The governance of solidarity organizations:
an exploratory essay

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“Connection, not affection, is the defining characteristic of a community”
Samuel Bowles (2004: 474)

Introduction

Unrequited transfers are gifts and contributions of all sorts that, by definition, entail no quid pro quo. These sorts of transfers, through which people or groups of people give help and advantages, may be inspired by all sorts of motivations, and they may bind donors and recipients in reciprocal relations or not. The central feature of these transfers is that they are other-regarding or altruistic. Very diverse forms of solidarity organizations and institutions have emerged to govern such transfers. In the rest of this paper, we will use philanthropy or gift interchangeably to connote the relationships, arrangements and organizations underpinning such unrequited transfers.

There is a good deal of neglect of and a fair degree of suspicion about gift organizations. Over time, citizens have developed a much greater trust in the reliability of quid pro quo market exchange and state coercion as coordination mechanisms than in the power of altruism and giving.

Yet this presumption may be unwarranted.

From Richard Titmuss (1970) to Francis Fukuyama (1995) to Elinor Ostrom (1990, 2005), many have shown that the gift/solidarity relationship is a very powerful coordination mechanism that can work (under certain circumstances) as effectively and efficiently as the price mechanism or coercion. Indeed, solidarity arrangements can often carry out coordination tasks that neither of the other mechanisms can accomplish. (Gintis et al 2005).

We know that, in small groups and under restrictive conditions, gift and solidarity work. What is less clear is to what extent and under what conditions these findings can be generalized to broader and looser situations.

This paper would like to help fill a portion of this gap.

In section 1, we quickly review the broad range of coordination mechanisms in good currency, and explain where the gift relationship fits in it. In section 2, the existing literature that seems to make the case for solidarity as coordination mechanism is examined briefly: it was first developed on an ad hoc basis from limited empirical studies, but, in more recent times, behavioral scientists’ experimental work has shown that other-regarding behavior and ensuing collaboration are much more prevalent and potent than had been presumed previously.
In section 3, we reflect on three broad legacies (charity, commons, and *honneur*) on which philanthropic organizations have been built, and identify the different sets of constraints and blockages that these three strands face. In section 4, we suggest a conceptual framework to deal more directly with the governance challenges with which these strands are confronted. In section 5, we put forward some modest general propositions that may provide guidance in the governance of the solidarity sector. The conclusion reflects briefly on the speculation in good currency that solidarity governance is likely to become more important in the future.

1. **Solidarity in perspective**

Self-interest is at the core of economics. Economics is mainly built on the assumption that the only things that matter are self-regarding preferences: concerns about personal gains or losses, and not what others gain or lose. There is some work done at the margin of conventional economics that deals with other-regarding issues like positional goods, reputation, etc. (Hirsch 1976; Klein 1997), but most of this work presents other-regarding dimensions as “instrumental” in pursuing self-regarding preferences. In effect, economics has an autistic quality.

As a result, it is generally concluded in the economic literature that, unless external constraints or incentives are in place or are imposed, less collaboration than might be warranted ensues, and the collectivity suffers.

This approach is unduly restrictive and occludes the possibility that individuals might be much less autistic than is usually assumed. Work that takes this latter position, such as the Post-Autistic Economics Network (www.paecon.net), remains still somewhat marginal within the economic discipline, but it has been gaining more attention in recent times.

But presuming that other-regarding motivations exist, and speculating or theorizing about it, cannot suffice. To be able to argue convincingly that individuals behave in other-regarding ways, one must show that such behavior is observed, explain why it emerges, and be able to point to the consequences it entails.

On these three fronts, some progress has already been made.

First, the existence of other-regarding behavior has now been amply demonstrated experimentally (Gintis et al 2005).

Second, such behavior (and the institutional arrangements in which it is embedded) appears to have three important sources: the first one (charities) has roots in tradition and religion; the second one (commons) is mainly ascribable to some awareness by actors of their transversal sharing of facilities and of the interdependencies that such a situation entails; the third one (based on a logic of *honneur*) has to do with a commitment to do something one is proud of as a result of one’s own status or sense of identity (Hanley 2000; Graeber 2007:32).
Thirdly, these three sets of activities or arrangements have given rise to different types of pure and mixed organizations that neither need be nor are governed in the same manner. This has had an impact on the fabric of society: the growth of organizations built on other-regarding behavior has been both a substitute for and a complement of the other two standard mechanisms of integration – quid pro quo exchange of self-regarding individuals, and coercion based on power relations often rooted in the state.

This impact on the fabric of society will be felt in two major ways: through the production of social capital generated by other-regarding activities and permeating the whole of society; and through the coalescence of an instituted solidarity sector (formal, independent, not-for-profit, self-governed) that transforms the division of labor among the private, public and civic sectors.

a. Solidarity within the institutional order

Depending on the composition of the population, its ethnic and socio-cultural traits, the conventions of the different groups, and the pattern of power, resources and information they share, a collectivity may evolve quite different patterns of coordination of its activities.

Indeed, it is the very valence of these different mechanisms and the nature of their métissage that defines the fabric of the overall governance process.

To map out this terrain, Boulding (1970) used a simple triangle, with each of these integrating mechanisms (quid pro quo exchange, coercion, and solidarity) in its purest form at one of the apexes; all the inner territory represented organizations and institutions embodying different mixes of these integrative mechanisms.

The three sectors need not maintain the same valence and a similar weight through time. A century ago, for example, the state portion was quite limited in Canada, and the scene was dominated by the two other sets of organizations. From the late 19th century to the 1970s, governments of liberal democracies throughout the Western world grew in importance. At the zenith of the welfare state in Canada, almost half of the measured activities fell into the general ambit of state and state-related sector. More recently, there has been a vigorous counter-movement of privatization and deregulation that has caused a reduction of the public sector, and a reverse shift of the boundaries among sectors (Paquet 1996-97).

Of course this rough-and-ready stylization is not meant to suggest that a given particular characterization holds for a socio-economy in toto, or even for a whole sector: different sub-national and sectional entities may reveal arrangements that vary considerably. For example in Canada, the relative distrust of the state and the relative robustness of civil society in Alberta are in sharp contrast to the situation in Quebec where reliance on the state has been much more important and philanthropy plays a significantly-lesser role. In the same manner, organizations dominated by the logics of charity, commons or honneur may not be instituted in the same manner everywhere.
There has been a tendency in more recent times for an ever-larger number of mixed
institutions, blending these different mechanisms (e.g. market-based public regulation,
public-private-social partnering, corporate social responsibility etc.) to develop as
instruments to provide the necessary signposts and orientation maps in our new confused
and confusing world. This has translated into a much denser filling in of the Boulding
triangle. Institutions have emerged that are capable of providing the basis for cooperation,
harmonization, concertation, and even co-decision involving agents or organizations from
the three sectors (Burelle 1995; Laurent et Paquet 1998; Hubbard and Paquet 2002).

Finally, one may add that the mix of charities, commons and honneur solidarity
arrangements is startlingly different from one country to the next. This is often deeply
rooted in history, beliefs and traditions, and translates into significantly different
configurations of institutions and organizations (d’Iribane 1989; d’Iribarne et al

b. Instituted solidarity and the links to the other two sectors

Even though the dynamics that underpin the texture of the Boulding triangle have not
been explored in as much depth as might be desirable, it is already clear that the fabric of
any socio-politico-economic system is defined by a mix of these three families of
integration mechanisms (both formal and informal) that ebbs and flows according to
times and circumstances

In different countries, the solidarity sector has been crowded out at times and in places by
the market and state sectors. But it has also been allowed to gain a greater dominium
when fiscal crises forced the state to evacuate certain domains of activities or when
market forces have proved incapable of sustaining a presence in some areas. In other
circumstances, developments in state and market sectors have resulted in meaningful
support for solidarity organizations. Indeed, each integration mechanism has on occasion
been a substitute for and a complement of the others, depending on circumstances.

This sort of conflit / concours relationship of the solidarity sector with the other two has
left it vulnerable both to the virus of hyper-competition that has often weakened the
private sector and to the virus of bureaucracy that has often paralyzed the public sector.

It has also generated a good deal of uncertainty about the contours of the solidarity sector.
Unlike the market and state sectors that engage all citizens to a great extent, the
‘organized’ portion of the solidarity sector (which we agree is only the tip of the iceberg)
engages only one quarter of the population (in the form of recorded philanthropy of one
sort or another), and a much smaller portion of the population in a very significant way: a
relatively small core of citizens represents the bulk of these activities. This helps to
explain why the solidarity sector is so easily occluded.

The métissage of organizational forms and the blurring of the boundaries among sectors
have had significant impacts as well.
The solidarity sector has often had to adopt the style, language and organizational strategies preferred by markets and states in its efforts to be successful in obtaining support from them. This has “tainted” (some would say) the endeavour since it has meant (1) much scheming virtuously and competition in fund-raising activities that has offended and repelled the base; (2) a professionalization of the staff that has tended to shift power away from boards, volunteers and donors to permanent staffers further alienating the base; and (3) a bureaucratization of the “third sector” in efforts to improve relations with the state (e.g. through accords) which has contributed to extinguish some of the effervescence of the base.

The solidarity sector has therefore benefited on the one hand from the disillusions generated by statism and neo-liberalism. But it has also been weakened by the direct competition of state and market and by their indirect encroachment through a modification of its *modus operandi*. The net effect on solidarity organizations and social capital is not always clear (Putnam 2002).

2. **The case for solidarity**

In the introductory chapter of Gintis et al 2005, a most useful summary of experimental evidence is presented that demonstrates that (1) in various game contexts (ultimatum game, public goods game, etc.) a predisposition to contribute to a cooperative endeavour exists, and (2) that a small fraction of strong reciprocators is able to invade a population of self-regarding types, with the result that high levels of cooperation ensue. Such experiments also show however, that while a mix of mechanisms (incentives, coercion, solidarity) may at times be the source of greater cooperation, it may also lead to toxic results.

a. **solidarity is contingent**

These paradoxical results are ascribable to the fact that solidarity is fundamentally *conditional* and that, depending on the context, the different integration mechanisms may be substitutes or complements.

On the one hand, the existence of better information, more robust monitoring, and fail-safe mechanisms may generate more solidarity; but, on the other hand, fines, subsidies and sanctions may be leading to exactly the obverse.

Therefore, the case for solidarity can only be made in a contingent way: it may be said to be likely to be successful only if certain conditions are met, if certain principles, mechanisms and auxiliary conditions are in place, and depending upon context and circumstances. In fact, one of the most important elements that differentiate solidarity from quid pro quo exchange and coercion as mechanisms of integration is its relatively greater dependence on context.

One can already gain some sense of what contextual forces may foster solidarity: solidarity is often much more efficient and effective as a coordination mechanism when
the task is qualitative, when a meaningful contract is hard to negotiate, when the conflicts of interest are limited, and when the distribution of benefits is not too unequal (Gintis et al 2005; Ostrom 2005).

b. solidarity is not simply the result of encapsulated self-interest

Economics, like any robust paradigm, has a vibrant immune system. Faced with the unrealism of the pure and perfect competition assumptions, it was quick to invent “contestable markets” that did not require all those taxing conditions and yet performed the same challenge function. In the same manner, attempts at hollowing out solidarity led some to postulate that solidarity was simply the result of an individual taking the interests of another person to heart and encapsulating them in his/her own preference function (Hardin 1991).

In that version, solidarity is simply an exotic notion of self-interest.

This reductionist version has the advantage of eliminating the need for any explanation for solidarity outside of sheer self-interest maximization. Yet this artifice does not quite work: it is a subterfuge that eliminates the problem at hand by suggesting that the individual may have self-interest in selflessness per se (Cook, Hardin, Levi 2005: 5ff). The reason this over-complicating of the preference function of the individual does not work is that it simply pushes the problem one step back: it leaves entirely unexplained why and when self-interest in selfishness and unselfishness might prevail.

c. solidarity as the result of embeddedness, frame and habitus

If solidarity is not simply an exotic form of self-interest, neither is it a mechanical bond à la Durkheim. It is the echo effect of the sociality of a collection of persons or groups that is rooted in history, beliefs and traditions – their capacity to invent social glue that can help them coalesce in stable and functional ensembles (Baechler 1994:21). Sociality helps define the way in which individuals and groups are embedded in the broader social context, how the “frames of reference” they inherit from such a context influence their decision-making, and how such settings forge predispositions to act in certain ways (Tversky and Kahneman 1981; Bourdieu 1977).

So depending on the texture of the environment, certain behaviours will be differentially appreciated. Accordingly, individuals and groups will take decisions greatly varying, and the predispositions that emerge from such habitualized experiences through time will help forge an habitus, a culture that triggers different patterns of reactions and behaviours. The logics of charity, commons and honneur will be differentially framed. So, one does not need to invent exotic preferences: individuals and groups operate differently as a result of the context they face. Such context is both enabling and constraining: it defines the corridor of what is permissible, fostered, and encouraged in an organizational context at a certain time, but also of what is not (Mesthene 1970: 48-50).
3. Building on three legacies – charities, commons, and honneur

The world of solidarity organizations is “diverse, fragmented, complex, territorial, ill defined and less influential in terms of public policy making than it might be” (Hanley 2000:1). These very features are inherent in the nature of the solidarity sector, and efforts to herd these “cats” may in fact impair the sector’s dynamism.

The particularly difficult and perplexing aspect of the challenge of the solidarity sector is that it draws from a pool of quite different motivations, and that it takes many institutional forms.\(^1\)

The logic of redistribution from the rich to the poor (charities), the logic of co-operation when there is a common pool of resources in which many share (commons), and the logique de l’honneur leading citizens to contribute to the community (as a matter of honour, pride, gratitude, and status that commands to do good for the commonwealth) are complex but rooted in some mix of a profound need to be regarded as a good person, that is at the core of moral development and social pressures not entailing necessarily threats or penalties but reinforcement or unpleasantness (Kohlberg 1981; Ireland and Johnson 1970).

a. Three logics and three institutional strands

Patrick Hanley (2000) has examined the root sources of the first two families of solidarity organizations: (1) the charity logic – entailing volunteering on behalf of strangers, a concept derived from thousands of years of religious tradition – where the focus is on the needs of others, and (2) the commons logic – entailing volunteering on behalf of “people like us” in order to find rules, norms, laws, rights and obligations capable of helping us to live together more comfortably. These two logics have generated different strands of solidarity organizations.

The third one – the honneur logic – appears at first to be more difficult to pin down in our modern world. It has to do with the mix of social pressures and motivations at the core of the urge d’être à la hauteur des attentes, as an echo of status.

It also explains a variety of patterns of behavior: why elites and members of the noble professions feel the urge to give; why persons are so easily offended when altruistic or collaborative gestures are met with immediate offers of compensation (Richebé 2002, 2003), and why professionalism and professional pride (la logique compétence) can do so much more than incentive reward systems to promote efficiency and effectiveness in private and public bureaucracies (Favereau 2004).

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\(^1\) It is a mix of social pressures and motivations that shapes solidarity institutions – sort of World 3 creatures à la Popper that are the outcome (often unintended) of this dialectical interactions between World 1 (context) and World 2 (values and plans). So the logic of solidarity institutions cannot be reduced simply to motivations (Popper 1972).
Anthropologists have even explained the contribution of the citizens to the extraordinary war effort in the 20th century (and in particular the extraordinary effort of the lower classes) as perhaps the only way for some citizens to exercise their right to do good as citizens (Graeber 2007).

This noble sense of honneur is merrily discounted in the public discourse of the day. Yet, this is a strong feeling that may also explain why, in many organizations, members of the support staff often contribute more significantly (and yet anonymously) than the executive staff to certain fund-raising campaigns like the United Way. It is not done simply as a matter of charity or to contribute to the commons, but pour l’honneur.

i. The logic of charity is built on ministering to the needy and the downtrodden. It is about one group willingly trying to help another. This is the rationale for organizations like charitable trusts, philanthropic and faith-based organizations. The basic components are the focus on others, the existence of have-nots who need assistance, and the moral obligation to help by the haves.

It is the tradition that has led to the emergence of the welfare state as a meta-organization that has claimed the responsibility to structure and formalize through the state the amateurish ways in which this kind of assistance was provided by diverse solidarity groups in earlier times. The approach is top-down and centralizing for it would not be possible to redistribute between groups of haves and have-nots unless the loot was first brought to the center. This approach has acquired a new garb and softer faces under the rubric of “sharing communities” but the redistribution imperative has imposed a centralized mindset on it, and, in their relationship with the state, these solidarity organizations are under a constant threat of being overrun by the state in the name of efficiency.

ii. The logic of the commons is quite different. It connotes the means by which people within a community work together for mutual benefit. This is the rationale for community organizations, help groups, advocacy groups, micro-credit groups, and the like. The basic components are the focus on us not others, on the benefits of solidarity as a method of coordination, and on the effectiveness of horizontal reciprocal coordination.

This tradition has to do with the effectiveness of community governance as compared to other ways of coordinating. It is horizontal and non-centralizing, and it does not mesh well at all with state intervention. Indeed, there is a congenital distrust of the state-centric arrangements in this tradition, and a premium is put on independence and autonomy.

iii. The logique de l’honneur is neither us-them based, nor us-us oriented, it is rooted in a sense of me-all obligation based on status, on a sense of pride and competence that defines my identity.

In certain cases, it is articulated as gratitude to country or tribe (Buckley 1990). This sense of pride based on identity is the source of selflessness that explains why in times of war individuals are willing to give their life for their country.
It is the solidarity of those who often have nothing to give but themselves, their time and life. It underpins an extraordinary sense of worth and reveals the extraordinary emptiness of taylorism that proposes to organize the division of labour strictly through incentive reward systems based on threats and financial gratifications: as Favereau suggests firms have long understood that they cannot operate without professional pride – “rendre la coopération rationnelle est une façon irrationnelle de produire de la coopération” (Favereau 2004: 33).

Many solidarity organizations are shaped by a single dominant logic – a mindset or worldview or conceptualization of the organization and of the tools to accomplish its goals and make decisions that acts as a filter to determine what information is relevant or not, what is important (Prahalad and Bettis 1986). But many are built on a mix of assistance, coordination, and honneur logics. As a result, they experience tension between the different logics when, for instance, pursuing somewhat subversive objectives (autonomy, independence and advocacy) while at times reluctantly attempting to secure support from the state (directly or indirectly through charitable status for tax purposes or straight grants or contributions to finance part of their operations), or from the private sector.

b. three sets of organizational challenges

Charity-based solidarity organizations may proclaim their independence, but they easily welcome arrangements that would stabilize their funding even when the state (through grants, contributions and contracts) “infeodates” these organizations. These solidarity organizations have embraced a certain degree of formalization and welcomed the creation of government-voluntary organizations “accords”, but also attempted at the same time to minimize their “accountability” and to defend their independence.

Commons-based solidarity organizations do not refuse state funding. Indeed some demand it vehemently and rationalize their claims to “state obligations” by references to greater efficiency, historical treaties, particular governance requirements, etc., but they forcefully resist any sort of general framework accord that would impose constraints on their activity, or accountability frameworks that they resent.

Honneur-based solidarity organizations are even less formalized. They are based on a passion to serve generated often by particular circumstances that provoke an urge to contribute to the commonweal, “a kind of nobility no less aristocratic for being widespread and universally accessible” (Buckley 1990: xxi).

A sort of fundamental decentralized mindset underpins these ‘noble’ operations and takes on a subversive quality. It becomes anti-state-centric and counts on design principles that are based on relationships rather than rules. It also underpins a propensity to under-design in order to allow the system to remain innovative and resilient, and to “emerge” as it should. This is clearly revealed in the idiosyncratic nature of the diverse foundations created by philanthropists.
c. different blockages

The different strands of solidarity organizations have had to overcome important blockages, the most important of which flow from the dynamic conservatism of state-centric politicians and bureaucrats. These state actors, building on a strong Hegelian view that the state is a transcendent creature that embodies the true will of the people, have argued that the welfare state is uniquely positioned to perform the charity role, that it is also best placed to govern the commons, and that it does not need to count on whimsical honor codes and the like inherited from the Ancien Régime.

Counting on charity, collaboration or honor code has come to be regarded as passé: indeed these very words have lost their lustre in modern times, and there references have come to be embalmed as antiquated values.

The result is that the state sector has opposed any decentralization and invested a good deal of effort over the last decade trying to “re-organize” the solidarity sector to make it fit state institutions.

It has also used its coercive power to shape (when they emerge) the community-commons-honors solidarity organizations in a top-down way. When there has been resistance to these top-down pressures, the state clerisy has often vilified the resilient bottom-up initiatives as utopian or as agents of balkanization.

This strategy of encapsulation and containment has been particularly clear in the recent UK 2006 Charities Act coming into effect in 2008. Under this new law, the ambit of charities-based solidarity organizations is so greatly increased as to encompass the commons-based and even some honor/professional endeavors, and to sanitize them.²

This effort to coerce the solidarity sector into a harness of hierarchy and bureaucracy has pleased some segments the solidarity sector clerisy no end (for this group has been offered a place at the state table) but it has not always served the sector itself well.

In particular, it has often contributed to demobilize the supporters of charity organizations, to de-voice and de-claw commons organizations, to de-mobilize elites and citizens and to disenchant pride and honneur.

² Main charitable purposes (Charities Act 2006): prevention or relief of poverty. Plus advancement of: education; religion; health of the saving of lives; citizenship or community development; arts, culture, heritage or science; amateur sport; human rights, conflict resolution or reconciliation or the promotion of religious of racial harmony or equality and diversity; environmental protection or improvement. And relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage; advancement of animal welfare, promotion of the efficiency of the armed forces of the Crown; or the efficiency of the police, fire and rescue services or ambulance services; and any other purposes charitable in law (i.e. including everything that is currently charitable).
4. **A conceptual framework**

Governance is best defined as effective coordination when power, resources and information are widely distributed.

In the case of the solidarity sector, the governance challenge might be usefully categorized under six headings:

- what are the relevant dimensions of the context within which it operates?
- what constitutes the minimal quality of information required for solidarity to crystallize?
- which principles guide the governance of solidarity organizations?
- what sort of design is likely to be most effective?
- what are the auxiliary conditions needed for solidarity organizations to play their full potential role? and
- how does one ensure operational goodness of fit of all the above?

This is stylized in Figure 1.

![Figure 1. The governance of solidarity](image-url)
We will not attempt in this short paper to provide a detailed grammar of the different principles and rules pertaining to each family of solidarity institutions. Our objective is more modest: to identify the ways in which the response to the six questions above might help in meeting to a greater or lesser extent the governance challenges of the different solidarity organizations – the charity cats, the commons cats, and the honneur/professional cats.

In the case of charities cats, matters of participation, accountability, independence and funding generate much precariousness because of (1) a small and declining demographic base, (2) loose, diffuse and improvised organizational forms, (3) a tug-of-war between a will to be independent and the growing dependency on the state, and (4) precarious and unstable funding.

In the case of commons cats, the demographic base around commons is often more stable, focused and deeply motivated, accountability to the government or to any external body is challenged, staunch independence is the ultimate goal, and unconditional funding from traditional sources both demanded vehemently (in the name of efficiency) and often equally vehemently refused by those who hold the strings of the purse (in the name of equity or sheer uniformity).

In the case of honneur cats, the binding pride of many meso-groups or individuals has been dramatically eroded by the bureaucratization of the professions and kindred groups. Indeed, the state has now in Quebec created L’Office des Professions that has forced them into a rigid mould. While the nobility of the “vocation” has survived in some groups, the rise of the new ideology of social rights has dramatically diminished the importance and influence of elites, professions and proud citizens: the state has taken on the job of protecting the public directly, and any margin of maneuverability left to professionals and their guilds has come to be regarded as creating impediments to the full realization of social rights. Professional guilds have morphed more and more into labour unions, and pride or honour, in some quarters, would appear to have gone the way of the dodo (Paquet 1979). In this context, individual honneur philanthropists have become unpredictable urban cowboys.

a. the weight of context

Solidarity organizations do not exist in a vacuum. They are nested in an institutional and ideological context that has certain traits, creates certain constraints, and embodies some differentiated support for particular organizational arrangements.

The same arrangements are unlikely to emerge in a robustly libertarian milieu and in a state-centric jacobine context (Hollingsworth 1993). This explains the different organizational textures of the arrangements in Alberta and Quebec for instance. In a jacobine environment, a social housing project will naturally be state designed and governed. In a less statist environment, it is quite conceivable to have a governing apparatus that is characterized by a high degree of decentralization, community governance, and obligational networks.
The nature of the context, like the fabric of the corporate culture in good currency in a given country or region, is not calcified in perpetuity. It changes slowly, and not always in predictable ways. So the *zeitgeist* must be factored in when trying to understand the structure and governance of solidarity organizations. The point has been made very well by Laforest and Phillips (2001) when they compared government-solidarity organizations relations in Quebec with what takes place in the rest of Canada.

The context also has an important impact on the emergence of commons and *honneur* organizations. For instance, the legal framework often makes it much easier to organize a commons governance structure or a cooperative in certain jurisdictions than in others: it can be put together in hours in certain cases while it may take months or years in others, thereby stimulating or discouraging these initiatives.

In the same spirit, the sociality of certain socio-economies recognizes, celebrates and encourages certain heroic contributions more readily while, in some other settings, the egalitarian ethos is such that any action involving bravura is quite unlikely to generate any appreciation, and indeed may provoke snarl and scorn. The way in which a person who has experienced a business failure is regarded in different societies is quite telling: in some places, it is a sign of irreparably tarnished reputation, while in others it is a sign of courage, boldness and resilience.

The differential sort of reaction to “social entrepreneurship” is bound to have an impact on the emergence of *honneur* initiatives in particular: they are unlikely to spring up in a context where they are likely to generate negative reactions.

b. the centrality of accurate information

Nothing drives home more effectively the fundamental importance of the accuracy of information in the emergence of effective governance than the Condorcet Jury Theorem – one of the most interesting results in modern social theory that throws light on how many minds produce knowledge. This theorem – in a formulation borrowed from Sunstein (2006:25) – states that the probability of a correct answer by a majority of a group increases toward 100% as the size of the group increases *if each person in the group is more likely than not to be correct.*

The theorem is based on simple arithmetic but is a justification of democracy. It depends however on the crucial condition that individuals are informed and competent enough that each is more likely to be correct than not. Otherwise, the probability for the group to be correct decreases towards zero as the size of the group increases.

If groups were made of uninformed and incompetent persons who are more likely not to be correct, deliberation would not elicit the information that the members have, but rather amplify the errors of the members, and produce cascades and polarizations where the blind lead the blind to extremes (Sunstein 2006: 75).
The sort of self-governance that prevails in solidarity organizations is very vulnerable to such information and competence failures. In charities, commons and *honneur* organizations, the information + competence requirement is of central importance. Yet it is likely to be neglected, with the result that solidarity organizations deliberations and governance can tend to go awry.

This may explain why solidarity organizations built on single issues that are based on solid common knowledge (focused local specialized charities) or on solid information systems (even in commons as large as the Gulf of Maine) thrive, while others, where information is quite vague or dominated by ideology, tend to fade away. Such a solid information base very often helps to develop the basis of trust that enables the group to proceed with more and more demanding and taxing collaborative efforts (Paquet 2005a).

c. principles

To fix ideas, one may start with some of the principles most often listed as being at the core of good societal governance: (1) legitimacy and participation (2) responsiveness, effectiveness and efficiency; (3) accountability and transparency vis-à-vis the public as well as institutional stakeholders; (4) fairness and equability.

Solidarity organizations and institutions need to adhere to these principles if they are to survive but they need more: like democracy they require more than procedural neatness. They are built on commitment and reliability: other-regarding concern is the main driver at the motivation level, but, at the institutional level, the crucial dimensions are reliability, consistency, trustworthiness. These call for nothing less than constructing a reliable “machine” out of unreliable parts.

The search for reliability and stability explains the drive toward the institutionalization of solidarity. But it is also its Achilles’ heel, since formalization may discourage participation and self-governance, and trigger calcification and crystallization in a sector that needs to evolve and to innovate as much as the other sectors.

It has been suggested that such reliability is built on trust and bonding capital. Solidarity organizations are not necessarily or even usually a form of “bonding capital” built on high trust. Rather they are a form of “bridging capital”. They build on the strength of weak ties, and do not necessarily require reciprocity or trust. Bridging organizational capital is less constraining: bridging is bonding lite (Putnam 2002).

This does not mean that the level of trust “in the context” is not important. But there is no simple linear relationship between levels of trust and solidarity organizations.

On the one hand, high-trust societies may as easily foster tribal bonding networks generating negative externalities and exclusion. On the other hand, a general climate of trust may indeed foster a higher capacity to form stable networks, and a general atmosphere of distrust may hinder such efforts.
Trust and distrust are therefore important factors but not likely to generate determinacy.

It has been argued that, over the recent past, Western democracies have drifted into an age of greater distrust, that distrust fuels defiance and that, as a result, citizens act differently and in a more defiant and obstructive way (Rosanvallon 2006; Hardin 2006).

At the socio-political level, this has meant: (1) increased surveillance, vigilance, and monitoring of the official state apparatus; (2) a greater development of a capacity by civil society to stop, block, derail and sabotage the political process (forcing it to back off, to withdraw planned legislations, and the like); and (3) an increased pressure to force the political and state process to face their accountabilities in front of courts or adjudication bodies.

The citizens have not become more passive as some might be tempted to argue on the basis of turn out statistics in official elections. Rather they have chosen to express themselves, to get involved and to intervene in a different (and Rosanvallon would say impolitical) way – generating a contre-démocratie geared to reduce the power of the state process.

This has encouraged a greater effervescence of civil society, a greater ebullience of ‘social movements’ and emergent publics à la Hine-Angus (Hine 1977; Angus 2001). But more importantly, it has led to the emergence of new principles in the design of the governance of organizations: independence, experimentation, openness, and social learning. Such dynamic and open-ended principles tend to perturb the staunch defenders of traditional representative democracy.³

Yet, this sort of subversive thrust has remained relatively tamer in solidarity organizations than might have been expected. This has been the case for practical reasons.

The necessary proximity of charity cats to other sectors (the state looking to offload certain services and the private sector as a source of funds), and of honneur/pride cats with the state (honour and pride do not exempt persons and groups from being willing to gain tax exempt status) have quickly generated a compensatory call for the state to engage in more monitoring, oversight, prescription, and performance measurement of their activities.

This has made keeping true to their “ideal” principles an increasing challenge for daring solidarity organizations. As for commons cats, they would appear to have been spared the odium of unintelligent accountability only to the extent that they have avoided the temptation of searching for access to state largesse above and beyond their cherished independence.

³ For an intriguing view of the malaise generated by the word open, see K.G. Banting et al Open Federalism – Interpretations, Significance. Kingston: Institute of Intergovernmental Affairs 2006.
d. design

The requirements of “proven” good governance demanded from solidarity organizations have called for appropriate mechanisms, design and deliberation spaces being put in place to ensure that persons empowered with basic information and competence can engage in the process of cumulative social learning as effectively as possible. And yet solidarity organizations are too often “a collection of small boutique programs, or pilots auditioning for government support” (Husock 2007:21).

How then can independence, experimentation, openness, and social learning – with the built-in requisite amount of emergence – be translated into real life?

In general, for both charities and commons, the only effective way to meet this challenge is a design of a ‘federal’ sort – allowing parts (chapters) to operate with as much independence as possible so as to be able to be nimble and creative, while remaining, as a whole, as coherent as necessary to demonstrate that they can meet the basic ‘good governance’ requirements to attract both ‘venture capital’ and sustaining support. This calls for clear purpose, succinct approach, outcome measurements, and enthusiasm for reporting regularly on their progress (Husock 2007:22).

In addition, charity cats must be able to help design, manage, and work in partnerships and collaboration with hierarchical bureaucratized organizations from other sectors. This calls for new and enhanced infrastructure, processes, and competencies, in order to counter criticisms that their cost of operations are too high, and that their capabilities reveal significant gaps.

For commons, Elinor Ostrom (2005) has drawn, from her case studies of commons reciprocity organizations, a list of internal design principles including:

- the need for a clear definition of the stakeholders, of their rights and responsibilities
- the requirement of clarity of the benefits received and contribution to sustaining costs
- the participation of those involved in making key decisions
- the production of reliable performance monitoring information
- a graduated system of sanctions for errors and infractions, and
- the presence of local conflict resolution mechanisms.

On the honneurl/pride solidarity organizations front, the new celebration, by the new gentility of money, of gratitude vis-à-vis community and society (of which Bill Gates is only the most prominent) has given philanthropy more lustre than it has had for decades. Whether this resurgence is temporary or not is unclear, and whether this form of solidarity can lend itself to rules of institutionalization remain to be seen. But it may signal at least that one should not confuse such initiatives with charities: like in the case of social movements, the underpinning “moral contract” is immensely more ambitious, and the organizational form more experimental and idiosyncratic.
e. auxiliary conditions

Auxiliary conditions are often necessary to overcome the practical blockages facing solidarity organizations. This has as much to do with the ideological climate as with the legal and bureaucratic systems. There may be a need for very specific contraptions both (1) to ensure that the appropriate level of solidarity activity is unleashed, and (2) to provide the contextual security zone that will allow the desirable experiments to proceed and succeed.

In the first case, there may be a need to put in place the infrastructure of information and forums to allow the knowledge base and the getting-together technologies (required for some issues to be tractable by solidarity organizations) to emerge.

Such capacity building is not necessarily costly, but it may require some essential contextual support. The emergence (and at times the transformation) of solidarity organizations entail a change of kind in solidarity organizations that is often effectively opposed by their traditional governors. A nudge from the outside may be required.

This may call for a formal process of periodic external evaluation that the solidarity organizations impose on themselves as part of their governing apparatus. This self-imposed mandate and governance review has proved immensely useful in the case of certain basic legislations in providing a periodic moment to review the adequacy of the mission, governing structure and decision-making process in light of the evolution of the context and priority needs.

In the second case, what is to be fought is the burden of inertia and risk-aversion that prevents much experimentation. Organizations must be given permission to experiment. Intelligent accountability may require a definition of the corridor of “normal-times” conditions when organizations are allowed to conduct their affairs without much intervention from the outside, but also a definition of what is meant by “abnormal times” when fail-safe mechanisms would kick in. This might provide the sort of contextual security zone that is required for sceptics to accept experimentalist community governance arrangements.

e. some operationalization difficulties

Translating these requirements into operational terms is no simple task. In all types of solidarity organizations, shortcomings in implementation capabilities are often the Achilles’ heel of their governance and management.

i. The zones of tension are many: participation, independence, performance, accountability and funding. These five elements are significantly intertwined, and, in each case, the resolution of the difficulties calls for a refurbishment of the governance and management of solidarity organizations and, most of the times, for the emergence of new mixed/pluralist forms of organizations.
Some innovations are intellectually appealing but practically unlikely to succeed. The temptation by Husock et al to search for the equivalent of a stock market for nonprofits is both inspiring and somewhat romantic. It is more likely that, in the medium term, one will have to scheme virtuously: to accept to build on the new interest of citizens in getting involved in their own commons community, less on the eroding charity-based motivations, and wait to see if the nobility of purposes is experiencing a permanent revival.

The different families of solidarity organizations will have to innovate in different ways to survive and thrive but they are likely to have to do it in collaboration with the private and state sectors.

In the case of the commons, the governing is made easier by the realization of the impossibility of getting away from the sharing. The central issue has less to do with funding and more to do with performance and accountability. This puts a premium on governance, enforcement and compliance.

It is through a mix of formal and informal arrangements – Mobius-web governance as Rosenau would call it (2003) – that such governing is best achieved. And it need not be based of necessity (as some fear) on close proximity. Moreover, since the common-property resource often has a most important interface with the other sectors (in environment for instance, but also in health with the emergence of self-care), forms of co-governance involving the three sectors may be expected to emerge.

In the case of charities, participation and funding are the crucial dimensions, and in both cases the rapport with the state is fundamental: participation is crucial and depends much on the margin of maneuverability allowed or be encouraged by the state, and funding is almost always (directly or indirectly) the result of state largesse (tax incentives and the like). Consequently, charities may have to make the Faustian bargain of a symbiotic relation with the state, with the clear possibility spelled out that they may, in so doing, lose their soul.

In the case of honneur/pride solidarity organizations, the challenge is participation and performance: the new gentility of money often shuns any visibility to avoid being plagued by unwanted requests for help, and many either leave the traditional professions where such largesse was a tradition or never take part in their formal organizations. Moreover, in both cases, there is little doubt that any action on their part is often perceived and advertised by third parties as self-serving.

This may call for a change in the culture of the elite organizations and a re-affirmation of professional values (and connected oaths of office) that have ceased to be as omnipresent as they used to be. But such bootstrap operation is unlikely to be instituted. The Gates and Buffetts of this world are unlikely to be mobilizable by any encadrement – it will remain idiosyncratic. Those inhabited by a logic of honneur fear more than anything the notion of a state encadrement (the very encadrement that has largely killed the sense of pride, honor and social responsibility of professionals).
ii. Yet, it would be unwise to suggest that refurbished governance arrangements introduced subtly and *sotto voce* cannot make a difference. Difficult as the task may be, a transition strategy for solidarity organizations would help if it could focus on two major complementary initiatives.

The first one should focus on *performance* in order to ensure that the governance apparatus is capable not only to keep the system under control but also to provide a real impetus to explore, to adopt an experimentalist attitude, to constantly search for new and better ways to do new things, to constantly reinvent both goals and means. This is a long-run focus constantly feeding the need to adapt and adjust in the short-term.

The second one should focus on *conformance*: it is supervision, regulation and accountability as usual in order to ensure that capabilities are in place to keep the ship afloat and to steer it in the directions that have been ascertained as the most promising by the governing board. This is mainly a short-term focus but one that cannot be satisfied with simply operating in a routine way: it must focus on dealing with all the apparent weaknesses in the existing arrangements that may prevent good steering, and correct them.

It is not unfair to say that conformance work is less risky, and therefore less stressful, so it has a tendency to gobble up much of the attention and time of authorities in most organizations. This is the case for in particular for solidarity organizations where the board members represent a very diffuse community of stakeholders that do not speak with a strong performance-oriented voice because the very notion of performance is not easily clarified and measured, and where full-time staff has a great latitude to inform the board fully or not on matters of performance, and is more clearly monitored on the conformance aspects of the operations. So the fiduciary and trustee roles (and all matters insuring that things are done right) are often well dispatched but it is not always clear whether it has been ascertained beyond reasonable doubt that the organization is doing the right thing (Garratt 1996).

In the case of commons, the degree of ignorance of the partners is significantly less than in the case of charities, so one may legitimately expect that performance concerns will be better aired and assessed. In the case of charities, the matter is more perplexing. Products (as defined by staff) often give an illusion of success and much effort goes into “sell(ing) donors the sizzle rather than the steak” (Friedman 2007:49). In the case of elite and professionals or groups with their heart left and high on the basis of status – often poorly informed – despite all the good intentions, even the sizzle is sometimes not there.

Conformance cannot suffice and good dynamic performance requires generative governing. In the case of solidarity organizations, the sort of rigor that produces generative leadership can only come from a transformation of the very notion of what governing boards must do and what governing rules should be (Chait et al 2005).
Generative leadership is a matter of survival for all solidarity organizations. Collaboration of board and staff is required but it can materialize only through a reinvigoration of the role of the boards, and a more experimentalist and innovative way for them to do their work. The boards must become truly exploratory through the use of prototypes and serious play if the solidarity organizations are to innovate and transform themselves as they should (Schrage 2000).

The governing board has to become bold, catalytic, intellectually playful, inventive, and to provide generative thinking in this complex and yet fluid environment, instead of allowing itself (1) to be completely absorbed by routine technical roles in a world where the very nature of the mission of solidarity organizations is constantly challenged and redefined, and (2) to be totally manipulated by the full time bureaucracy and fall prey to the calcification of the role of the organization around its past activities: becoming a myopic and unduly narrowly focused functional system instead of a learning system, and being so captured by dynamic conservatism so as to run the risk of becoming irrelevant. Schön (1971) has richly documented the cost of dynamic conservatism and the sad stories of solidarity organizations becoming crusaders without a crusade.

In the case of charities, boards have to fight fiercely not to be encapsulated by their full-time staff. As a result, they have not naturally been an engine of innovation. In the case of commons, generative and innovative governance is usually much more readily adopted as a result of the deeper involvement of interested parties. In the case of honor/pride organizations, the danger is the obverse of what it is in the case of charities: stellar boards are likely to be less attentive to executives than they should because of the very forcefulness of the key persons acting as driving force.

5. **Modest general governance propositions**

Given the numerous caveats sprinkled throughout the text, it is clear that one can only be very tentative in spelling out “modest general governance propositions” about solidarity organizations.

We put forward a set of hypotheses that would appear to suggest some priority work in some areas.

a. One of the most important results of our exploratory work has been the full extent to which the solidarity organizations are context-contingent. The same mechanisms and the same tools are likely to generate quite different results depending on the context. This brings forth the need to probe the causal texture of the environment further.

This sort of research program was celebrated in the 1960s by Frank Emery and Eric Trist (1965) but it has not been in good currency for quite a while. The particularly important sensitivity to context of solidarity organizations has given it new currency. Emery and Trist had proposed a typology of environments (placid, disturbed-reactive, turbulent) that called for different types of organizations. What is called for is a much more fine-grained typology of the same ilk in the analysis of voluntary organizations.
Such a work would focus on the different mega-communities (i.e., public spheres in which organizations and people deliberately join together around a compelling issue of mutual importance, following a set of practices and principles that will make it easier to achieve results). What might be useful is a macrosocial mapping of the mega-community and of its dynamic underground (i.e. the critical elements for a thriving mega-community\(^4\) Gerencser-style):

- understanding the problems to be resolved, the necessary players and partners, and the ways in which they affect one another;
- strong leadership as well as partners willing to listen, learn and understand;
- designing and customizing suitable cross-sector arrangements; and
- learning from experiments and effective collective monitoring of progress.

b. The terrain of solidarity organizations and their subversive character have changed dramatically over the last while.

First, as the demand for solidarity organizations grew in response to both state and market failures, the capabilities of the so-called “third sector” would appear to have been eroded. In the case of charities, the problem has been a \textit{quantitative} one (decline in the \textit{civic core} of citizens involved); in the case of commons and honour organizations, the decline has more of a \textit{qualitative} flavour: the construction of solidarity organizations has suffered from a growth of distrust in modern societies (Hardin 2006; Rosanvallon 2006).

Second, and maybe for the same reasons, there has been a shift in \textit{the pressure to build more solidarity organizations}: at first, in the post World War II period, circumstances have called for more and more commons-based organizations and a lesser emphasis on charity-basis organizations, as the welfare state invasion proceeded, and as honour organizations lost their lustre. More recently, in the post-Thatcher world, the pressure has been upward across the board.

But the key foundational components have changed: one has a sense that the focus is becoming less on principles-based organizations dedicated to helping \textit{them} – a matter about which we knew quite a bit – toward organizations dedicated first and foremost to help \textit{us} and \textit{me} (1) based on sophisticated social architecture and design that are still in their infancy, and (2) a better understanding of the socio-psychological dimensions that have not been well explored.

Third, it has become clear that new solidarity organizations often tend to emerge from social movements (Hine 1977; Angus 2001). These organizations have a \textit{diagnostic importance} and often develop into a force that can influence opinion within the broader society: “they make questionable what has previously not been questioned and thereby open up larger areas of social life to public discussion, decision and action” (Angus 2001:65).

\(^4\) M. Gerencser et al “The Mega-community Manifesto” \url{www.strategy-business.com} 16.08.06 (10p.)
In a world of powerlessness, apathy, and distrust, solidarity organizations are at the core of this process of discovery of community and identity. This makes these organizations somewhat subversive, and it explains the reasons why dynamic conservatism in the organizations themselves (and in the state sector) is so strongly countering them: these organizations are becoming agents of social change.

c. The growing complexity and deeper diversity of the context has led to a particularly important increase in the variety of the solidarity communities. This has led to a burgeoning of organizational innovations and to an explosion of different experiments. This complicating of the terrain des opérations has led to some balkanization, and much overlap, in the coverage and extension of the different solidarity organizations. More importantly maybe, the growing and deepening interdependencies have multiplied the loci of potential commons.

Solidarity organizations have mostly continued to focus exclusively on their fiduciary/technical and analytical/strategic roles, they have often not “graduated” to true “generative governing” – i.e., putting in place the creative grappling, grasping and sense-making that are the true underpinnings of learning and discerning, even though this is exactly what is required in this new context.

This cultural transformation of the composition and role of boards is unlikely to materialize unless more emphasis is placed on intelligent accountability (O’Neill 2002) and less of a focus on superficial transparency that may tend to deter experimentation and make solidarity organizations even more risk averse.

d. Not only have the textures of mega-communities and the solidarity organizations grown richer, but the relevant domain over which the charities, commons and honour organizations have begun to spread has grown significantly as a result of the increased interdependencies. What used to be parish-based or quasi-tribal in scope has come to encompass much broader socio-technical realities. Both territories and social entities involved have emerged on a new scale, and this has called for the construction of new organizations built on weaker links.

Meso-scale solidarity organizations, where they emerged, have generated new challenges. Becoming more spread out and more diffuse has meant facing difficulties of mobilization but has strengthened of peripheral informal monitoring and learning. On the other hand, often bureaucratization has ensued.

Governing by network is the solution but this calls for new competencies: aligning goals, providing oversight, averting communication failure, coordination of multiple partners, overcoming information and capacity deficits, etc. (Goldsmith and Eggers 2004).

These are matters that have not been mastered by solidarity organizations.
e. Solidarity organizations have also tended to blend different principles of integration and to become more and more hybridized. The futility of the search for independence and autonomy has become more and more apparent. The new on-going métissage has generated new interdependencies among sectors and made it much less likely that pure solidarity organizations can work in isolation from market and state.

This erosion of a single and powerful dominant logic has had unintended consequences of some import.

First is a growth of hyper-competition as a natural consequence of the takeover of the solidarity organizations by staffers and bureaucrats. But they are not alone. In this age of growing distrust of the state, citizens are choosing to get involved in impolitical ways, and solidarity organizations are a magnificent instrument for ideologues to mobilize emergent publics.

Second, this triple helix (hypercompetition, bureaucratic efforts to replace politics with administration, and some hijacking of solidarity organizations by radicals) has made the governance of solidarity organization much more complex and may explain why solidarity organizations have often lost their sense of purpose and ceased to be the agents of prototyping and serious play.

**Conclusion**

It has been argued by Gintis at al that the role of solidarity organizations is bound to increase over the next while.

This argument is based on three basic assumptions.

First, citizens are not as badly informed nor as willingly inactive as is presumed: they will distrust the state more and more and choose to take their affairs in their own hands more and more often, albeit perhaps in a manner that may be more obstructive than previously.

Second, there exists a propensity by a number of citizens to act in other-regarding ways and a high probability that such an attitude (even if the reciprocators are not a majority) will pervade the rest of the community and crystallize around commons issues like environment and the like.

Third, discontent about the failures of market and state is growing, and combined with the conviction that auxiliary conditions will likely emerge that will favor experimentation with solidarity organizations, these forces will translate into the emergence of a very loose regulatory framework that will both facilitate and re-assure citizens that these new solidarity organizations can do much good and that citizens are protected because these creatures are under control.
There may be a number of blockages on the road to this tamed world of solidarity organizations, and many slippages that may derail this dynamics, but it would appear that the general trend toward a greater presence of solidarity organizations is at least a credible possibility. This, however, is likely to require a significant transformation of the existing solidarity groups, and, in turn, raises many crucially important questions:

Can solidarity organizations adjust more effectively to the new variegated context? Can they graduate to generative governance? Can they meet the challenges of meso-organizations and the new centrality of weak ties? Can they re-invent a new blend of charity, commons and honours? Can the reciprocators regain the control of their organizations from the sociocrats? Can dynamic conservatism be overcome? Can solidarity organizations become the main vehicle of social change?

Underpinning many of these questions is a redefinition of a few words:

1. if solidarity organizations are to prosper, *proximity* has to take a different meaning. Distant proximities are required. This is the world that Rosenau (2003) has begun to explore;
2. *commons* has to become a way to frame may questions that used to be framed in terms of charity or honour;
3. the cognitive and subversive nature of *solidarity* organizations are at the root of emerging publics and social change: it has to be harnessed not suppressed by the power structure.
References


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