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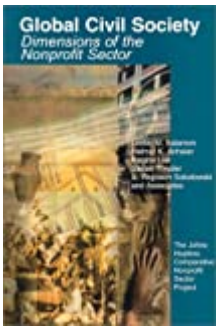


**Lester M. Salamon, Helmut K. Anheier, Regina List, Stefan Toepler, S. Wojciech Sokolowski, Associates.** *Global Civil Society: Dimensions of the Nonprofit Sector.* Baltimore, MD: Johns Hopkins University Press, 1999. 511 pp. $34.95 (paper), ISBN 978-1-886333-42-0.

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## The Global Associational Revolution

"...a veritable 'global associational revolution' appears to be underway, a massive upsurge of organized private, voluntary activity in literally every corner of the world. Prompted in part by growing doubts about the capability of the state to cope on its own with the social welfare, developmental, and environmental problems that face nations today, this growth of civil society organizations has been stimulated as well by the communications revolution...." (p. 4)

If these statements appear to be exaggerations – after all, how often do you think of nonprofits in connection with revolutions? –brace yourself before reading this book. Dr. Salamon and his co-authors will positively jolt you with their conclusions based on data from 22 nations including Israel, Japan, the United States, five countries in Eastern Europe, and five countries in Latin America. All data relate to 1995.

Consider the following:

- "Even excluding religious congregations, the nonprofit sector...is a $1.1 trillion industry that employs close to 19 million full-time equivalent paid workers. Nonprofit expenditures in these (22) countries...average 4.6 percent of the gross domestic product, and nonprofit employment is nearly 5 percent of all nonagricultural employment," (p. 8)

- "... if the nonprofit sector in these countries were a separate national economy, it would be the eighth largest economy in the world, ahead of Brazil, Russia, Canada, and Spain." (p. 9)

- "Nonprofit employment in the eight countries for which time-series data were available grew by an average of 24 percent, or more than 4 percent a year, between 1990 and 1995. By comparison, overall employment in these same countries grew during this same period by a considerably slower 8 percent, or less than 2 percent a year," (p. 29)

- "...the growth in nonprofit employment evident in these figures has been made possible not chiefly by a surge in private philanthropy or public-sector support, but by a substantial increase in fee income," (p. 31)

- "...the relative size of the nonprofit sector varies greatly among countries, from a high of 12.6 percent of

total nonagricultural employment in the Netherlands to a low of less than 1 percent of total employment in Mexico. The overall 22-country average, however, was close to 5 percent. This means that the U.S., at 7.8 percent without religious worship, lies substantially above the global average. However, it falls below three Western European countries the Netherlands (12.6 percent), Ireland (11.5 percent), and Belgium (10.5 percent), as well as Israel (9.2 percent). (pp. 265-266)

Despite the awesome data, Salamon writes in his Preface that we are nowhere near having enough information to fully grasp what is happening in America or elsewhere vis-a-vis nonprofits. For those of us who closely follow the philanthropic literature, this is surely no exaggeration: The IRS isn't even certain how many private foundations or nonprofits exist. Nor is lack of data the extent of the problem. Salamon and his associates at the Johns Hopkins Comparative Nonprofit Sector Project which manages the research rightly seek in the long term not only to describe the "basic scale, structure, and revenue bases" of nonprofits around the world but hope, in later volumes, to account "for the differences that exist" between nonprofits in various countries, "the factors [that] seem to encourage or retard their development," and, finally (and perhaps most important of all), to answer the questions, "what difference…these entities seem to make? What are their special contributions?" (p. xvii)

The more philosophical among us might have preferred that Salamon and his associates begin with a volume responding to the questions about economic benefits that justify nonprofits and what expectations we should entertain for their future. The purpose would be not only to provide intellectual satisfaction but because of the gigantic transfer of wealth currently underway, in America, from the World War II generation and baby boomers to foundations and other tax shelters.

But to return to the present volume, someone somewhere once said there are no specialists, only vested interests. When Salamon writes, "Traditionally, the United States has been considered the seedbed of nonprofit activity," and then proceeds to write that Alexis de Tocqueville, "a keen 19th century observer of American institutional life, aptly considered voluntary associations a uniquely democratic response to solving social problems. . ." (p. 261), you have to wonder exactly which vested interests de Tocqueville thought were being served. But had de Tocqueville attempted to address this, he would have come across immediate, knotty problems, including how, exactly, to define "nonprofit" or "charity" or "philanthropy" in an American context.

Definition is no easier 150 years after de Tocqueville's visit. Annual salaries of some nonprofit executives now exceed $1 million; this suggests that nonprofit is not nonprofit for them. Benjamin Franklin, the patron saint of American philanthropy, thought charity (meaning welfare) should be the business of churches and never of government. To him, philanthropy meant community advancement, and community advancement must be the business of all citizens. To put the matter bluntly, successful entrepreneurs could only do well if they did some local good, but finding shelter for the homeless was not the kind of good in which they should be involved.

As *Global Civil Society* makes clear, one of the most remarkable aspects of post-industrial philanthropy is the degree to which systems in various countries throughout the world have come to resemble each other. In Western Europe, "On average, three-fourths of all nonprofit employees…work in education, health or social service organizations. This reflects the historic role that the Catholic and Protestant churches have long played in the education and social service field." (p. 16). In America, "…almost half of all nonprofit employment…is in the health field. This is more than twice as high as the global average of 19.6%…." (p. 269) (On the other hand, it should be pointed out, as Salamon does, that "one out of every five nonprofit employees in the United States works in the educational field. This is proportionally well below the all-country average and also falls below the developed country average. The principal reason for this is that the tradition of separation of church and state in the U.S. has limited the growth of public funding of religiously affiliated education institutions in the country….") (p. 270)

But in America, as in the other 22 countries during the past two decades, financing nonprofits has had less and less to do with philanthropic giving and more and more to do with fees paid for services by governments. In this connection, Catholic Charities of America receives some 62 percent of its annual $1.9 billion operating income from eight national agencies as well as local and state governments, to provide home care for the elderly, battered-women's shelters, foster care, and other essential services.[1]

*Global Civil Society* was published at a time when the American economy flourished as no one had ever imagined it could. But not in Washington or in any other world capital were those officials concerned with welfare policy over- curious about what might happen if

the global economy falters and a depression threatens. Hopefully, a succeeding volume in this series will include a "What If" chapter. We badly need thinking in this area.

Note

[1]. David Van Bema, "Can Charity Fill the Gap?" *Time* (December 4, 1995), pp. 44-46, 53.



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