

Introduction:

The Shifting Institutional Ground of Social Action

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At the turn of the 21st Century, the world seems to have become a riskier place. True, the danger of all-out nuclear war has lessened with the end of the Cold War. True, too, advanced technologies and world economic growth have added some degree of insulation from natural hazards that have long threatened humankind. True also, global enthusiasm for human rights and democratic governments seems to be in ascendance following the dark days of totalitarian threats from the right and the left. Those who wish human beings sufficient safety and material well-being to sustain individual dignity, and sufficient protection of individual rights to ensure some degree of social justice, have much to celebrate.

A Riskier World?

But however much progress humankind seems to have made, threats still plague us. Indeed, new threats have emerged from very accomplishments we now celebrate. We face a reduced risk of all-out nuclear war, but weapons of mass destruction are now within reach of terrorists. We have built strong economies that help us feed, clothe and shelter ourselves, but the same economic advances threaten global climactic change that could undermine -- even reverse-- the prosperity we have built. While economic growth has brought prosperity to many, it has also widened the gulf between the haves and have-nots, and spawned a festering resentment throughout the world. While the spread of democracy has brought freedom and dignity to many, the diversity and social experimentation that attends such movements have provoked repressive counter- revolutions that threaten newly won rights and freedoms.

These hazards are made all the scarier by the fact that they are new: therefore unaccustomed and un-calibrated. In fact, the claim that the world is now riskier than in the past could be interpreted as making two quite different claims.

On one hand, it could mean that the world is facing *additional, new threats* to its material and social welfare large enough to offset the progress made in vanquishing the old: that the emergent threat of terrorism is worse than the threat of nuclear war, the threat of global warming worse than stagnant and uneven economic progress; that the threat of ever wider inequalities is worse than even more widespread poverty, that the new fundamentalisms are more oppressive

than the old, and so on. It is not entirely clear that such claims are true. It is hard to gauge the size of the old and new hazards in the world, and to give a proper accounting to the magnitude of the harm they inflict on us.

On the other, the claim that the world has become riskier could mean nothing other than that the world seems increasingly *uncertain*; that we face more widely variant futures than has been true in the past. On this point, one could be, perhaps, a bit more confident. After all, we have never before had the capacity to end the world as we have known it. But this observation focuses only on the down-side of our prospects. It is equally true that we have never had such a good chance to achieve human greatness. As one world leader recently observed:

“Today, we live in a world that is divided. [It is] a world in which we have made great progress in science and technology. But it is also a world where millions of children die because they have no access to medicine. We live in a world where knowledge and information have made enormous strides, yet millions of children are not in school...It is a world of great promise. It is a world of despair, disease, and hunger.”¹

Talk about an increase in the variance of human experience! A utopia may be no less within our grasp than the destruction of human civilization!

The Challenge to Governance

The fact that both disaster and utopia are within our grasp creates an acute tension among responsible citizens of the world. We know the world in which we and our children will live can get much better or much worse depending on what we decide and do now. The future, in all its varied possibilities, presses hard on choices we make in the present.

That pressing knowledge, in turn, focuses sharp attention on one additional feature of our world – one that is often neglected when we catalogue the list of substantive problems we face: namely, our collective capacity to recognize, understand, and respond appropriately both to the dire hazards and glittering opportunities we face. We can call this our collective capacity for “governance.”

And it is when we responsible citizens of the world look closely at our current capacity for governance, we find an additional uncertainty in our already unsettled and unsettling world: *throughout the world, and at all levels of society, we are no longer sure which institutions and processes we can rely on to help us collectively meet the economic, social, and political conditions we face.*

The challenge to governance is present for all of us, whether we are living in an advanced industrial democracy or in a developing country of the world. It is also present regardless of whether we are addressing ourselves to global, national, or community level problems. It is present as a concrete reality in the sense that the processes and institutions we rely on to help us size up our collective conditions and respond to them no longer seem quite up to this task. But it

¹ Nelson Mandela, Tromsø, Norway, 6/11/05. Reported in Advertisement for WWW.ONE.ORG in New York Times, Thursday, June 30, 2005. p. A 10

is also present in our minds in the sense that we have become confused about how the work of defining and acting on important social problems should be distributed among important social institutions.

For all of us citizens of the world, the institutional ground that we once relied on to organize collective action seems to be shifting under our feet.² The processes of politics and government no longer seem reliable in helping us recognize and respond to emergent social problems and opportunities. Market processes and private sector enterprise thrust themselves forward as promising alternatives to help improve the quality of individual and social life at community, national, and even international levels. But we cannot quite get over our suspicion that market forces, left undisturbed, can inflict serious damage on individuals and societies as well as help them advance. Casting about for an alternative to the market and to the state, we find hope in a part of human society that has variously been described as the “voluntary sector,” the “citizens sector,” or simply “civil society.” But the real capacity of civil society processes and organizations to fill in gaps left by the market and the state remains unclear, as does the capacity of the voluntary sector to leverage the capacity of these social behemoths. And those in important leadership positions in government, in private enterprise, and the voluntary sector may be confused about how they might best act to avoid the hazards and secure the benefits of the future.

This institutional uncertainty -- the uncertainty about how we can best organize collective action in the face of the material and social conditions we confront -- compounds the substantive uncertainties we face and the anxieties we feel. It is one thing to face new material and social conditions with well-established, competent institutional structures and processes; it is quite another to face them with institutions whose motivations and capacities we no longer trust, or fully understand, or know how to use.

Declining Faith in and Reliance on Government

² I am reflecting here a discourse that occurs primarily in advanced industrial democracies of the West about how social institutions might best be constructed to secure human welfare and justice. Because of the power of these countries and their ideas, the discourse naturally influences discourses about governance and social problem-solving that occur at the international level, and within developing countries as well. This discourse makes a sharp distinction between the private and the public, the individual and the collective, and the ideas of material welfare and justice on the other. It is not at all clear that this discourse works very well when it is taken out of the context of advanced developed democracies. And that is unfortunate since much of what is important in the world now seems to be happening outside the boundaries and control of these particular governments. They may still be influential. But their influence is now diminished relative to the power of international economic, cultural, and political processes that seem to be exercising powerful influences of the world that cross the boundaries even of those countries most determined to keep them out. Interestingly, the fact that government is becoming less important in attending to the problems of the advanced democracies corresponds to the idea that government has never quite been the answer at the global level and in developing countries. In these domains, increasingly important to human life on the planet, private customary institutions, private economic institutions, and emergent institutions of civil society are at least as important as government. Thus, the world is converging on a view of social problem solving that seeks to assign increased responsibilities to the private sector and to civil society. The challenge is to see what the likely consequences of this shift are, and to learn how to manage them.

In the old days, when we citizens faced a significant hazard, we generally imagined that government was the right institution to organize an appropriate response.^{3, 4, 5, 6} We thought the existence of a shared government helped constitute a “we” that could think and act as a collective. We thought government that could create forums in which that constituted “we” could share perceptions of the problems we faced, and how they might best be addressed. We trusted that these deliberative processes would help us make a wise collective decision about which of the varied conditions we faced were important enough to be plucked from social anonymity and set up as the focus of concerted, collective action, and which could be set aside to be handled by more intimate and private institutions. We thought that politics and government would help us devise a response to those significant collective decisions that was not only effective, but also just. The justice that we sought and relied on government to guarantee included at least two key ideas: first, that both the burdens and benefits of the agreed upon action would be fairly distributed among the citizenry; second, that government would protect individual and minority rights in both the process of collective decision-making, and in the execution of the agreed upon actions. We also thought that government would remain sufficiently open and responsive that, as we experienced the consequences of our collective action, we would be able to adjust the actions we had undertaken and exploit what Charles Lindblom has called “the intelligence of democracy.”

Of course, our faith in these processes was not unbounded. We had both the theoretical reasons and the practical experience to doubt the capacity of real democratic governance to perform efficiently and justly in identifying and organizing social action to deal with problematic social conditions. But we were generally persuaded by Winston Churchill’s claim that democratic government was absolutely the worst form of government – except for all the rest. And we could not easily imagine facing important collective problems without the help of government.

³ I would like to be able to speak as a citizen of the world to other citizens of the world. But I am painfully aware that a functional human community that can carry on effective political discourse across the world does not know exist. This means that I will end up speaking from my particular vantage point. That particular vantage point is one of a citizen living in an advanced industrial democracy with a particular history, set of institutions, and political cultures. The traces of that background cannot be extinguished, but I am trying to speak as though human beings from all parts of the globe had somewhat similar natures and aspirations, and faced somewhat similar problems, and had to work collectively through certain kinds of processes and institutions. Whether I am successful in doing so, readers will have to judge for themselves. But I want to be clear that I am taking neither the position that the views articulated here are hopelessly culturally limited; nor the view that they are self-evidently universally applicable. I am trying to participate in what is becoming an international discourse about the challenge of governance in a world in which, having succeeded in creating a strong sense of national, individual, and even group autonomy, we are now having to re-discover and figure out how to manage our increasingly strong interdependence.

⁴ I am going to follow the convention of referring to conditions that might motivate government action as problems. But I want to make it clear that I am also interested in exploiting significant opportunities. The view that government exists only to solve problems and not to exploit opportunities, to avoid hazards and not create valuable opportunities is an ideologically loaded idea, and one that is not particularly in tune with either our history or our future.

⁵ One important reason was that we thought that most problems lay within the reach the problems that concerned us were generally local, state, or national problems – conditions that lay within the reach of existing governmental institutions.,

⁶ I am keenly aware of how much this account of what one hopes for from government belongs to a tradition that emphasizes democratic governance processes.

Now, however, it seems that we citizens have much less confidence in the capacities of politics and government to play these important social roles. There are many reasons why faith in government as an institution capable of solving society's problems could have declined. Analysts of this phenomenon have pointed to (among others): 1) a general decline of confidence in all social institutions including government; 2) the real failure of government to deliver on its domestic policy commitments to ensure a strong economy, or provide security from criminal attacks, or provide a quality education for all; and 3) the corrosive effects of the scandal mongering generated by the unholy alliance between tough partisan politics on one hand, and a commercial media on the other.⁷

The Increasingly Global Nature of Social Problems and Opportunities

Less attention has been focused on what will likely prove to be the most important reason for declining faith in national government – not only for those living in advanced industrial democracies, but for those living in all other countries of the world: *national governments have become increasingly ineffective in securing satisfactory social conditions for the simple reason that many of the problems we face have become increasingly global and are thus often beyond the effective reach of national governmental action.*

The problems we face have become global in two different senses. On one hand, particular nations often seek to advance their own security and welfare by seeking to shape economic, social, or political conditions in nations beyond their boundaries. The United States seeks both economic prosperity and political security by trying to create a democratic society in Iraq. Mexico seeks economic security and political security by trying to shape immigration policy in the United States. France and Germany seek economic strength by pressing for the development of a European Common Market that would more closely integrate the economies of a score of European states. Thus, the welfare of nations, and the citizens who live in those nations, depends on one nation affecting conditions in another nation.

Second, many of the problems that nations face within their own borders --- the things that look to them like domestic problems or opportunities -- are being importantly influenced by decisions and actions taken by private actors and other nations that act outside their borders. The drug problem faced by the United States is importantly influenced by actions taken in Afghanistan and Colombia. The AIDS problem faced in Africa is importantly shaped by pricing decisions made by international drug companies. The question of whether French schools should allow young Islamic women to wear head scarves to class is importantly influenced by cultural influences running through Islam worldwide.

Importantly, the condition of being mutually influenced by foreign countries and multi-national, global corporations is as true for advanced industrial democracies as it is for developing countries. Advanced industrial democracies hope to expand markets and spread democracy externally, but face terrorism and immigration internally. Developing countries seek access to the capital and technology, and wider exposure to the cultural and political ideas of the advanced industrial nations, while at the same time seeking a culturally faithful and distinctive path towards new prosperity and greater social and political freedom.

⁷ Nye, Zelikow, King, Why Citizens Don't Trust Government

Wider flows of resources, money, and ideas have drawn the nations and peoples of the world into a tighter web of interdependence. A global “we” is emerging and thickening – at least in terms of our real functional interdependence on one another, and in terms of our increasing consciousness of this interdependence. But there has been little corresponding increase in our combined capacity to govern that increasing interdependence.⁸ Despite the emergence of the global economy, despite the construction of some fragile international institutions to manage the international economy and political relations among nations, despite the nascent development of a world civil society, there is no governmental structure that can organize action at the international level that would be recognized by the world community as legitimate, effective, and just. When dealing with global problems, one cannot simply turn to government, because there is no government. What governance capacity exists to address such problems is cobbled together from bits and pieces of governmental, private, non-profit institutions through complex processes that are not well understood, and are very difficult to manage. By definition, then, *government* cannot solve these international problems; only a looser form of *governance* has a chance.

Government as a Problem, Not a Solution at the National Level

Even when we citizens of industrial democracies and other nations of the world face more domestically bounded problems and opportunities, however, we seem to turn less and less to government. Ronald Reagan and Margaret Thatcher seem to have persuaded many in advanced industrial democracies that “government is the problem, not the solution.” And those who have lived in failing totalitarian regimes, or who lived in developing countries and watched government officials sell their countries’ futures for their own personal material gain have not needed much persuasion to come to this same conclusion.⁹

⁸ In the world of the global and the transnational, there is no sovereign government that can respond to the will of the people, however imperfectly. There are nation states that can exercise some degree of influence over the domestic and global conditions that are being shaped by global, transnational systems, but their influence is fragile at best, and their view of the interest of the entire world community highly suspect. There are bilateral and multilateral treaties that give rise to certain kinds of international regimes that facilitate co-ordination through the development and enforcement of international norms. But these, too, are quite fragile. And there are some fledgling international institutions such as the United Nations, the World Trade Organization, the International Monetary Fund, and the World Bank that help to shape and enforce some shared understandings of how nations and their leaders ought to behave towards one another and to the people they rule. But this, too, falls far short of government. What has emerged, instead, is the growing influence of informal norms and rules created almost entirely out of whole cloth, but whose effective power and legitimacy both remain suspect.

The implication, then, is that to the degree the problems we face are global and transnational, the most we can hope for from government is that national governments might effectively represent the interests of their citizens in the negotiations that create the institutional structures of international life. We might also hope for the emergence of a kind of informal governance structure of norms, agreements, and shared understandings, etc. But how such an informal but powerful governance structure could arise without a sovereign government to create the occasions for collective action, or set the rules for participating in and deciding matters that affect all parties, or ensure that all parties to an agreement live up to the agreement remains very unclear.

⁹ To the degree that nations know have to deal with international problems and the diversity they bring to those nations, they find that they need to make not only social, but also political adjustments to their new residents. Citizenship is no longer as homogeneous as it once was. We can no longer assume a close fit between intuitions and customs on one hand, and government policy on the other. Multi-culturalism presents a distinct challenge to effective and responsive government since it tends to undermine both the effectiveness of government action in

Increasingly, we citizens of nations throughout the world have grown cynical about the capacity of government to identify and deal effectively with the social problems that concern us. We worry that the political processes that are supposed to help societies recognize and respond to important social problems operate instead as massive disinformation services that disguise the failures and corruption of government behind lies and diversions designed to distract our attention from how government powers are actually being used. When we encounter government agencies designed to serve us, we find them obsolete, clumsy, and corrupt. We have lost faith in their government's capacity to protect us from crime through a justice system that operates justly and fairly. We are no longer sure that government can ensure that the poorest in our countries will be fed, sheltered, and immunized against disease. We no longer think that government can educate all or even most of our children. We doubt that government can end discrimination, or protect the rights of minorities.

Because we no longer believe that government can deal with such problems alone, we turn increasingly to institutional processes and arrangements that stretch beyond the scope of direct governmental action. We seek to bolster the legitimacy and enhance the responsiveness of government by relying on "collaborative" rather than "command and control" government. We try to add to government's effective capacity to achieve desired results through artfully arranged "public/private partnerships." Or, to solve many problems, we turn to the voluntary or charitable sector and hope that public spirited individuals and groups can be successful in areas where government has failed.

Concepts such as "collaborative governance," "public/private partnerships," and increased reliance on an emergent "citizens sector," suggest the possibility of relying on private initiative and voluntary action to solve social problems without relying exclusively on the powers and assets of government. The form that such efforts could take would include highly consensual processes that built voluntary agreements among powerful social actors to act for the public good. In such processes, government might convene the problem-solving initiative, but it need not provide the crucial powers and assets needed to achieve the desired results. Nor will government's purposes necessarily dominate or govern the overall purposes of the group. Indeed, in the coalitions built by such processes, it is as likely that government will become the agent for achieving the purposes of private players in the coalition as that the private players become the agents of government.

Increased Confidence in and Reliance on the Commercial, For-Profit Sector

Part of the reason we seem to be shifting to problem-solving methods that rely less on governmental structures and processes is that, at the same time we have been losing confidence in the processes of politics and the institutions of government, we have been gaining confidence in the power of private enterprises and competitive market processes. This increased confidence derives in part from a belief that private enterprise can find more effective and more tailored and customized means of accomplishing goals established by and supported by government.

social regulatory arenas, as well its legitimacy. Governments reach for culturally knowledgeable institutions to help them bridge the cultural gulfs.

Contracting Out and Vouchers

This is the idea that gives force to the current enthusiasm for trying to achieve important social goals in social services, housing, and education through the processes of “contracting out” on one hand, and the provision of “vouchers” on the other. In both of these cases, government retains the responsibility for financing the provision of goods and services to individuals, and in doing so, retains the right and the obligation to specify purposes that the collective it represents meant to achieve by providing the financing. The important difference is that in both cases government gives up the monopoly on supplying the particular good or service to particular populations and invites private agencies to compete for the government’s business, thereby allowing government to reap some of the benefits that comes from relying on competitive markets to reduce overall costs of production, and to find and exploit particular market niches that are responsive to special circumstance. In the case of vouchers, government also gives over some of the power to decide what constitutes a good and valuable service to individual clients of the service.¹⁰ It lets individual clients act as their own agent using their particular piece of government money to buy what they want rather than rely on government procurement officers to buy services for eligible populations *en masse*.

Individual Choice and Material Prosperity as Important Social Goals

But another reason to place increased confidence in the private, commercial sector has less to do with the belief that “privatization” offers a more efficient means of accomplishing governmentally established purposes and more with the increasing importance of the values that are expressed within and realized through the operations of the private sector. The world now celebrates individual choice in markets with the same fervor that it once celebrated individual liberty in politics. Indeed, citizens of the world now often seem to conflate the two in a general celebration of the individual as the most important social unit, the most important agent in society, and the only appropriate arbiter of value. The aspiration to achieve individual liberty seems everywhere triumphant.

The world also celebrates material prosperity and economic and technological progress. It values such things not only as ends in themselves, but also as necessary means for accomplishing important social goals such as reducing poverty, improving health, and reducing ignorance. It even thinks of the minimum provision of such material conditions as a necessary condition for the achievement of both individual human dignity, and political freedom. It is only through the establishment of minimum rights to be free from hunger and illness that individuals can truly be free, for without such rights, hungry and sick individuals cannot escape their dependence on others. In an important way, then, the idea of the private commercial sector as a place where individuals can exercise choice and shape their own futures, and where societies as a whole can find the means to make themselves more prosperous and secure minimum levels of welfare for entire populations, has become a powerful symbol of the achievement of an important collective purpose in its own right. As a result, support for the protection of individual choice, and the promotion of economic well-being have been incorporated into our ideas of important social goals to be supported by government in addition to goals that focus more on collective aspirations, and the pursuit of certain kinds of social equity and justice. Put bluntly, the business

¹⁰ Steuerle on Vouchers

of a society, and even the governments that represent society as a whole, has become to support business and the particular social accomplishments that business makes possible. In this respect, the idea of privatization shapes the public purposes of society as well as its means. The social goals of a society to be served by government have become more individualized, and more profoundly materially-oriented than they once were.

Corporate Social Responsibility and Social Enterprise as Efficient and Reliable Social Problem-Solvers

A third reason to focus increased attention on the commercial for profit sector is rooted in the emergent hope that private enterprise will, following its own immanent logic, find important ways to achieve important social goals that we used to think would require either government support or government regulation to achieve. This idea appears in the first instance in the movement to encourage increased “corporate responsibility” among businesses, and the belief that private firms who are “brand sensitive” will find powerful reasons rooted in business logic to take actions to avoid social harms and produce social goods that we used to think could only be motivated by government regulation. The idea here is that certain businesses need to maintain their social legitimacy as an important component of their economic performance, and that demonstrations of their commitment to important social goals in addition to financial success of the firm will help them maintain the required legitimacy. Thus, businesses will find their own reasons to “do the right thing,” and won’t need to be coerced or guided to these actions by government. Social harms can be avoided and social goods achieved without having to rely on the authority of the state.

The idea that important public purposes can be achieved by letting entrepreneurs and markets do their work appears in the second instance in the enthusiasm with which ideas of social enterprise and social entrepreneurship are now being embraced. It is a bit difficult to draw a sharp distinctions among ordinary commercial enterprise on one hand, socially responsible corporations on the second, and social enterprise and social entrepreneurship on the third, since they all seem to emerge from private initiative, involve transformations of fungible resources into particular goods and services delivered to particular individuals, and produce individual and social benefits through these activities. But if one had to draw a distinction one might say that social enterprise and social entrepreneurship look to the power of private institutions and market processes to support important goals such as the poverty reduction, or the emancipation of women by finding ways to extend the reach of the market to include those who are now not included within the developing world-wide economy. In effect, social entrepreneurship can be seen as capitalism that reaches beyond the limitations of existing real capitalist institutions to find the unexpected, economically valuable and sustainable activities that exist among the poor and the oppressed. The market thus becomes a liberator of individuals rather than the oppressor.

In all these ways, then, we have turned away from the idea of government acting alone to deal with important social problems. We have turned, instead, to a vision of government acting alongside or in support of markets and private enterprise as the society as a whole seeks to avoid the large hazards, and exploit the large opportunities it faces. This constitutes a broad trend that shifts responsibility for social conditions to market processes and market institutions, and that encourages government to take advantage of private enterprise and market forces when it can to

improve its performance in places where it continues to be needed, all on behalf of the appealing social goals of advancing freedom and prosperity.

Hopes for the Potential of the Voluntary Sector and Civil Society

But both history and academic theory caution us not to place too much confidence in the private sector acting alone according to its own immanent logic to produce the kind of individual and collective prosperity, sociability, and justice that is ideal. We know the just as government can fail to deliver on the promises it makes to its citizens to meet their individual and collective aspirations to create a good and just society, the market can fail as well. The market can even fail in what it is supposed to be particularly good at (delivering long term prosperity), to say nothing of its inability to produce the kind of economic, social, and political justice that would mark a society as truly good and just for individuals living within it.

Searching for some point of leverage that could allow individuals acting collectively to secure the material prosperity, sociability, and justice each desires for himself and all desire for one another, our gaze falls on the values, social processes and unique institutions we associate with the voluntary sector; or more generally on the prospects for what is now called civil society. Our conceptions of the voluntary sector and civil society are much less developed than our conceptions of the state on one hand and the market on the other. But the general idea of seems to be something like the following.

The Voluntary Sector as an Expression and a Source of Public Spirited Action

Some portion of human energy and imagination is guided not solely by the desire to advance one's own material interests, but also by the desire to do good as an individual, and to see the public interest and justice realized in the larger social conditions in which one lives.¹¹ Individuals have social consciences that make them aware of the welfare of others, and their duties towards others. They may also have political aspirations that take the form of desires to see the public good pursued and justice achieved in the societies of which they are a part. These values demand expression and satisfaction in our lives just as our more selfish material values do.

Such desires may well be part of human nature: that is, such motives may be present in all human beings as part of our biological inheritance. But the strength and focus of these motivations are powerfully shaped within particular individuals by the social circumstances in which those individuals are raised as well. And, since many individuals face similar social circumstances, interpreted by those who raise them in roughly similar ways, when one examines the collection of social views held within a population, one does not find a random distribution

¹¹ Following Jane Mansbridge, could formally model this as individual utility functions that include desires to advance the welfare of others, to do one's duty as it is outlined (more or less congruently and precisely) in custom and law. I would also like to add an additional feature which is a value that attaches to aggregate social conditions. These could be seen as political views and aspirations – ideas that individuals might have for the whole society. These could attach to material conditions, including distributions of those material conditions. They could also include ideas about right relationships among citizens. (This could be a measure of the degree to which individuals do their duty to one another, and the justice of the sanctions that are brought to bear when they do not.) We could call the first social welfare; and the second social justice.

of logically possible views and moral commitments. Instead, one finds a culture in which individuals tend to have homogeneous views about what conditions should be valued, and what individuals in particular social positions owe to one another: what a child owes to a parent as a matter of love and duty, or what one parishioner owes to a fellow congregant as a matter of shared religious credo, or what one neighbor owes to another as a matter of custom or civil law.

Such views, held by individuals, can and must be seen as *social views* in at least three important senses. First, the views are importantly created by our common biological inheritance, and given particular shape by our common human experience. Second, because much of our experience is common as well as individual, views are often commonly shared within a given culture. Third, the object of such ideas – the conditions that will be tested and evaluated by such ideas, and will furnish the individual (and per force the collective) motivation to change the conditions – are not individual conditions, but social conditions. Their focus is not on individual welfare, but on desired social relationships, and desired end states of society.¹²

While it is important to see that such views are in these respects social, it is important to see that such views can also be seen as profoundly individual as well. They are *individually held social views* in at least four important respects. First, such views can be observed empirically at individual levels. When asked, individuals can report such views, and report them as their own. The views don't hang in the air between and among individuals (though the social air that individuals breathed helped create them, and they help to regulate the conduct of individuals toward one another without much explicit communication); they are anchored in concrete thinking and acting individuals. Second, the collection of views held by individuals – the ways in which they are understood, organized, categorized, etc. – are potentially highly idiosyncratic and individualistic. We may all work from the same material, but the way we fashion our own ideas is often highly individual and unique. They are what make us individuals, and allow us not only to go along with the views of others, but also to challenge them. Third, the views we hold about social obligation are influential in guiding the thoughts and actions and accounts given by individuals to others. In this respect, these social views are like preferences in economics, and values in moral philosophy. They are understood to be behaviorally important in guiding actions, and morally important insofar as their revelation through speech or action exposes individuals to social commentary and regulation. Fourth, the views are not necessarily rigid; they can be inspected, interrogated, questioned, and transformed through processes of individual reflection with or without guidance from social institutions. Over an individual's lifetime, the views may increasingly reflect the unique experiences of a reflective individual living in a society; where the society has generated the particular experiences had, and helped the individual understand and interpret those experiences.

Importantly, the socially constructed but individually held views become a source of energy that drives not only individual action at the micro level, but also collective action at more macro levels of society. Individuals with social purposes sometimes seek and find those with similar social purposes. Those who are concerned that America's hunting culture is being

¹² Interesting question about where individual desire for justice fits in here. In one sense, it is an individual claim. But it is also more than that since to claim that somebody is owed something as a matter of justice invites a social audience to participate in the discussion and decide what they think justice requires. The conclusion they reach will have to meet standards of universality and generality, as well as take account of particular exigencies.

undermined by excessive gun regulation, join with other like minded individuals to participate in the hunting culture and keep its traditions alive, and to resist government efforts to regulate gun ownership. Those who “have a dream of white and black children playing together, where their futures depend more on their character and skills than the color of their skin” will join with others to find the strength to confront their own racism and to shape public policies that ensure equality of opportunity. Their shared public spirit – discovered, founded, and sustained within loose networks and associations – creates the potential for the development of more sustained, formal organizations.¹³

To some degree, the associations and organizations so formed must be seen as mere reflections of pre-existing motivations. But the ubiquitous, powerful presence of these associations and organizations can also be seen as enterprises which sustain, intensify, transform, or even create individual aspirations as well as merely reflect pre-existing desires. They do so at least in part by standing as beacons and as pathways for those who aren't sure what they should believe.¹⁴ But they also do so by actively sustaining the commitment of those who once were part of a cultural aspiration, but are now beginning to waver.¹⁵ In this way, the associations help to create economic, social, and political culture as well as merely reflect what is present.

The institutional structures (both informal and formal) create a latticework of positions or platforms from which public leadership can be undertaken. Each node in the latticework provides an individual with a certain set of experiences and perspectives that informs the individual's views of what is important and worth doing. It also gives the individual control over resources attached to his structural position. And it gives the individual access to other individuals to whom he is linked through the relationships embodied in the network. Those individuals, too, have resources attached to their positions. In the connections among individuals, the experiences and perspectives they share, and the resources they control is some potential for collective discussion and collective action. Sometimes the individuals occupying particular nodes combine together in formal organizations in which they subject themselves to some common governance system that (to some degree) makes choices for them, and guides their actions in co-ordinated efforts.

¹³ Sometimes the public spirit appears and produces important results spontaneously in response to self-evident human need: a crowd of neighbors show up to help a family whose house has been burned or flooded, or to band together to deal with the emergence of criminal gangs in their neighborhoods. Very little formal organization is required to identify the need, or organize the response. Other times, the public spiritedness generates a flow of money, time, and visible public support to pre-existing formal organizations created precisely to capture and guide the decentralized, inchoate desire to help into an effective response to serious social problem: Medicens Sans Frontiers can organize an efficient and effective response to the AIDS epidemic in Africa not only by conceiving of the most important technical responses that can be made to the problem, but also by attracting to its efforts a world-wide flow of money, medicine, and medical talent to sustain the required response. Still other times, the public spiritedness creates the venture capital that launches a new social enterprise: a skilled, religiously motivated eye surgeon in India can create a self-sustaining set of clinics in India that can restore sight to both rich and poor Indians afflicted by _____.

¹⁴ Reference to study of abortion movement in which friendships form the basis for initial contact, but are followed by increasing commitment to the values and goals of the enterprise.

¹⁵ Novels and Social Science literature on immigrant experience.

This process is described much more concretely in a famous example of local community politics in Robert Dahl's famous book, *Who Governs*. In his account of the Metal Houses in the Hill Neighborhood, a woman, living in a poor neighborhood of New Haven, can become concerned about the local government's efforts to build metal houses in the neighborhood as temporary shelters for even poorer individuals. She is connected to others in the neighborhood partly by the fact of their shared experience with the prospect of these metal houses, but also by ties of friendship, kinship, neighborliness, and economic exchange. She begins talking to these others about her concerns. Some share her concerns. Others admire her efforts, and go along with her even though they are less concerned about the houses than she is. Eventually they have enough information and enough collective power to approach elected and appointed officials of the New Haven Government who are in a position to continue or halt the plan for metal houses. The officials are persuaded either by the force of the arguments, the amount of public concern expressed, or their desire to escape punishment at the polls, to modify their plans.

Individuals in nodes, clusters of individuals arranged in networks, and formal organizations created from these loose associational networks, can also form a kind of market that attracts other individuals. Peter Eigen, the founder of Transparency International, can start talking among his professional peers about the overwhelming burden that private and public corruption places on developing nations. That claim attracts other individuals, initially personally and professionally close to Eigen, who have had similar experiences and developed similar views. Once there are several individuals talking, and a kind of informal association has been created, that can attract others – sometimes because they share the views, sometimes because they like the individual people who have gathered and want the camaraderie. These interests, combined with flows of material resources, can lead to the creation of organizations that are effective in mobilizing even wider networks of individuals many of whom are not members of the organization, but are influenced by the views of the organizations, and use their powers as citizens, investors, workers, and customers to begin influencing the conduct of government agencies on one hand, and economic enterprises on the other. Through such mechanisms, Transparency International can be established, and begin to be both a powerful expert lobby in the counsels of government, and a powerful political force shaping the conditions under which the organization confronts or counsels governments and firms who have corruption problems.¹⁶

Of course, not all latent or emergent social aspirations find an institutionalized channel for their energy, or an institutional salient from which to press their claims. Many seemingly potential social enterprises are still-born.¹⁷ But what is so significant and important about modern life and the freedom it has given to individuals the right and the capacity to form and act not only on ideas about what is good for them, but also on what is good for others. Moreover, these emergent ideas of what individuals owe to one another, and what kind of society they would like to have, don't have to conform to traditional views. In the modern world, many non-traditional views find institutional expression alongside those institutions rooted in and defending existing traditions: traditional religions have to compete with new forms of spiritualism, customs that made individuals responsible for their families are up against other movements that support the right of individuals to pursue happiness as best they can regardless of what it does to their families; political ideologies that supported the powers of traditional elites are contested by

¹⁶ Similar processes can be seen at work in the development of the idea of CSR.

¹⁷ See Kristen Goss' interesting account of the failure of a powerful anti-gun movement to arise in the US.

political parties that seek to restrain the power of traditional elites, and generate electoral competition for governmental offices. The existence of the multiplying diversity of such ideas allows individuals to work within a much enriched market of ideas and aspirations. They are no longer restricted to the important relationships and moral commitments of their youth. They are free to shop for individual and social virtue as well as commercial goods. And they can migrate from the dominant relationships and commitments of their youths to express a new or different part of themselves. Thus, loose associations and formal organizations become vehicles both for individual self-expression and for collective action.

As such, these collective entities – formed through voluntary commitment to particular relationships or ideas -- have the capacity to shape the character and quality of our individual and collective lives. They do so partly by meeting our individual needs for self-expression. Individuals plaster their cars with bumper stickers that express personal views, social identity, and political aspirations as an act of self-expression that gives them joy, and invites them into social relationships with others who share or oppose their views. They align themselves with particular organizations and wear that association on their shirts and caps for the same reasons. As such, these organizations give us a chance to be ourselves (or to project an image of ourselves) in the company of others – an important and valuable sociable experience.

They also give us a chance to achieve goals that we could not achieve alone. By myself, sitting in my house in Cambridge, I cannot do much to help the storm-struck and devastated individuals living in New Orleans in the aftermath of Katrina. But with the help of the American Red Cross, I can make a small contribution that can be efficiently delivered to the site of need, and combined with other small contributions to add up to a significant result. By myself, I cannot do much to persuade Coca-Cola to take some responsibility for managing a public health campaign to support AIDS prevention in Africa; but when my interest in this is joined with many others through the efforts of a voluntary association that represents my views and those of millions of other potential investors and customers, Coca-Cola may have to pay attention. By myself, I can't shift public opinion and government policy to give more opportunities to express and act on my religious beliefs that form an important part of my life, but when I join others in the Christian Coalition, I can create more room in the society than I now enjoy.

The Social Valuation of Voluntary Sector Associations and Organizations

Shifting from the point of view of the individuals who contribute to these enterprise and embracing, instead, a society-wide perspective, it quickly becomes apparent that these voluntarily established collective enterprises shape our collective life as well as the satisfaction we can take as individuals. Such organizations may increase our social capacity to provide for the minimum welfare of individuals through direct charitable action without government intervention. The homeless can be sheltered and fed through organizations such as the Salvation Army or Rosie's Place. The victims of war and disease can be treated through such organizations as Medicins Sans Frontiers. Poor, orphaned children can be aided by organizations such as World Quest. Such organizations may increase our social capacity for cultural development by subsidizing activities that expand our imaginations about what we can do or be.

In addition to direct support to the poor, needy and oppressed, such organizations can affect conditions by shaping the actions of government. Indeed, once one thinks about it becomes apparent that much of the character of what could be described as democratic politics is shaped by what voluntary organizations exist, and how they decide to operate. Ireland would have been a much different place over the last 50 years if the Irish Republican Army and Sinn Fein on one hand, and the Orangemen had decided to act differently in their relationships to their constituencies, one another, and the government agencies they sought to influence.

Such organizations can also shape economic life. They can do so in part by influencing the actions of private sector organizations. Organizations can demand that corporations live up to commitments they have made, and reveal instances where they have failed to follow their own procedures. They can provide technical assistance to organizations that would like to make public contributions. They can even help organizations find ways into new markets, and bring those not previously much benefited by the market into its beneficial sphere.

So, these voluntarily created collective enterprises shape individual and collective life not only by meeting particular individual needs and serving particular social functions. They also do so by influencing the conduct of the market and the state. The views shaped in these groups can shape the market by encouraging individuals to take the views developed in unions, environmental groups, and consumer protection societies into their roles as consumers, owners, and employees of economic organizations. The views shaped in these groups can shape politics and government by encouraging individuals to take the views they developed in backyard conversations, in churches, temples, and mosques, and in civic action groups into voting booths, or decisions to support certain candidates. In this way, some particular forms of public spiritedness are transformed into a potentially valuable social resource for defining and acting on social conditions.

Objections to the Idea of the Voluntary Sector as an Important Social Resource

Of course, one can argue with these claims at every step. One can argue that the kind of human motivations which are posited to provide the energy for the voluntary sector do not really exist – that individually expressed desires to do good or see justice realized are usually nothing more than smokescreens for material self-interest. Or, one can agree that such motivations exist, but they are neither general enough among the population, nor strong enough within particular individuals, for a powerful social sector based on voluntary contributions to the public good to emerge and become influential. One could also demonstrate as an empirical fact that public spirited motivations do not constitute much of the resources actually used by existing voluntary organizations. And, one can note that many ideas of the public good and justice that individuals have embraced have turned out to be evil as well as good, and that injustice as well as justice has been done in the name of virtue.

Each of these objections has weight. But note how modest the claim is: that the motivations, social resources, and organizational capacities that we associate with the voluntary sector might offer some assistance in building a collective capacity to identify and act on the material conditions that society faces. Further, that these capacities might be particularly valuable in a world, or in parts of a world, where government is less relied upon. The claim here

is not that the voluntary sector can solve all problems; nor is it even that the voluntary sector is always helpful in the identification and solution of public problems. It is only that the voluntary sector is in the social domain as a potentially powerful actor, and as such, becomes a potentially valuable resource in the identification and solution of important public problems. It becomes important not only as a direct producer of socially valued results, but also as a force that can shape the market and the state.

The Voluntary Sector as a Result of Government Failure

That such a claim could be made shouldn't be surprising, for at the core of one of the most important positive theories explaining the existence of the voluntary sector is the idea that the voluntary sector emerges partly as a consequence of government failure.¹⁸ In this conception, the institutions of the voluntary sector arise because some gap opens up between the ambitions of citizens for their society on one hand, and the actual conditions they can observe, on the other. The gap between the social aspirations and the actual conditions in a society constitutes the governmental failure. That gap creates the energy that flows into the voluntary sector as individuals and groups seek to close the gap either directly through their own efforts, or more indirectly by influencing the conduct of private firms on one hand, and government on the other.

That the voluntary sector has, in fact, stepped forward in modern times to deal with government failures seems pretty clear. The evidence for this phenomenon is perhaps most clear at the international level and in the developing countries of the world. In both these settings, we see a remarkable growth in the number of voluntary organizations working to fill in gaps in social performance created by the absence or the failures of government.¹⁹

International non-governmental organizations have proliferated as citizens of the world have become conscious of their global interdependence and sought means for influencing international conditions directly rather than through the fragile international institutions, or the clumsy machinery of negotiated treaties among nation states. These organizations have become instrumental not only in influencing the shape of international agreements made within international organizations and through multi-lateral negotiations, but in creating a powerful normative regime that seems to exercise wide influence on what significant international actors both say and do beyond the reach of specific conventions, treaties, or agreements.

Domestic nongovernmental organizations have also shown up to deal with famine, poverty, and ethnic violence in countries where governments were not up to the task, or were implicated in creating the terrible social conditions. They have also shown up to demand

¹⁸ Government failure as an explanation of the existence of the voluntary sector.

¹⁹ Evidence might be slightly stronger at international level where there is a real gap in governmental institutions, and in the ability to govern global conditions. It is here that one might expect a rapid growth in the voluntary sector as citizens in nations throughout the world become more aware of their interdependence and more inclined to act on it. One can see growth in voluntary organizations in developing countries. And some significant portion of that may be associated with indigenous efforts to deal with various kinds of governmental failures. But this growth can also be explained at least in part as a consequence of extra-state actors seeking out partners in domestic states that are more to their liking than the current government. Government's eager to have the help, may be unwilling to resist the efforts of the extra-state actors (international and bi-lateral) to become the vehicle for the assistance and influence and partnership that comes from the extra state actors.

accountability and improve the performance of governments that were once totalitarian, and, as a consequence, both unresponsive to the aspirations of citizens, and corrupt and venal.

In the more developed industrial democracies of the West, we see relatively strong governments reaching out to voluntary sector organizations in efforts to bolster their legitimacy, their responsiveness, and their performance. We see voluntary sector organizations struggling to fill niches in social performance left by the retreat of government from certain social purposes. We see voluntary sector organizations filling gaps in state regulatory regimes. Sometimes such efforts take the form of drawing government's attention to new problems, or to unanticipated consequences of prior regulatory actions. Other times, it takes the form of helping government enforce existing regulations by bringing egregious infractions to light, and by building political support for more aggressive enforcement efforts. Still other times, efforts to improve regulatory regimes takes the form of creating forums within which improved ways of dealing with regulatory problems can be discovered through explicit negotiation among interested parties. We even see social entrepreneurs seeking means to deal with social problems by harnessing market forces that seemed beyond the imagination of market behemoths that had become too large and too risk averse.

Of course, analysts have shown that much of the growth in voluntary sector organizations (at both international and domestic levels) has been financed by government money (not always the money of the domestic government).²⁰ The financing comes not only directly in the form of grants and contracts to voluntary organizations, but also more indirectly through the subsidization of markets in which nonprofit organizations are particularly active, or through tax exemptions of various kinds. One could also observe that as government becomes more active in a given domain, it might well occasion the creation of voluntary organizations that seek to influence government policy, not simply compete for government dollars. Given the fact that government provides financial support to the voluntary sector, and that it provides a target and an occasion for action by voluntary organizations, we should not be surprised by the empirical fact that the voluntary sector and government spending tend to grow together. In this respect, the voluntary sector seems more a complement to government than a substitute.

But it is important to understand that one of the main reasons that government reaches out to voluntary organizations to accomplish its work is that it needs the particular skills and legitimacy that voluntary sector organizations have because it doesn't have enough of that in itself. So, even when the voluntary sector is working in partnership with government and growing along with it, it is doing so at least in part as a consequence of government's inability to develop the kind of highly responsive, culturally nuanced, and legitimate service delivery system that its citizens now demand.

Towards Governance and Away from Government

These observations about declining faith in government, resurgent faith in markets, and hopes for the voluntary sector and civil society suggest that government has lost not only its monopoly but perhaps even its dominance as the institution which helps to organize a collective response to important social problems and opportunities. This is self-evidently true at the

²⁰ Salamon

international level where no government exists; and this governmental failure has become more important as much more of our individual and collective life depends on what happens in the international sphere and less at the national level. It is equally true at the national level where governments are vicious and corrupt. It is also true at the grass-roots levels beyond the reach of government. And it is even true in developed countries whose populations have lost faith not only in the capacities of government to assure social welfare, but also in many of the ideas of social justice and fairness that government once championed. Instead of seeing government as the only place where collective action to deal with important social problems can be constructed, we now see the responsibility and opportunity for defining and acting on social problems as spread across three sectors – the public, the private, and the voluntary. We also see the locus of collective action across many different levels of society ranging from the international through the national to the local and the grassroots. And all that makes the question of how a society should organize itself to deal with a social condition much more complicated than it used to be.

Indeed, one can interpret many of the words that have become common in our collective conversation and were used in the discussion above to indicate how the lines that used to demarcate the distinctive responsibilities and competences of particular social institutions have become blurred. When we talk about “good corporate citizenship,” or “corporate social responsibility,” or “social enterprise,” for example, we are implicitly imagining that private sector firms would take on more social responsibility, and that they would do so without being compelled by government. We might even be imagining that they would produce publicly valuable goods, services, and social conditions without necessarily earning a profit by doing so. And we imagine that profit motivated social entrepreneurs will find ways to make money out of efforts that used to require government or charitable assistance. In effect, then, these ideas suggest the emergence of new kinds of businesses less committed to the maximization of shareholder wealth through the pursuit of sustainable profits, and more committed to the maximization of a “double bottom-line” that includes both their financial performance, and their (not necessarily compensated) social performance. The ideas also suggest the emergence of businesses that are focused on making products and services for individuals who have so far been excluded from the concrete operations of the private market.

When we talk about the “privatization of government,” or the creation of “customer-oriented government,” we are asking government not only to operate in a more business-like way in the sense of innovating, and finding lower cost ways of producing desired results. But, as noted above, we are also asking government to give up its monopoly over the definition of what constitutes the value to be achieved through governmental activity, and to allow individuals and groups some leeway to shape governmental action to their own preferred ends, and their own preferred means. In effect, we are taking the right and responsibility to define what constitutes a valuable public purpose away from the cumbersome and unreliable processes of representative government and turned it over to individuals to decide for themselves what is valuable without having to consult the views or interests of others.

When we talk about “voluntary efforts to achieve public purposes,” or the “power of faith-based groups to heal the human heart when government cannot,” we are talking about the complicated role that we think voluntary sector organizations might play in dealing with social problems, and exploiting social opportunities. We hope that the voluntary sector will become an

important agent of “social innovation” – searching for and finding improved methods to deal with social conditions. We hope that government will find both enhanced legitimacy and increased cost effectiveness by working in partnership with voluntary associations that can bring them closer to the concerns and aspirations of the communities they seek to serve. We hope that the socially valuable activities that used to require government funding to sustain themselves will find other sources of financing – from a voluntary charitable sector that is looking to make “highly leveraged” investments in social programs, or from new forms of financing in which social organizations join with private firms in “cause-marketing agreements,” or from special pricing schemes that allow nonprofits to recover at least some of their costs from the clients who benefit from their services.

When we talk about “public private partnerships,” or “collaborative governance,” or “joined up government,” we are talking about the idea of defining and achieving public purposes not through the old fashioned methods of organizing a collective discussion about a public purpose, and then assigning government the task of achieving that desired social result. We are talking instead of fashioning workable coalitions among organizations from several different sectors in which, motivated by their own interests as they see them, they voluntarily combine their efforts to results that used to be possible only through the use of the coercive powers of government. But what remains obscure in our enthusiasm for such “win-win” collaborations is exactly how the burdens of producing a particular result were distributed, and how the benefits were divided up.

These words and idea represent our contemporary efforts to find new and more effective ways to define and deal with social problems in a world in which government is less relied upon to do this important social work.²¹ Of course, one can reasonably be suspicious of these ideas. One can see in them a right-wing conspiracy to shrink the powers of government, and to shift attention away from the pursuit of social justice towards a celebration of individual choice and material prosperity.

One can also see that these ideas about new institutional means for addressing social problems at international and domestic levels are hardly new. The world has long relied on both the private for profit sector and the private voluntary sector to help it identify and respond to new opportunities for economic growth, social welfare, and political justice.

Still, I think it is fair to say that the general thrust of these words, and the frequency with which one hears them, herald an important change in the way that citizens throughout the world are thinking about and acting on social problems. The proliferation of ambiguous terms also, unfortunately, serves as an indicator of how confused we are about the institutional landscape in which we are trying to operate. We are no longer sure what particular institutions, or what combination of institutions can be relied on to help us understand and pursue the collective good.

The Goal of This Book: Understanding the Social Bases for Collective Problem-Solving

²¹ Government is less relied upon because it is not present, or is corrupt, or has been revealed to have some significant weaknesses in its ability to deal with particular social conditions.

My principal aim in this book is to help us citizens of both nations and the world understand the important challenges we face in the way that we think and act to organize collective action to pursue material prosperity, right relationships and social justice for ourselves and others. I leave it to others to worry about the substantive nature of the threats and opportunities we face in different realms. My primary concern is with the state of the individual and cultural values, organizing processes, formal institutions and managerial practices we rely on to spot important social problems, and organize collective action to deal with them. Those processes, institutions and practices include but are not limited to actions taken by governmental institutions. I am interested in how an emergent capacity for the *governance* of our growing interdependence is being developed to help the world become more prosperous, more sociable, and more just. I no longer assume that that capacity for governance lies only within government. I assume that this is a problem not only at national levels, but also at global and local levels. I assume it is a problem not only in advanced industrial democracies, but also in developing countries, in countries that are making the transition from totalitarianism to democracy, and in the fledgling institutions at the international level.

The Important Role of the Voluntary Sector

In this broad inquiry, I pay particular attention to the role that the institutions, motivations, and processes that we associate with the voluntary sector play in helping us understand, create, and exploit these new forms of governance. The reason is partly that it was initially an interest in the voluntary sector alone that stimulated this work. More importantly, however, as I widened the inquiry to include broader issues of governance and social problem-solving, it became very clear that the voluntary sector plays a crucially important role in enabling governance and social problem in domains where government does not exist, or has become discredited, or has learned that it can do its job better by being less dominant in the way it does its work. To me, it seemed clear that if we are going to be able to face the governance challenges of the future, we would have to understand better than we now do the true character and potential of the voluntary sector, and to the kind of civil society which such a sector could support.

To fully understand the voluntary sector's nature, and the ways in which it can act as a resource for social problem-solving, however, I think we have to change the conventional view of the voluntary sector. More particularly, I think we need to embrace three key ideas that significantly broaden and complicate the analysis of the role of the voluntary sector in social life generally, and social problem-solving more particularly.

First, I think we have to stop seeing the voluntary sector and civil society only in certain kinds of formal organizations; we have to locate this sector instead in the much more important but far more abstract and harder to measure soil of public spirited motivations and combining processes that emphasize moral solidarity over economic exchange or legal and physical coercion. We have to recognize that these things show up within and shape the processes of the market and the state as well as in the voluntary sector; and that we should not necessarily assume either that the voluntary sector is the only place where such things appear, or that everything we consider a part of the voluntary sector has these particular characteristics. The voluntary sector does not necessarily have a monopoly on social virtue; nor is everything about the sector socially virtuous.

Second, when looking at both informal and informal organizations viewed as part of the voluntary sector, I think we to look beyond explicitly charitable organizations and their impact on their clients, and focus at least as much attention on self-help and mutual benefit organizations on one hand, and civic and political organizations on the other. The reasons are that such organizations have important effects on the values and relationships of the individuals who are bound together in these organizations, and that those values and relationships become an important part of the material that shapes social and political culture, and our combined capacity for democratic governance. Individuals in such organizations carry the experiences, values and relationships from those organizations into their roles in the market, and in politics.

Third, I think we need to see the voluntary sector's contributions to society as coming not only through its independent contributions to the character of individual and collective life, but also through the impact that the voluntary sector has on both business and government. Indeed, it may well be that the key role that the voluntary sector plays in society is to improve the (social) performance of the market and the state rather than through its own direct production role.

Implications of Embracing this Wider View of the Voluntary Sector as a Resource in Social Problem-Solving

When we shift our view from the voluntary sector from a narrow one rooted in the analysis of how particular organizations contribute to the production of public goods and services to a broader one that focuses on how individuals develop and express social aspirations through the processes and institutions of the voluntary sector, and how that energy fuels both direct action and powerful influences shaping the actions of the market and the state, many things change in our view of how society is constituted, and how it works to define and act on material and social conditions.

The first and most obvious effect of focusing on this new and wider view of the voluntary sector is that our attention is directed to an important piece of social reality that has been much neglected. Regardless of whether we look at the international, national, local, or grass roots levels of social organization, we spend most of our time thinking about the processes and institutions of the market and the state. We have spent much too little time thinking about the social lives of the individuals, joined together in networks and associations of various kinds, who inhabit the market and the state; react to what they views as the failures of these operations for achieving social as well as individual purposes; and seek to influence the actions of these powerful social institutions. We have spent too much time working with the idea that individuals have well defined economic and political preferences, and that institutions were both created by and evaluated against these preferences, and too little time wondering about how such preferences are created, and the price that society would have to pay if our values become too selfish and too materialist on one hand, or too rigidly committed to particular social ideals on the other.

Second, by looking closely at what a widened view of the voluntary sector brings to social efforts to cope with problems and exploit opportunities, we can get a better sense of how social problem solving might be improved. We do not focus attention only on how government

can improve its technical capacities to deliver public goods and services; we also pay attention to questions of how certain social conditions get identified as important problems to be solved, and how the work might be divided among different sectors of society. By widening our ideas about what constitutes the voluntary sector, and how civil society might work not only to fill gaps the government and market, but also to strengthen the performance of these interdependent institutions, we may be able to get a better, more reliable handle on what we mean by ideas such as corporate social responsibility, social entrepreneurship, voluntary action for the public good, collaborative governance, and so on, and make a more reliable estimate of the capacity of these new institutional ideas to transform social conditions.

Third, by taking a broad view of the voluntary sector, one is forced to depart from some of the most powerful and entrenched views of political economy as an intellectual enterprise, and one that provides the intellectual backstop to important political ideologies. One is forced to give up the view of a two sector society in favor of a three sector image—one that includes a vital voluntary citizens' sector which shapes as well as reflects values, and that plays an important role in defining and acting on collective problems both independently and in combination with the market and the state. One is forced to reconsider the nature of human values, motivations, and desires, and to see an important role for public spirit both behaviorally in shaping individual and collective action, and in normatively evaluating conditions in a society. One is forced to think about the processes through which individuals combine, and see opportunities in the experience of solidarity in pursuit of shared goals as well as through economic exchange and government coercion.

These three different effects of looking at the voluntary sector in broad enough terms to see its full effects on the capacity of a society to define and deal with social conditions define the different audiences for this book. I am addressing myself simultaneously to those who are interested in understanding the voluntary sector, those who are interested in social problem-solving and see the voluntary sector as playing a potentially important role, and those who work with the abstract categories we use to analyze society for purposes of both understanding and action.

Outline of the Book

The outline of the book reflects its particular purposes, and the particular audiences it seeks to address. It is divided into three parts – each representing a slightly different approach to the same issues, and each addressing a slightly different audience.

In Part I, I take up my original purpose --- to develop a positive and normative theory of the voluntary sector, and to use that theory to help us re-consider public policies that protect, encourage, and guide it. That discussion might seem to pre-suppose a particular institutional context – that of a particular nation-state, committed to a liberal, democratic form of government. As such, it might seem to have little to offer when thinking about the organization of collective action at the international level where there is no government, or at the national level where the state is an authoritarian state, or at the national level where the state barely exists, or even at local levels where government cannot reach.

To no small degree, that is true. It doesn't make much sense to talk about public policies to protect or guide a voluntary sector where there is no government to make such policies, or where the government that exists is determined to repress such a sector.

But much of the effort to develop a coherent theory of the voluntary sector as a distinct part of human society focuses on very general and abstract issues that might turn out to be helpful as we try to think not only about how liberal democratic states can use public policies shaping the public sector to help them achieve economic prosperity, sociability, and justice, but also when we think about what might enable stateless societies to be able to achieve the same things, and what might allow repressive states to be overthrown. Part I pays close attention to such general and abstract things as human motivations, and the complex processes that work to combine individuals into collective activities that have more or less self-conscious capacities to guide themselves towards a collective desired end.

Indeed, as noted above, an important claim of Part I is that to truly understand the potential importance of something called the voluntary sector as a resource in social problem solving, one has to be prepared to give up a relatively straightforward conventional view of the voluntary sector, and embrace one that is far more difficult to employ and use in social analysis. One has to give up a relatively narrow view focused on a particular set of organizations producing largely independent effects on society, in favor of a broader one that focuses more on particular kinds of motivations and mechanisms that allow individuals to combine, and that have effects on many different institutions and processes in society.

This move turns out to be helpful not only in understanding what individual nations have at stake in the size and character of their voluntary sector, and therefore to guide their public policies towards the voluntary sector; it also turns out to be helpful in talking about the voluntary sector internationally and cross nationally in domains where no particular public policies to protect and regulate the voluntary sector exist. The narrow view of the voluntary sector is much easier to use when one is thinking about the role that voluntary sector organizations play in the life of particular nation states. It is a bit less useful when one is asking broader questions about how a capacity to govern might be created in social groups that have no established government, or where the established government seems much too weak and venal to be able to fulfill the ordinary functions of government.

Moreover, it may be that some emergent informal policies are developing at the international level to shape the role of voluntary sector organizations. On one hand, some important international organizations that have independent power and legitimacy in the international world are either giving such organizations important positions of influence, or relying on them to bolster their limited legitimacy. On the other, increased demands for accountability are arising. With that demand for accountability will come a response from the voluntary organizations. And in this development will come norms that will influence world views of what constitutes a legitimate voluntary association and what sorts of rights and responsibilities they might have in the rough and ready world of the international political economy.

Among the more important points made in Part I are the following:

- The “voluntary sector” can be viewed either narrowly in terms of a particular class of formal organizations that meet certain criteria, or more broadly and abstractly as a set of human motivations and processes of combining in collective action that differ from those we associate with either the market or the state;
- For many purposes – particularly those that look at the role that voluntary organizations play in the international world and in developing countries; and that are concerned about creating the “social capital” that a community relies on to address individual and collective problems -- the wider definition that focuses on individual motivations and informal relations as well as a particular set of institutions is the more suitable one;
- The voluntary sector is a larger and somewhat different concept than the charitable sector. While activities and organizations that channel voluntary contributions of money, material, time, skills, even bodily tissue from one person to the benefit of another who is in need without expecting anything (material) in return; and while the impact that voluntary sector organizations have on the conditions of those who are most needy and vulnerable in the society are among the important activities and accomplishments of the voluntary sector; these are not the only important kinds of organizations, or the kinds of impact that voluntary sector organizations have on society.
- The voluntary sector includes not only charitably motivated contributions to improve the conditions for the poorest, but also charitably motivated contributions to advance causes that benefit the rich and middle class as well as the poor. It also includes a wide variety of self-help organizations in which individuals volunteer to support others like themselves, and enjoy the pleasures and benefits of solidarity. And it includes many activities and organizations that could be understood as political insofar as they seek to influence the policies of government to help create a world that is more prosperous, more sociable, and more just – at least as the particular group sees these things.
- The public policies that support the voluntary sector are not only the public policies that exempt them from particular kinds of taxes. They are also the constitutional protections that ensure individual rights to speak, to assemble, and to own and use one’s property as one sees fit – including the use of those funds to advance charitable or political goals, as well as individual material benefit. They are the laws that give legal recognition to certain kinds of collective activities in the society, and establish different degrees and kinds of liabilities on the individuals who constitute the collective when they act under the authority and for the purposes of the collective. And they are the financial decisions that government makes when it “contracts out” for services, or more generally subsidizes sectors such as housing, health, or education in which voluntary sector organizations are heavily involved.
- The normative framework we use both to evaluate the contribution that the voluntary sector makes to the wide society and to guide and justify public support for these associations and activities includes two broadly different frames. One normative frame focuses on nothing more than the idea that individuals have certain kinds of rights – to

speak, to associate, to own and dispose of property – and that the voluntary sector simply emerges as individuals in a society exercise these rights. In this view, there is no additional test that can be applied to decide if the voluntary sector is valuable or useful. A second frame focuses on the individual and social utility of the sector in advancing individually or collectively defined purposes. In this view, we have to recognize the value of the voluntary sector as a source of satisfaction to those who contribute to the sector as well as those who benefit; and we have to consider the impact that the actions of the voluntary sector have on many things that have social utility including their contribution to the social capital a society can draw on in facing small and large social problems; its ability to reduce the costs and improve the performance of government in pursuit of established public purposes; its impact on the quality of democratic governance; and even its ability to improve the overall economic and social performance of the voluntary sector.

- The regulatory framework we now use to protect and guide the activities and character of the voluntary sector are too crude to recognize socially important differences among the different kinds of organizations that exist, and the different kinds of contributions they make to society. To improve the regulatory scheme we have to reconceptualize not only the normative goals we have in supporting the sector, but also the different forms that voluntary sector enterprises could take so that we can more accurately and fairly fit levels of public protection and support to the contributions that the organizations make in helping us achieve important public purposes.
- An emergent regulatory framework is developing at the international level in the form of an increasingly sharp demand to increase the accountability of voluntary associations. Those demands, and the responses made by the voluntary organizations, will gradually construct an international normative regime shaping the rights, responsibilities and effective powers of voluntary associations.

In Part II, I focus on the general idea of social problem solving. This part embraces a functional approach to society. It looks at how societies define and act collectively on conditions that they define as social problems. But it pays close attention to how structural features of a society enable or retard particular social problem-solving efforts. I look at particular substantive challenges that humankind faces, and investigate the particular role that particular kinds of institutions play in nominating those conditions for collective action of one kind or another, and in dealing or failing to deal legitimately, effectively, and justly with those conditions. I look at problems at both the international and the domestic level, in developed as well as developing societies. The focus is on problems to be solved or opportunities to be exploited, and the roles that are played by different institutions in the solving of these problems.

The point of this exercise is to show that there is practically no problem that is solved exclusively by the institutions of one sector; that the handling of all social problems requires complex interactions among various institutions from the different sectors. Part II will also pay close attention to the processes that cause some problems to come to public attention for collective action through social, civic or political means, and which languish outside the glare of public attention, or the attention of different kinds of public forums. In short, we will be as

interested in the collective political processes that go into *defining* a particular social condition as meriting public attention and *building a shared commitment to that idea* as well as those other more technical processes that go into figuring out how the condition might best be addressed once established as the proper concern of some collective actor.

The important goal is to drive home the point through a set of examples that one should not think or act as though the sectors are separate, each with their own distinctive competence, and their own separate sphere in which they operate. One should think and act instead as though the distinctive competencies of each sector are not necessarily so distinctive, and that a complex combination of action from the different sectors is necessary for the solution of important problems and the exploitation of important social opportunities.

In Part III, I raise the level of abstraction from a discussion of concrete sectors in society and how they define and solve problems and exploit opportunities available to us, to a discussion of the intellectual traditions we have relied upon to help us understand the nature of our motivations, our relationships, and our capacities for collective action of various kinds. The claim here is that our picture of the world as it now operates at both domestic and international levels is now distorted. And it is distorted by a dangerous combination of ideology on one hand, and academic ideas on the other. I argue that our ideas of “political economy” have become much too shrunken to help us understand the important goals we could and should be pursuing. I claim that we need to rethink current ideas of political economy in ways that are more accurate reflections of human nature and human social organization, that are less destructive to our shared sense of what we owe to one another, and that create more room for effective collaboration in pursuit of material prosperity, civil relationships with one another, and social justice.

I base this claim on observations about how the existence of the voluntary sector as a vital force in society stands as anomaly to the dominant current views about how society is constructed. More specifically, I argue that the idea of the voluntary sector as it is presented in the analyses of Parts I and II challenges our conceptions of human nature and social organization in all the following ways:

- First, it challenges our understanding of the macro organizational structure of society; shifting our view from a society that consists of two independent sectors each pursuing its own independent purposes to one that consists of three partially overlapping sectors each depending on the other to accomplish its most important social results
- Second, it challenges our understanding of human motivations from one that focuses almost exclusively on selfish, material motivations to one that includes the idea that individuals are often powerfully motivated by the desire to improve themselves through the exploration of new experiences that can transform their current views of their own welfare, by concerns for the welfare of others who are more or less socially “close” to them,” by a sense of duty to others and public purposes that is given substantive shape and motivational power by the social structures in which they find themselves and that can be only imperfectly shaped by them; and by certain social and political ideals that define aggregate states of the world that seem worth pursuing as a matter of justice or

overall social welfare; and that finds in these motivations enough energy to create and transform social institutions, and material conditions in the world;

- Third, it challenges our common conceptions of the mechanisms relied upon to aggregate individuals into collective enterprises from ones that depend on voluntary exchange on one hand, and coercive authority on the other, to processes that depend on individuals combining with one another in common efforts through concern for the welfare of particular others, out of a sense of duty of some kind, or to help achieve some larger political and social purpose that seems within the grasp of a committed group of individuals
- Fourth, it challenges our view of the voluntary sector from one that focuses primarily on charitable service delivery organizations designed to help those who are in need or oppressed to one that includes mutual self help and political organizations as well, and that finds the voluntary sector in small informal organizations that constitute the social capital of a society, and even in the individual motivations and relationships of individuals in the society;
- Fifth, it challenges our conception of government in a liberal society from one that sees government as being restricted in principle to a small number of functions to one that sees government as a flexible instrument available to serve the interests of different collectives as they deliberate on what particular purposes are worth taxing and regulating themselves to produce, and that not only sets the rules for such deliberation, but also uses its powers and assets to build an improved capacity for deliberation and collective action among the citizenry
- Sixth, it challenges our conception of where and how public work is defined and accomplished from one that sees government in a monopolistic or central role, to one where government can be a facilitator, or can even be left by the wayside as independent citizens make voluntary efforts to achieve important public purposes without requiring the assistance of government;
- Seventh, it challenges our conception of how the welfare of society ought to be evaluated from one that gives primacy to each individual's view of his own prosperity, and his own view of what constitutes a suitably just, sociable, and prosperous society, to one that privileges a more collectively defined view of individual and social welfare, with the expectation (following Rawls) that a commitment to a more collectively defined view of individual and social welfare would be one which tended towards greater equality, and a thicker conception of human rights than is now favored by libertarian theorists.

This framework helps us understand analytically many of the institutions and processes that have been the focus of this work, and help us understand both how and why these mechanisms can be exploited in particular ways.

In the conclusion, I talk about the implications of what has been argued for the practices of public leadership in our increasingly complex world.

The goal at the end of all this is to help us all find our way in the increasingly complex institutional structures we face to find the capacity to recognize and effectively deal with problems we face, no matter on what institutional platform we happen to be standing. We can see how societies organize themselves to identify and take action with respect to particular social conditions. We can see how various problems are often best defined and best handled by combinations of institutions and collaborations among them. We can see that the voluntary sector is important not only as an independent sector acting alone, but perhaps even more importantly as an interdependent sector that has the capacity to enhance the social contributions made by other sectors of society at the international, domestic and local level. We can see that the voluntary sector's important roles include strengthening the capacity of private institutions to cater to and allow the expression of the full range of human values, helping to build the kinds of individual values and social capital that help a society act collectively, strengthening the democratic politics that surround choices about how to use governmental power, and helping private businesses find ways to make larger contributions to social welfare. We can see how the voluntary sector is simultaneously a reflection of our desires, and something that shapes them, and how those individually held but socially constructed values operate as the basis for the construction of powerful social norms and institutions. We can see how the idea of the voluntary sector transforms the common ideas we now rely on in thinking about human motivations, the aggregating mechanisms, the institutions, and the way that problems get defined and solved through more or less co-ordinated and concerted collective action.

This, I hope, is the ultimate payoff of this book: a more accurate and more hopeful picture of the world we inhabit, and the power of individual human beings combining together to make it even better – more prosperous, more sociable, more civic, and more just.

Cutting Room Floor

The old institutions, the old ideas we had about these institutions, and the old methods we relied on to make the institutions serve our purposes, have all begun to come apart at the seams, and with that, both our real capacity and our confidence in our capacity to govern ourselves well. Consider how our picture of the institutional landscape in which we tried to operate has changed.

For at least the last half of the 20th Century, those of us living in advanced industrial democracies had a fairly simple view of how human society was organized. For the most part, we did not have to think too much about the organization of the international political economy because those of us sitting in industrially advanced democracies were either significantly insulated from global events, or able to dominate them. To the extent that we did think about the global institutional structure, we saw that the world's population was divided into nation-states – some organically developed, some created by revolution, some imposed by empire. Important differences in economic, social, and political structures distinguished these nation states, and fueled rivalries among them. Some nations had advanced industrial economies that relied primarily on market economies; other economically advanced nations relied on planned economies; still others were developing countries who were still developing the institutional and technological infrastructures that characterized the more economically developed countries. Some nations had committed themselves to an ideal of social equality in which all individuals were seen as having equal rights and equal opportunities to pursue their particular visions of a good life and a just society; other nations seemed not only to accept, but also to rely on the continuation of an inherited social order that made sharp distinctions among the rights and privileges of different groups of individuals and inscribed those differences both in social custom and in law. Some nations embraced democratic processes of government that made governments accountable to citizens; others relied on more centralized governmental structures that legitimated themselves through tradition, or claims of greater knowledge, or simply through force.

We understood, of course, that while the institutional lines created by nation states seemed to divide the world into discrete structural units – each with its own separate government, each with its own territory, and each with its own population – the nation-states that constituted the atoms in this system were part of a more complex international system that made them vulnerable to actions taken by others. It was not just foreign aggression and war that brought the countries into contact with one another. It was economic and social forces as well as political forces that brought the countries into close contact. National boundaries among these units were challenged at every turn. The ordinary operations of market exchange – unless they were determinedly resisted at the nation's borders – brought new products, new people, and new

ideas into the separate countries. Viewed from one perspective, this seemed to have the effect of homogenizing economies, cultures, and even political institutions. Viewed from afar, Northern and Western production processes, technologies, organizational processes, and goods and services penetrated the diverse traditional societies, and altered their traditional practices in agriculture, mining, fishing, weaving, and cooking, bringing more similarity to different places in the world. But, from the point of view of many particular countries, it had the effect of diversifying their local cultures. Viewed from nearer the ground, however, the world began to seem much more varied and diverse to populations that had become accustomed to their own ways of doing things. This was as true in the developed countries that found themselves with large flows of immigration from diverse parts of the world as it was in developing countries that found themselves the object of traders and economic entrepreneurs from the developing countries. The spread of media and the development of communications technology brought images and ideas about how to live, what we owed to one another, what was beautiful, and what was good to eat, from one nation state to another. And the age old fears, envies, and rivalries that had led to wars of conquest and liberation continued to pressure the nation states into political alliances and conflict with one another.

With all these pressures coming from outside the nation states, it is hardly surprising that pressures to change would come from within countries as well as from without. Sometimes this came as an explicit part of the expansionist plans of the external countries. Other times this came from the emergence of local movements within existing countries that thought they had created something new and different, and sought assistance from outside sources, or found much to admire in the economies, or cultures, or political structures and processes of nation's other than their own. Under both external and internal pressures, the structure of individual nation states occasionally went through upheavals as wars and revolutions reshaped the boundaries of the nations, and the thoughts and lives of those who lived within those territories. As important as the pressures on national boundaries were, we still thought that the principal institutions for dealing with issues that crossed national boundaries were agreements made among independent, sovereign nations, and an important part of the shared agreements that seemed to regulate this stateless domain was respect for the autonomy and sovereignty of nations.

So, we never thought that the nation states were wholly independent. But we thought the consequences of their interdependence were pretty small, and could be handled through conventional, age old methods. Negotiations, treaties, and alliances among nation states were the means necessary to reduce risks of foreign wars. The same devices were needed to allow an international economy to arise. And they were also used to give countries some modest degree of control over the cultural influences that spread across boundaries. In addition, we built some international institutions designed to help international relations without interfering too much with the autonomy of nation states. Nation states remained the most important actors.

When those in the developed democracies of the world thought about life within their own societies, they also had a relatively simple vision of how they were organized, and what social institutions they could rely on to accomplish important public purposes that affected them as individuals. Roughly speaking, we divided the world into a private, market sector on one hand, and a public, governmental sector on the other. We looked to the private market sector to generate economic growth – to create the wealth, provide the jobs, and produce the goods and

services that could keep us sheltered, clothed, well-fed, and reasonably healthy. We looked to the public, governmental sector to smooth out the rough edges of market-based capitalism, and to take responsibility for producing those goods and services that would be valuable to individuals in the society but would not naturally be produced by markets. We also looked to public, governmental sector to guarantee some idea of justice and fairness in the way that the society operated – not only with respect to its own citizens living in the country, but also with respect to the citizens who ventured abroad and carried their citizenship with them, and those “aliens” who came into the territory governed by a particular government.

Of course, we argued with one another about the ideal of justice that should animate and guide the societies of which we were a part. Some thought the state’s powers should be reserved for protecting only a limited set of individual rights designed to ensure individual autonomy and freedom. In the economic sphere, these rights included rights to hold property, to make contracts, to be free from coercion and deception in the making of those contracts, to have those contracts enforced in state-sponsored courts, to form organizations that could exploit economies of scale in production processes, to spend one’s money as one wished, and to pass one’s property to one’s heirs. In the political sphere, the rights included the inalienable right to liberty (and the privacy that was necessary to ensure that liberty), to speak one’s mind, to associate with others, to elect those who held powerful posts in the government, and to sue the government when it infringed on one’s rights.

Others had a more expansive view of individual rights that included not only those that defined relationships among individuals and between individuals and the state, but also those that guaranteed certain kinds of material conditions for each individual. This included not only rights to be protected against discrimination and social repression, but also rights to be protected from hunger, from homelessness, from poverty, from joblessness, from ignorance and illiteracy, and from disease and poor health. To the degree that individuals were viewed as having these material conditions as a matter of right, the state was necessarily engaged in assuring the protection of these rights. Because these rights could not be secured simply by regulating the conduct of one individual towards another but needed actual material production, the state would necessarily be involved in organizing some process of mobilizing resources from some individuals in the society to meet the needs of other individuals in society. It needed to tax some citizens to have money to pay for services needed by other individuals in the society. It needed to use its authority to require individuals to require individuals to make contributions to the common good, which included not only projects that would benefit everyone, but also special programs designed to secure the material rights of the disadvantaged.

This wider view of the rights of individuals represented a more significant commitment to the idea of equity and fairness than the narrower view. It was prepared to sacrifice, to a limited degree, some of the personal liberty of some members of the society to enhance the material conditions of other individuals in the society. The wider view of rights was variously justified. Some argued from a principled basis that such rights were necessarily included in any reasonable conception of what it meant to be a human being in our current world; that no one would agree to an idea of fundamental human rights that did not include important material rights as well as relational rights. Others argued that the political rights handed out in the narrow view of individual rights (which were really the only rights that could or should be guaranteed) could not

really be experienced or activate unless they were accompanied by the establishment of material rights that would allow individuals not to be intimidated or coerced by those who enjoyed superior economic or social status. Still others argued that an expanded set of material rights would be a prudent way of keeping peace in the world, and avoiding conflict. Still others argued that since it was now within our material capacity to provide for these material conditions, we ought to do so as an expression of social aspiration. The conditions were not rights to be assured by governments to individuals; they were something we could choose to achieve if we wanted together to create a great society. Government enabled such action not because individuals had these rights and it was government's duty to ensure their provision; but because government was in a good position to organize the achievement of these goals, and to fairly distribute the burdens of doing so.

Whatever our disagreements about rights, and justice, and the state's role in realizing a particular conception of justice within a society, we argued with one another about how state powers ought to be used through a particular set of institutions and processes designed for this purpose. We used the basic political rights to speak, to associate, and to vote for candidates and issues to press our general and particular ideas about how state powers should be used to ensure justice, and advance the common good. We used our rights to petition the government to make our views heard in legislative and administrative venues. We used our legal rights to bring our claims to courts. These rights – and their correlative institutions and processes – created a framework for a collective, public discussion about what we owed to one another as a matter of principle or prudence, and what we would like to achieve together as evidence of our more or less ambitious collective aspirations. This political discussion, in turn, resulted in collective choices made to use the powers of the state in particular ways: to tax us to raise funds to accomplish an important purpose, or to regulate us to ensure that we avoided producing a public harm or helped accomplish a public good. Increasingly, it seems, we decided to roll back state commitments and to rely increasingly on the operations of voluntary private institutions to achieve public purposes. It was largely in this public sphere that we had the discussion about what constituted a public purposes sufficiently important to tax and regulate ourselves to produce, and what means might be best in achieving the desired result, and in fairly distributing both the burden of producing the desired result, and the benefits of that effort among differently situated individuals.

So, we lived in a world in which national governments were the central institution we relied upon to form collectives, to make them conscious of the threats and opportunities they faced, and to occasion collective choices about how those threats and opportunities would be confronted and exploited. Now, however, the institutional context which simultaneously structures and constrains our collective opportunities, and provides the means for transforming social conditions world seems much more complex. This is true at both the international and domestic levels.

The market, as a social process that celebrates the primacy and power of individual choice and material welfare, seems to be increasingly powerful in international and national affairs. The growth of the market as an ideal and a reality of human organization seems to have extended a strong sense of individual liberty and material progress throughout the world, but there remains a fear that the spread of the market poses a threat as well as a benefit to our future

world. We worry that the market will destroy the environment. We worry that it will crush distinctive cultures. We worry that it will produce an unacceptable degree of inequality. We worry that it will cause us to seek meaning exclusively in the world of material pleasures. Perhaps most importantly, We worry that it will undermine a fragile commitment to others, and the capacity to combine and act together to achieve important common goals.

Equally important, we are no longer sure who we should turn to to organize the discussion about what we should do within our own states to order our own affairs, and manage our political, economic and cultural relationships with other states, and other people living outside the state. We have lost a significant amount of confidence in the legitimacy and capacity of governments to ensure our welfare or protect our rights. This is true in the international realm where international institutions have always been weak. That remains true, but now have less confidence in the interstate system to deal with complex international problems.

[Our national boundaries seem much more porous than in the past. We are buffeted by international economic trends, and the decisions and actions of not only international corporations, but the economic decisions of other nations. We are much influenced by alien cultures that stream across our borders. And we seem to be increasingly vulnerable to political violence that now comes in many more, and more dangerous forms than the conventional wars we had learned how to fight and regulate.]

This has led to the idea that we need to more fully understand the true nature of each sector, and to find its best possible use. But there is a different view. Not separate, unique institutions with distinctive roles; institutions that are a bit less distinct than we imagine sharing roles.

If this later idea is an accurate one, we have some important work to do in developing an analytic scheme that can help us understand better than we now do important facts about the ways that these institutions operate both individually and together to shape the prospects for individuals in the society, and for the larger societies of which those individuals are parts. That is the aim of this book.

Even the processes that can be used to debate which conditions in the world should become the focus of collective action guided by government, and which should remain only the concern of private individuals taking voluntary action has become less clear. The absence of reliable forums for discussing and taking collective action has long been a feature of collective life in the international domain where there is no overarching governmental that can create the occasions for discussion by nominating issues for public debate, set the rules for deliberation, and enforce the agreements and decisions made within these forums about who will contribute what, and who will take particular actions. But the lack of such forums now seems more urgent

as global forces seem increasingly important in shaping the individual and collective lives of those who inhabit our increasingly intimate planet.

At the domestic level (particularly in federal, democratic societies, of which there are more and more), the difficulty of knowing where and how collective discussions could be organized and decisions taken to address social conditions may well be the opposite: the problem is not that there are too few forums, but that there are too many! Often, domestic governments operate at several different levels ranging from national, through state, to local governmental structures. At each level, there are different branches of governments each organizing their own forums: legislatures hold hearings, administrative agencies convene formal rule-making processes; the judicial branch hears individual cases, but decides in general what justice requires. And, surrounding all this institutional machinery of governmentally sponsored deliberation and action is a much wider social and political discussion that goes on continuously and has a profound effect on what government decides. This includes but is not limited to the political campaigns that surround the election of candidates to public office, or the consideration of referenda to advise government about the citizens' views on specific policy matters. It also includes the wide variety of civic forums that are only imperfectly attached to governmental policy-making, and that often act independently of government to try to shape social conditions.

Indeed, it would be easy to exaggerate the degree to which collective responses to particular conditions in the world has depended on government initiative and action. Society's response to worrisome or potentially beneficial social conditions never been tightly controlled through well-organized politics and effective governmental action. We have always reacted and acted on social conditions outside the boundaries of governmental policy-making and governmental action. We have always taken individual initiative and self-authorized action as well as government co-ordinated action. We have always acted as individuals as well as collectives, in small informal groups as well as through established institutions, and as private for-profit firms and voluntary associations as well as through government agencies. Indeed, the last few centuries of human development have helped to give individuals and informal associations a stronger sense of both agency and responsibility than in the past, and, as we will see, this has had a profound impact on the way we think about and act collectively on the conditions in which we live.

But it still seems true that a greater uncertainty has arisen about what we should expect from, and how we might best use the more formal social institutions which bind us together, and provide both the necessity and the means for collective action. To the degree that there remain important dangers to be avoided and opportunities to be exploited, and to the degree that such efforts might be aided by collective actions supported by established social institutions, we face greater uncertainties in organizing our collective response because we no longer fully understand or trust the social institutions we have relied on in the past.