according to different settings, attitudes and priorities. Very active co-operation in service provision might be interesting for some citizens, but not for all. For instance in the care of elderly people, one has to be prepared for organisational arrangements with very different inputs by relatives. Therefore, highly diverse types of 'hybrid' organisations can be found in that area. If relatives simply want to pass on full responsibility to the professionals, there is no 'mixed' arrangement at all. When relatives living at a distance work as 'brokers' and 'co-managers' of a basically professional service arrangement, this mix is different from cases where relatives concentrate themselves on helping in practical caring tasks while leaving decisions about care arrangements to the experts. There-fore, allowing for a variety of legitimised options for the use of public help and services is of increasing importance if one wants to give space for synergetic solutions which are tailor-made for individual cases. For instance in Germany, people in need of care can choose between a limited number of weekly hours of professional care from licensed providers and an attendance allowance placed at their free

disposal for constructing their own support network. Be it potentially mixed or entirely family-based arrangements, the choice is up to them.

An enormous variety of innovative political and organisational solutions can also be found when looking at the *macro level*. There, 'synergetic' effects are sought by more effective intersectoral combinations and networks of market, state, informal and non-profit contributions. For example, in France such attempts (mainly at the local level) in critical areas — such as creating access to work, employment, training and social integration, preserving personal services and initiating urban renewal — have been labelled 'économies solidaires' (Laville, 1994). These are attempts at intermeshing public and private initiatives, 'big' and 'local' economies, community-based contributions and professional or business interests. Such a process of mixing and intermeshing different organisations and economies needs special types of policies by local governments, which besides questions of funding have to assist in creating a supportive 'political space'. Such space is needed in order to legitimate these joint ventures, particularly backing the weak partners in order to overcome traditional hierarchies and to network initiatives in a more democratic fashion. Another example arises in the recent reform of community care in England. Local authorities concentrate on analysing needs, trends and predictable gaps in the care of elderly people, and also organise contracts for defined types of services which are open to voluntary, for-profit and formerly public organisations. Service provision is thereby no longer a state task, while the local authorities' role in purchasing, planning and monitoring seems to increase. So far, different attitudes to the initiative have been evident at the local level (Wistow et al., 1992). There is also evidence of difficulty in cultivating a plurality of contributions from different types of organisations and services where the terms of competition are tending to crowd out the smaller and less formalised organisations whatever their status (for- or non-profit) may be (Taylor et al., 1995; for similar problems in the context of a new care regime in Germany see Evers, 1995).

Such arrangements seem to emphasise making the best out of specific strengths of sectoral elements and minimising the impact of their weaknesses. With respect to these problems, James (1989) and Salamon (1989) offer interesting conceptualisations of the ideal-typical strong features and 'failures' of state and voluntary organisations. Salamon has modelled a concept of 'non-profit federalism' which claims to combine the service delivery advantages of voluntary organisations in a highly pluralistic and fragmented society with revenue-generating and democratic priority-setting advantages of state governments. He argues that the weaknesses of voluntary organisations correspond with the strong features of governments, and vice versa. State-based services

with their uniform character have serious difficulties responding to specific needs; being committed to obey majority rules, it is difficult to find rapid answers in terms of service provisions for new minority groups and claims; therefore, services for the special purposes of subgroups can be created more quickly by community-based voluntary initiatives. On the other hand, services of voluntary organisations are often unreliable and unequally spread: they tend to exclude certain groups and are very different in quality. Here the state institutions stand for reliability. They have, as centralised organisations, the power and potential to counteract social and geographical inequalities; through their special role of setting general rules, they can make availability of services to everybody a prerequisite for continued funding.

Likewise, attempts can be made to identify the strengths and weaknesses of market-like arrangements or of social support in informal settings. For instance, money-based guarantees and relationships in the area of services allow for choice and for individually-tailored solutions. Therefore, cash-based rights such as attendance allowances — in order to buy in the help needed on service markets — may make much more sense compared to the option of free-of-charge public services. However, while this may be a favourable solution for young people with disabilities, the same solution might be less appropriate in the case of very old and frail people who might prefer state-based security over market-based choices. Similarly, one can discuss strong and weak sides of family-based solidarities: family help can often be the best solution in the sense that it is mostly characterised by an incredible level of personal commitment; on the other hand, access to such help is as unequal as that type of help itself — because family relations can be both good or bad.

However, what is important here is the fact that the specific strong and weak aspects of different sectors and types of organisations can be judged only to a very limited degree by isolating them from each other's social and organisational context. It is mainly in view of their relationship to the other ends of a 'mixed' setting that respective limits or potential can be detected, and then overcome or strengthened, within an intersectoral network. So, for instance, any appropriate discussion of the limits and potentials of family-based care has to clarify the assumptions concerning the support and the resources coming from the state, the market and the voluntary sector. Therefore, approaches like 'welfare pluralism', 'non-profit federalism', 'synergetic mixes' or 'hybridation entre économies' seem preferable to mere sectoral point of views. And one can see as well that the substitution processes which are at the heart of economic theoretical approaches in understanding the third sector as mechanisms of 'institutional choice' are only one aspect of the broader problem, which concerns political

choices over 'mixed' settings and the respective role and status non-profit organisations are given there.

Conclusion: regulating the welfare mix and the politics of welfare pluralism

At first glance our attempt to develop an analysis of the welfare mix problem in terms of political sociology does not constitute any specific social policy concept. It rather represents a way of conceiving the dynamics of interaction between basic institutions and sectors in modern democratic market societies. In this context, I have tried to identify general patterns and challenges behind the diversities brought about by specific national traditions and 'welfare regimes'.

However, modern societies have always been 'mixed', building on the market, the state, the public civil sphere with its (voluntary/ non-profit) associations as well as on community and the family. Every ideological strand of policy-making has been based on a 'pluralist' concept in so far as it has given a more or less important role to each of these sectors. So it can be questioned whether 'welfare pluralism', understood as a concept, is really marking something new and fundamentally different when compared to étatism or market rationales in economic liberalism. Part of the strength of the notion of welfare pluralism is — as Pinker (1992) and Kramer et al. (1993) have noted — its openness to different interpretations. The only significant departure from the past seems to be the degree to which a 'third sector' and the sector of the informal economy around private households are *explicitly* understood as parts of the social welfare puzzle.

Whereas an unclear profile of 'welfare pluralism' might be an advantage when it comes to be popular and widely used, it is a flaw when it comes to pin down social policy concepts that make a difference. With a view to the challenge of delineating welfare pluralism as a distinct concept, which makes a difference to social policy concepts of the past as well as to the present rhetoric, four points can be derived from our analytical considerations.

The main and focal point would be that in order to be able to speak of 'pluralism' there must be a sense in which each and every part is analysed as an important entity, especially the voluntary non-profit sector. This is not a very sound criterion for making distinctions and there is a remarkable difference between a policy emphasising the importance of civic associations and policy-making which acknowledges this fact in practice. It has often proved possible to show that a policy is actually only paying lip service to the aim

of strengthening voluntary action or a guaranteed space for non-profit organisation, for example. A similar point can be made about the role of the family in public policies. However, in order to develop the point for making a distinction between welfare pluralism and classical social policy options as well as pluralist rhetorics further, one can break this first point down into three further components.

The first concerns the task of respecting the specific rationales which characterise and nourish social action in those realms which have been underrated in étatist and market-oriented concepts for such a long time. So, if the voice of the citizens, solidaristic action and the upholding of community ties is central for establishing intermediary organisations and for keeping them alive, policies which design trans-formations towards more pluralism or a more mixed economy of welfare in terms of an all-encompassing one-dimensional rationality of social engineering are dangerous. With a view to the recent reforms in the UK, for example, Pinker (1992, p.281) rightly notes that there is a 'paradox ... insofar as the uniformity of the managerial ethos across the whole spectrum of the British social services is more likely to diminish than to enhance their pluralism'. Something similar can be said for all those strategies of modernising welfare and third sector organisations which are taking the private sector and its concepts as a role model for each and every social sphere. But moves towards 'pluralism', where third sector organisations are part of a unified culture in which they act entirely in line with the style of service delivery of state institutions (for Norway see Selle, 1993; for the corporatist German model see Evers and Olk, 1991) are also question-able. Taking voluntary organisations as serious partners, which have to be different in order to preserve their unique qualities, may in some instances even cause one to be careful in contracting with them as service providers.

The second characteristic of a more distinct pluralist approach in social policy could be the degree to which public policies are able and willing to acknowledge the polyvalent role third sector organis-ations are playing when qualifying as intermediary organisations. Beyond being just alternative service providers; they can have

- a role in preserving and cultivating public virtues like participation, solidarity and concern, especially among those who co-operate in these organisations;
- a role as proponents for social change by influencing public policy, especially when it comes to giving a voice to cultural and political minorities and their social concerns; and
- a role as pioneers for innovative ways of service delivery.

As to the extent to which many policies marginalise or even deny these dimensions, they in fact only deal with regulating a wider field of 'mixed economies' instead of acknowledging the principle of pluralism. Consequently, the degree to which 'third sector' organisations are used as public service providers is not a clear indicator for welfare pluralism. This is because this can be done in order to widen the fields both for regulatory state policies taking command over voluntary action, as well as for market rationales, such as when subordinating each and every service provider under the regime of internal markets and competitive rules. Hence the importance of pluralisation and decentralisation as principles which also concern the power over political decision-making, planning and regulation (Svetlik, 1993).

The third subsidiary point to be made concerns the degree to which these policies not only use intermediate organisations, but also the extent to which they are concerned with securing the grounds on which these organisations are based. In the past, policies and market economies mostly profited from the contributions of various voluntary organisations, as well as those of communities and family. The spirit which led citizens, despite all the difficulties, to organise charities, or parents to care for their children, was warmly welcomed but was seldom seen as something which must be consciously and constantly supported by public policies in order to be sustained and be kept alive. However, today one is faced with the fact that the 'social capital' represented by communities and the third sector, both overused and underfunded, is eroding (for the US see Putnam, 1995). In turn one becomes more aware of the fact that voluntary action and non-profits need constant support from governments. Expenditure in this area should be understood as a long-term investment in a basic stock of social capital, and not merely as a form of social spending. The total shift in governmental policies 'from grants to contracts' (from largely unconditional small-scale funding to payments only for specified tasks as can be most clearly observed in England; see Hawley, 1992), is the opposite of a policy of strengthening pluralism. What is usually acknowledged with respect to an enterprise culture holds true for the culture of voluntary action as well. Both need more than simple repayment for their goods and services in order to flourish; they also need a supportive infrastructure. Even a liberal state should be — as Walzer has written — 'a nonneutral state empowering cities, towns and boroughs; fostering neighborhood committees and review boards; and always on the look-out for bands of citizens ready to take responsibility for local affairs' (Walzer, 1990, p.20). A policy for pluralism needs a *developmental* approach which complements the prospective contract culture. If this idea dwindles, there is the danger that this sector could become colonised and used as a dumping ground

for simple load-shedding operations. Such approaches of promoting more pluralism in social policies may in fact undermine or perpetuate the already weak status of their respective 'partners'.

The attempt to conceptualise welfare pluralism as a distinct approach in social welfare policies has not been offered a simple testing scheme. Most public policies vis à vis the intermediary area will contain a good deal of 'colonialism' as well as some features which bring about opportunities to strengthen voluntary and non-profit organisations; opportunities and risks in moving to more pluralist systems go side by side (for an illustration for the UK see Johnson, 1993). Furthermore, even 'real' pluralist policies, which give a more important role to people as individual citizens and as participants in non-profit and voluntary organisations by enabling and empowering strategies, will be subject to serious political controversies. Controversies within a shared pluralist perspective emerge when it comes to an assessment of the degree to which public policy should allow for less standardised types of service provision in the context of the availability of informal care, or the promotion of more family-based solutions in care (Evers et al., 1994). Questions of 'balancing pluralism' touch the respective impact of the 'classical' *protective* elements of welfare, guaranteeing individual rights and the respective role of *enabling* mechanisms, creating opportunities (Gilbert, 1993). In finding solutions, it is important to be aware of and take into account the specific national and ideological traditions in a particular country.

There is more to welfare pluralism than making an 'institutional choice' about the scope of state, market, informal and voluntary non-profit sectors when striving for an optimal mix in service provision. That is why the background for policy considerations should be the broad social sciences rather than purely economic and organisational theory.

Notes

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* This paper draws in part on the author's introduction to Evers and Svetlik (1993).

1 See the impressive study by Grönbjerg (1993) concerning types of interinkages of non-profit organisations with their institutional environment in the United States and the ways they link and change with the dynamics of funding structures.

2 For a lively discussion of these problems in the English context, see Hawley (1992).

3   For a more systematic analysis of this 'mixed' character of intermediary
    organisations, see Marin and Kenis (1989) and Evers (1990).

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