

Introduction to Part II

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The analysis in Part I suggests that we need to enlarge our vision of CSO governance and not focus exclusively on governing boards. Institutional and neo-institutional theory helps us to address these challenges, especially to understand how social enterprises deal with the involvement of stakeholders. However this conceptual framework does not tell us precisely how democracy engages with CSO governance. In particular, one major concern is the capacity of CSOs to govern themselves democratically while maintaining the collective identity necessary to contribute to the solution of social problems. An intent in the second part of this book is to explore new and fruitful approaches to CSO governance that address this question. Three avenues are specifically analyzed.

The first avenue follows from the work of Ostrom. New forms of institutional and organizational arrangements emerge when a large number of stakeholders interact around the governance of collective goods. This proposition is relevant to CSOs because it posits the need to supersede the dualism of state and market. For Ostrom, there is a third way, based on the concept of the commons, to analyze how people can self-organize, define their own rules and act collectively in specific situations. This idea is very powerful because it can be applied broadly to the analysis of new frontiers of the contemporary economy including the informational commons, the phenomenon of planned obsolescence, and the shortening of supply chains based on local production. Chapters 9 and 10 explore this first perspective.

The second avenue is about the pluralism of democracy, reflecting the work of Habermas. In contrast to representative democracy, Habermas argues for what he calls deliberative democracy. He reasons that the concept of the public sphere helps us to understand how a diverse community of equal individuals can deliberate rationally. This idea is very useful for understanding how CSOs can strengthen their legitimacy and bolster their democratic ethos by sharing their own issues with the public at large. Chapters 11 and 12 address this theoretical perspective.

The third avenue, rooted in the works of major theorists including Polanyi and Ramos, suggests the importance of employing more comprehensive frames of reference. These include the para-economy, social management, and a pluralistic approach to the economy that accounts not only for markets but also for

redistribution and reciprocity. This perspective, explored in Chapters 13 and 14, is intercultural and based on experiences in different continents.

Given these three ways of thinking about societal governance and the role and governance of civil society, Part II of the book unfolds as follows. Chapter 8 by Laville and Salmon serves as an overall introduction for Part II. The authors first examine the conceptual framework of Friedrich Hayek, characterizing it as the economization of the political sphere. They argue that this notion promotes a limited functional approach to understanding third-sector organizations. Next, the authors explore the concept of the solidarity economy, which they define – in opposition to Hayek's proposition – as the democratization of the economy. Here, the concept of governance has a completely different meaning. It opens questions about the goal of CSOs, the pluralism of democracy and the pluralism of the economy. To demonstrate their points, Laville and Salmon reference the works of Ostrom, Habermas, Guerreiro, Ramos and Polanyi. They conclude by calling for interdisciplinary critical studies of CSO governance, so that CSO governance research can benefit from a broader vision of the economy not limited to the market. They argue that this is a necessary condition for allowing the economy to potentially strengthen democracy.

Chapter 9 by Sievers highlights the deep ambiguity that characterizes the relationship of civil society to governance in the modern democratic polity. The failures of states to provide important collective goods, such as protection of the global environment, have drawn civil society ever closer towards filling government's role. The assumption of this new role, however, has raised issues traditionally associated with the responsibilities of government, particularly questions of legitimacy and accountability. Sievers notes that Ostrom and others have demonstrated that civil society can address collective action problems through the cultivation of norms of trust and openness of communication. Growing awareness by civil society organizations of the need to cooperate, increase transparency, develop mechanisms of self-accountability, and increase public access offer the promise that civil society can indeed address some of the challenges of governance. In particular, Sievers shows in this chapter that network theory and design thinking can offer new paths for creating collaborative and constructive relationships among civil society organizations.

Chapter 10 by Nyssens and Petrella explores the responsibilities of public and private actors in the provision of local collective goods. These authors note that contracting out processes, tenders and public-private partnerships are increasingly common. With this background, the chapter analyzes a specific manifestation of CSO ownership – multi-stakeholder CSO ownership in the provision of quasi-collective goods. Quasi-collective goods differ from classical collective goods in the nature of their benefits for the community. They can be considered as multilateral externalities. The involvement of a diverse collection of stakeholders in a CSO's ownership structure can therefore be a valuable asset. In particular, it can bring key resources to the organization including skills, networks, political influence and financial resources. The participation of stakeholders, especially users, in the ownership structure is also seen as a way to build trust by

reducing the risk of opportunistic behavior in the provision of services in the presence of imperfect information. Through the conceptual framework of Ostrom, this chapter recognizes the multiplicity of governance forms that transcend the state-market dichotomy.

Chapter 11 by Enjolras and Steen-Johnsen investigates the potential for strengthening citizenship through newly emerging forms of governance. The authors point out two paradoxes. First, CSOs may have an impact on governance even when their internal governance is not democratic. Second, the role of CSOs in democratic governance is conditioned on the prevailing institutional governance regime. Drawing on these two paradoxes the authors assess the capability of different institutional governance models – in particular “corporative governance,” “network governance” and “deliberative corporative governance” – to enhance citizenship and active participation, via three “models of democracy”: participatory, deliberative and competitive democracy. The essential contribution of this chapter is to show how different governance regimes presuppose different types of democracy and citizenship.

Chapter 12 by Hulgård explores three ways of conceptualizing the relationship between the state and civil society. The first approach emphasizes the role of volunteerism and the building of society one (civic) unit at a time from the bottom up. Within this “tradition,” civil society reflects family and community values as well as volunteerism. The second approach applies the concepts of social networks and social capital to examine the impact of micro-level interaction on individual mobility, urban cohesion and democratic performance. This approach is marked by a communitarian concern about the condition of civic engagement. The third approach stresses the historic relation between civil society organizations and government. Here, the author posits that CSOs should be equally recognized for their political dimension in matters of decision-making, and for their capacity for service provision delivered by volunteers and social entrepreneurs. As such, the author highlights the potential of an institutional–reciprocal model of the welfare state.

Chapter 13 by França Filho and Boulosa notes the originality of Ramos’s work in reframing conventional organization theory. The authors explain how the idea of the para-economy is designed to implement the foundations of a political theory favoring a reallocation of resources and the establishment of relations among all social strata. In contrast to a market-oriented approach, this paradigm suggests a society that allows its members to take care of themselves according to their own criteria. Based on the phenomenon of social management in Brazil, the authors posit that governments and civil society actors can participate in the construction of public policies necessary to promote isonomy (equal rights) and fenomic (environment conducive to creativity and autonomy, where the individual has a chance to act and not just behave passively), in order to promote a more sustainable world.

Chapter 14 is not a conventional book chapter. Rather, it is a collective and intercultural vision statement signed by researchers from Africa, Asia, Europe and Latin America (Fynaud, Ferrarini, França Filho, Gaiger, Hillenkamp, Kitajima,

Laville, Lemaître, Sadik, Veronese, Wanderley). Its purpose is to help point the way for future research that better accounts for cultural diversity worldwide. The authors note the difference between North American and European approaches to this issue. The latter, based largely on the work of EMES (the European Association for Social Enterprise Research), emphasizes the importance of participative governance. The authors claim a need to deepen the political dimension beyond participative governance. Going in such a direction, they argue about the need to examine carefully the realities (including the informal ones) of different continents. Then with this new impulse, the authors propose an ideal type of social enterprise from a solidarity economy perspective. They based it on three dimensions – economic, social and political (already present in the previous work of EMES). On the economic side, the authors suggest hybridization of economic principles and consistency of economic, social and environmental commitments. On the social side, they focus on indicators of transformation, social repair, democratic solidarity, and organizational autonomy. On the political side, they argue for publicness of mission service to support their role as intermediaries in public spaces, institutional entrepreneurship and political embeddedness. The authors suggest that this comprehensive framework can accommodate diverse cultural perspectives. This last chapter is just an exploratory example of how intercultural research can lead to new theoretical proposals.

Rather than present particular propositions about civil society and societal governance, we offer this last chapter as a demonstration of the possibilities for intercultural exchange in research on the social economy. In particular, the chapter illustrates how researchers with different cultural perspectives and from different national contexts can draw on each other's thinking to address some of the common issues of social enterprise. By extension, we argue in this book that such an approach can also enrich future research on governance and civil society. Until now, the debates have been largely confined to the US and Europe. An expansion of such exchange through the integration of ideas of scholars from the rest of the world can only enhance the prospects for improving the governance of CSOs and the societies in which they are embedded – worldwide and over the long term.