Philanthropology, the Science of Philanthropy

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By

Theo Schuyt

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To Monique and Michiel

All societies have a societal system of ethics and rules that frame philanthropic behaviour: a universal human impulse

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FOREWORD

To paraphrase remarks attributed to Henry Kissinger: "Who do I call if I want to speak to Europe about philanthropy?". The best response for the past three decades has been "I'd give Professor Theo Schuyt a ring". The man answering that call will be erudite, informed and passionate about the topic, and if you listen carefully, you will realise there is a twinkle in his eye as he speaks about the topic that has been his life's mission.

Professor Schuyt can justly lay claim to being the central figure in galvanising European scholars, policymakers and the general public to take philanthropy seriously: to see it as a significant realm of public life that deserves proper scrutiny, high quality data, advanced study, a professional field, and now a new academic discipline devoted to the study of philanthropy. I agree with his analysis that generosity and philanthropy – which simply means 'love of humankind' - are universal drivers of social interaction, and that understanding the variety of forms this urge takes is both fascinating and essential if we wish to encourage more, and more effective, helping behaviours.

It is therefore, with great pleasure that I welcome the publication of this book. Professor Schuyt's career has been dedicated to stimulating academic and public interest in philanthropy and he has achieved many successes including founding and leading the first notable centre on philanthropy in a European university, establishing a significant long-term study of giving in the Netherlands, and founding the European Research Network on Philanthropy (ERNOP) which has nurtured and advanced the careers of dozens of researchers in this nascent field, including my own – indeed ERNOP is so renowned as a supportive and enjoyable academic network that it attracts members and attendees from across the globe, far beyond the geographic boundaries of Europe. This is a perfect example of Professor Schuyt's universal appeal – any discussion on philanthropy is enhanced by his presence because he brings knowledge and warmth in equal measure.

In this book, Professor Schuyt shares that knowledge and warmth on the page. Here you have access to the fruits of many years of thinking, research, writing and speaking about philanthropy as well as his extended experience

of mentoring younger colleagues and engaging with philanthropy practitioners. A natural storyteller and wordsmith, you will be drawn into his examples that paint a picture pf philanthropy as a universal social arrangement, and find yourself nodding in agreement when he points out that philanthropy is the overlooked element in the key principles that underlie democracy: liberty (the private sector), equality (government) and fraternity (philanthropy).

Philanthropy affects the daily life of every one of us. This book helps us to better understand how we shape, and are shaped by, this universal social arrangement. Read on to learn and be inspired by Prof Schuyt's optimistic account of the prevalence and potential of the love of humankind.

Beth Breeze,
Professor of Philanthropic Studies, Director of the Centre for Philanthropy,
University of Kent, UK

PREFACE

This work is the culmination of nearly 30 years of study and research into philanthropy. I was appointed as the first professor of Philanthropy in the Netherlands and Europe. Now I attempt to reach a truly international audience. Why? Because philanthropy is not a "Western" phenomenon: on the contrary, all around our globe, people rich and poor, urban and rural, religious and non-religious, in "advanced" and "developing" societies alike, perform acts of philanthropy, organizational embedded and guided by philanthropic values and norms.

Bearing that in mind, I will analyse philanthropy as one of the basic forms of human social interaction which also shape organizations and societies. In line with cultural anthropologists, l will present philanthropy as a universal societal system function, in each society differently "social arranged", that deserves a distinctive academic discipline: the science of "philanthropology".

What motivated me to write this book? We are living in turbulent times. International political tensions, drastic geopolitical upheaval, climate change, growing poverty and inequality, local wars and numerous threats of war, mass migration and other such issues – these are the topics which dominate the (social) media and conversations in our daily lives. Bad news is news. It is all too easy to feel that things are going badly wrong.

What we tend to forget, though, is that the great majority of people around the world are doing well. And dare I state that at least 80 per cent of the global population are "doing the right thing": taking care of their families, their neighbours, their communities and their societies. To articulate this "good" world, I have written an optimistic book about how so many people commit to each other and what they contribute to the common good.

Yes, I know very well that the real world often looks different. But to paraphrase Thomas Friedman, "Optimists change the world, sceptics don't".

May I invite you, dear reader, on my journey?

Amsterdam (the Netherlands), Santosse (France), Spring 2024

PART 1:

TOWARDS PHILANTHROPOLOGY

CHAPTER 1

INTRODUCTION

Probably subconsciously, the global COVID-19 pandemic of 2020-2022 prompted me to reflect upon philanthropy's function in the social system. All over the world, from São Paulo in South America to Harare in Africa and from Madrid in Europe to Bangkok in Southeast Asia, spontaneous relief activities appeared or established philanthropic organizations (churches, NGOs, citizens' committees, among others) and companies rushed to the rescue. The universality of this movement made it clear once again that all human societies have a living philanthropic tradition. Something we can too easily forget under the deafening thunder of commercial market ideology, competition and rivalry. Societies are more than mere markets; they are communities of people coexisting with each other.

Due to the pandemic, civic engagement has once again come to the fore. But can we regard its re-emergence as a serious component of larger-scale, long-term sustainable solutions? As more, that is, than a "warm glow", a good feeling we all needed, a "philanthropic extra"? Why does philanthropy not receive the attention that I think it really deserves as a social force for good? How do we explain that? What does the theory say?

A lot of research into philanthropy focuses on questions like "Why do people give (or not give)?", "Are there differences in the way rich and poor people give?", "How much do people give?", "What trends can we identify?" and so on.

There is nothing wrong with that in itself–quite the contrary, in fact–but for some time now something else had been playing on my mind. Is philanthropy not really about how people live together and shape their societies? Is it not one of the core functions–a key system requirement, if you will–required to preserve societies and to uphold the quality of life within them?

In this respect, perhaps the pandemic reopened my eyes. Let me give a practical example. In São Paulo, Brazil, the owner of a small café loses her

income due to the lockdown. With no help forthcoming from the government, she turns to relatives for help paying her rent. When they are unable to keep on supporting her, she has to close down her business and ends up on the street. To meet her daily needs, she eventually turns to charity: a philanthropic initiative run by the church.

But I see the same thing happen in my own country, the Netherlands, too. The owner of a newly opened café in Amsterdam also loses all her income. And she cannot count on the Dutch government for support, either, because her business has yet to generate enough turnover to present as proof of its pre-pandemic revenue. To pay her rent and bills, she also turns to family and friends. This works for a few months, but eventually her café goes bankrupt. For her daily needs, she too turns to philanthropy: the local food bank.

What can we learn from these examples? How do people survive in crisis of this kind? And how do societies survive in the face of such adversity?

For societies to function effectively, they need to meet a number of system requirements. First of all, they must include people who can provide children to form the next generation. That is the societal function of the family, of marriages and of partnerships. All societies have a system for that. Next, to sustain themselves, people have to produce food and other necessities and to exchange these with others as and when necessary. So all societies have a market mechanism, too: another social function. Then, to defend the society and its citizens and to facilitate functions like communications and transport, some form of government develops. We find that in all societies all over the world. Again, a system requirement. On top of that, every society creates institutions to serve and strengthen its community and to promote its shared identity. Behold: a fourth system requirement.

Be they in São Paulo or Amsterdam, in principle our café owners had the same mechanisms available to them to pull through the COVID-19 crisis: family, the market, government and philanthropy. In this book, I develop a theoretical construct for that system through which I hope that the reader will come to understand that, besides family, the market and government, all societies possess a fundamental community spirit that they express through philanthropic activities. And in this way, philanthropy will finally gain its rightful place at the beating heart of our societies, instead of on their fringes.

In its most general sense, "philanthropy" means action inspired by "the love of mankind" [1]. That is, for humanity, for humankind. This is the literal meaning of the Greek term "philos anthropos". Cultural anthropologists have shown that philanthropic behaviour is found all over the world. Everywhere on earth, people help each other. They are concerned about the welfare of others, of the community, of the common good. In every society there are norms governing how that is done, and also underlying values defining why it is done. In this sense, philanthropy can be regarded as a societal system which forms the framework for selfless behaviour, a "universal human impulse".[2] This becomes particularly apparent in times of disaster, when people's need to show one another that they are worthy and good comes to the fore.

How do we interpret and explain this responsibility for others, and the societal system that frames it? That is this book's mission. More and more academic disciplines are taking an interest in philanthropy as a form of human behaviour, and in the institutions which regulate it.[3] In addition to the attention it has traditionally received in religious studies, cultural anthropology, history, social psychology and sociology, scholars in a variety of other fields are now investigating aspects of this topic. They include behavioural economists, communication scientists, business specialists and political scientists, each scrutinizing philanthropy from their own disciplinary perspective and with a particular focus. As a result, however, the overall picture has rather faded into the background.

All too often the perception of philanthropy in public, political and academic debates are dominated by examples from the United States and the United Kingdom. In this context, it has come to be associated with the rich and super-rich, forgetting that in reality it is a matter for everyone. In continental Europe (including the Netherlands, my home country), for example, the majority of philanthropic contributions come from "ordinary" households.[4] The dominance of the Anglo-American perspective is also

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[1] Wiepking, P. (2008), *For the Love of Mankind*. Amsterdam: Vrije Universiteit. PhD thesis.
[2] Reich, R. (2019), keynote speech at the 2019 conference of the European Research Network on Philanthropy (ERNOP), Basel.
[3] Bekkers, R. (2013), *De maatschappelijke betekenis van filantropie* [The social significance of philanthropy]. Amsterdam: Vrije Universiteit. Inaugural lecture.
[4] Bekkers, R., Schuyt, T., & Gouwenberg, B. (eds) (2017), *Geven in Nederland* [Giving in the Netherlands]. Amsterdam: Lenthe. Hoolwerf, B., and Schuyt, T. (eds.) (2017), *Giving in Europe: The State of Research on Giving in 20 European Countries*. Amsterdam: Lenthe.

striking within the academic world of philanthropy research.

If philanthropy is a universal concept, and philanthropic behaviour a universal phenomenon, then they should be subject to a universal typology. Unfortunately, this is not the case. In English alone, what I describe in this book as "philanthropy" in its broader sense is covered–to a greater or lesser extent–by many other terms. A non-exhaustive list: charity, aid, clan aid, civil society, philanthropy sector, non-profits, non-government organizations (NGOs), the third sector, gifting,[5] generosity, help, effective altruism, benevolence, donations, impact investing, good causes, entrepreneurial philanthropy… And that is before we even come to the many comparable concepts found in other languages and cultures.[6]

In order to encompass all these different forms and interpretations of philanthropy worldwide, in the broadest sense, I have chosen a high level of abstraction enabling the development of a general, "global" theory. In addition, to raise global academic awareness of the prevalence of philanthropy worldwide I issue a call for the establishment of a new scientific (sub) discipline dedicated to its study: the science of "Philanthropology".

The four reasons that inspired me to write this book are: growing public interest in philanthropy all around the world; the increasingly multidisciplinary academic approach to the subject, resulting in the fragmentation of its study; its distorted image, caused by the dominance of US and UK research perspectives; and the lack of a universally appropriate theory for this phenomenon.

Who is this book intended for then? First of all, it has been written for the growing international group of academics, students and researchers with an interest in philanthropy. But I hope that it will also be considered relevant by philanthropic organizations, fundraisers, grantmakers and philanthropists themselves, by non-profit organizations in general, by administrators, policymakers and politicians and by all those engaged with this fascinating phenomenon. This broad focus is reflected in the writing style. Core topics are sometimes addressed in general terms, and sometimes in a popular scientific manner.

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[5] Fowler, A., & Mati, J. M. (2019), "African Gifting: Pluralizing the Concept of Philanthropy". *Voluntas* 30 (4), 724-737.
[6] Moody, M., & Breeze, B. (eds.) (2016), *The Philanthropy Reader*, p. xii. London/New York: Routledge.

This work in no way seeks to summarize all current literature on philanthropy. For those in search of such of a comprehensive review, I recommend – amongst others – the publications by Moody and Breeze, Salamon et al., Horton Smith et al. and Wiepking and Handy.[7]

Prior to this work, in addition to articles and three inaugural lectures[8] I have already published several books on the subject of philanthropy in both Dutch and English: *Hoed u voor de Liefdadigen* ("Beware of the Do-Gooders", 1993); the course-book *Filantropie: Capita Selecta* (2002); *Filantropisch geld voor non-profits: Adviezen vanuit de wetenschap (*"Philanthropic money for non-profits: advice from academia", 2003); *The Power of the Stranger* (2008); *Inleiding in filantropie en filantropiewetenschap* ("Introduction into Philanthropy and the Study of Philanthropy", 2012) and *Philanthropy and the Philanthropy Sector: An Introduction* (2013, also published in Korean in Seoul in 2017).

As well as important additions and updates, this new volume includes a wide selection of passages taken and adapted from my own earlier works. These, I believe, remain as valuable and timeless as when first written.

This book is in two parts. In the first, I develop a theoretical frame of reference for philanthropy, culminating in a plea to establish a new academic discipline: "philanthropology". In the second, I introduce a number of selected topics in philanthropology.

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[7] Moody & Breeze, op. cit. Salamon, L. M., Wojciech Sokolowski, S., & Haddock, M. A. (2017), *Explaining Civil Society Development: A Social Origins Approach.* Baltimore: Johns Hopkins University Press. Smith, D. H., Stebbins, R. A., and Grotz, J. (eds.) (2016), *The Palgrave Handbook of Volunteering, Civic Participation, and Nonprofit Associations.* New York: Palgrave Macmillan. Wiepking, P., & Handy, F. (eds) (2015), *The Palgrave Handbook of Global Philanthropy.* New York: Palgrave Macmillan.

[8] Schuyt, T. (2001), *De Filantropische Sector en "Philanthropic Studies" in Nederland: Wetenschappelijke belangstelling voor een maatschappelijke sector in wording* [The Philanthropy sector and Philanthropic Studies in the Netherlands: scientific interest in an emerging societal sector]. Houten/Diegem: Bohn Stafleu Van Loghum. Schuyt, T. (2006), *Het ontwikkelen van een filantropieschaal* [The development of a philanthropy scale]*.* Amsterdam: Vrije Universiteit. Schuyt, T. (2015). *"Philanthropie Dynamique": over de sociologische betekenis van de herintrede van een sector* [Dynamic philanthropy: on the sociological significance of a sector's re-emergence]. Maastricht: Maastricht University.

CHAPTER 2

PHILANTHROPY:
A UNIVERSAL SOCIAL ARRANGEMENT
TO MEET HUMAN NEEDS

2.1 An explanatory introduction

What is the purpose of this book? My aim is to develop a theoretical explanatory model in order to clarify philanthropy's societal system function with a certain degree of validity, and alongside other system functions. I use the word "validity" deliberately here to indicate that my efforts are in no way intended to ascertain and proclaim "the truth", but seek only to enhance knowledge and understanding amongst all relevant parties.

By saying "with a certain degree of validity", I am also trying to be a little modest. I do not have a monopoly on wisdom. I am familiar with only a limited amount of all the available literature and research in this field. My own experiences as a Dutch researcher are also a disadvantage, and will certainly lead to "bias" and distortions in what follows.

For instance, my choice of theories for discussion below seems to have been influenced remarkably strongly by the time when I was studying to become a sociologist. Those were the days of structural functionalism, when cultural anthropologists analysed customs and habits according to the function they fulfilled in the society in question.[9] In sociology, Talcott Parsons' book *The Social System* was on every compulsory reading list.[10] Parsons analysed society as a social system in which certain functions are fulfilled. Later, as a university research assistant, I was introduced to the work of Ronald Warren, who in *The Community in America* presented an analytical framework for the way different "auspices" perform social functions and how those "auspices" could change.[11] The research programme at the

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[9] See, for example, Mauss, M. (1923, 1954), *The Gift*. Glencoe: The Free Press.
[10] Parsons, T. (1951), *The Social System*. Glencoe: The Free Press.
[11] Warren, R. L. (1963), *The Community in America*. Chicago: Rand McNally

department of Social Welfare where I was working that time was called "Changing auspices delivering welfare". That, surely, was where the seed of the topic I deal with in this book was planted: the idea that, in order to survive, societies incorporate societal systems for their members – one of which is philanthropy.

Prompted in part by the sociopolitical turbulence of the 1960s and 1970s in Europe and the US, the organic, static and largely conflict-free analytical framework of structural functionalism eventually induced a reaction rooted in more socially critical theories, often neo-Marxist in nature.[12] These emphasized the actor-group approach as a counterpoint to the functionalist systems approach. This movement has also influenced the choice of theories discussed below. So, for example, I define philanthropy as a social arrangement that varies in its form and content according to the time and place of its manifestation.

I have borrowed the term "social arrangement" from Ramesh Mishra, whose book *Society and Social Welfare: Theoretical Perspectives on Welfare* studies the arrangements that provide for the basic needs of people in capitalist countries.[13] Those needs include income security, healthcare, education and public housing. In the first part of his book, Mishra discusses theories about the development of these arrangements and assesses them for their international theoretical relevance with a view to using the insights gained to compare social arrangements in a wide variety of countries.

After this introductory sketch, it is time to turn to theories and the explanations they have to offer. To pave the way for development of my theoretical framework, this chapter examines the analyses conducted by four authors: Niklas Luhmann, Ramesh Mishra, Franz-Xaver Kaufmann and Friedhart Hegner. The guiding question in this review is: "What theoretical explanations do these writers provide for ways in which other people's basic needs can be met?"

The works by these authors all date from the 1970s and 1980s, but in terms of their analytical value, they are all still very much relevant today.

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[12] From, amongst others, the so-called "Frankfurt School", with Jürgen Habermas as one of its most important representatives. Habermas, J. (1962), *Strukturwandel der Öffentlichkeit*. Berlin: Neuwied. Translated as: Habermas, J. (1989), *The Structural Transformation of the Public Space*. Cambridge: Polity.
[13] Mishra, R. (1981; 1992), *Society and Social Policy: Theoretical Perspectives on Welfare*. London: Macmillan.

2.2 Luhmann: different arrangements in changing social contexts[14]

Philanthropy focuses upon other people's needs or upon social issues. These needs have not changed throughout history, but they have expanded in scope: from the basic struggle for existence to efforts to acquire an art collection for a museum or project to preserve the ecosystem for future generations.

As a rule, people meet their own needs through labour, trade and barter. If this is not possible, for whatever reason, others may offer help and support. According to Luhmann, the nature of this assistance is linked to the kind of society in which it is given. Specifically, he states that the type of support depends upon the degree of structural differentiation present in individual societies.

Luhmann's analyses provide a sociological explanation of the differences between social arrangements to organize support and help. He regards help as satisfying the needs of others, a process during which a problem of co-ordination arises between helpers and beneficiaries – a problem that is solved in different ways by different kinds of society.

In societies with little differentiation, such as clan groups, people know one another and the group is of a manageable size. In order for the group to survive, people have to rely upon one another. Everyone helps everyone else, where necessary and "in turn". In other words, people fulfil the needs of known others using the mechanism of reciprocity.

When societies become more complex and differentiated, people no longer know each other and reciprocity as the dominant mechanism for helping to meet others' needs becomes "structurally useless". Luhmann observes that another mechanism then appears alongside reciprocity: the religious commandment to give charity. Churches require that help be given to the unknown poor for the salvation of the recipient and for the greater salvation of the giver. In such differentiated societies, need is alleviated by religious and private institutions. As differentiated societies become even more complex, a situation can eventually emerge in which "care for others"

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[14] Luhmann, N. (1975), "Formen des Helfens im Wandel gesellschaftlichen Bedingungen" [Forms of assistance in changing social contexts]. In: Otto, H. U., & Schneider, S. (eds), *Gesellschaftliche Perspektiven der Sozialarbeit* [Social perspectives on social work], pp. 21-43. Neuwied/Darmstadt: Luchterhand.

transmutes into a separate social subsystem – for example, the creation of a Ministry of Social Affairs. In these "modern" societies, government programmes emerge alongside care by the family and the church to help those who cannot manage on their own.

Now, we will review Luhmann's analyses more in detail. In his 1975 article, "Formen des Helfens im Wandel gesellschaftlicher Bedingungen" (Forms of Helping in Changing Social Contexts), Luhmann provides no moral or psychological explanations for why we help others. Instead, he focuses upon the societal conditions under which assistance – "a contribution to satisfying the needs of another person"[15] in his definition – can be expected and is actually provided. In discussing needs ("Bedürfinisse"), he distinguishes between an "object" dimension (for example, food, water, money) and a "social" dimension (who are the needy?). Because these do not coincide, however, "the problem arises of satisfying these needs over time, as does the opportunity to do so".[16] The question being: how to organize this exchange – the satisfaction of needs – at a societal level?

Luhmann analyses societies as social systems, which become more complicated due to the growing number of people and needs to be co-ordinated within them. This exacerbates problems of co-ordination and also further increases the complexity of social systems themselves.

After setting out his theoretical framework, Luhmann applies it to three distinct societal forms in various stages of development: the "archaic society" ("archaïsche Gesellschaft"), the "cultivated society" ("hochkultivierte Gesellschaft") and the "modern society" ("moderne Gesellschaft").

The archaic society involves few distinctive roles and faces considerable threat from the outside world. Its internal system is not very complex. People know each other: members of the group or tribe are in mutual contact on a daily basis. In Luhmann's terms, there is a small-scale institutionalization of the time factor. The co-ordinating mechanism for help and assistance is reciprocity: what one person has and another need is evident and directly transferrable. In this type of societal structure, assistance takes the form of "an institutionalization of reciprocal personal aid between members of the same group".[17]

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[15] Ibid., p. 21.
[16] Ibid., p. 23.
[17] Ibid., p. 25.

According to Luhmann, as societal systems become more complex, so reciprocity becomes less appropriate. Gratitude is not elastic. "One may find it necessary to accept the gift of a cloak in an emergency; later, when one has become king over a whole realm, one may be confronted with the demand to be made ruler over an entire island by way of recompense."[18] Only a few archaic societies evolve into the "cultivated" type. When this does occur, such changes usually result from sharp increases in the division of productive labour between agriculture, industry and trade, as well as in the allocation of goods according to class or status.

These new divisions and distinctions render direct reciprocity useless as a co-ordinating mechanism. For this reason, "the archaic social norm of generosity is elevated to a virtue".[19] Alms appear as a new co-ordinating mechanism, but in doing so, marginalize both the problems being addressed and the act of helping. Rather, almsgiving functions as a safety valve for status and class differentiation. The satisfaction of any and all need is mediated through monetary transactions, so that gratitude is replaced with an abstract functional equivalent: hard cash. Money becomes a generalized means of assistance.[20]

Next, we come to the modern society. Its core principle is organization. Providing help becomes programmatic, a job for methodical professionals implementing social policy. For many, a career choice motivated in part by prestige and salary. The individualization of problem cases now occurs within the framework of a programme, a fixed structure which either does or does not recognize the issue at hand. With this observation, Luhmann touches on a key point of programmed professional assistance: the aspect of selective ignorance ("selektive Nichtbeachtung").

And now, "global society" has emerged. The structural problems of a societal system of this magnitude can no longer "be presented in such concrete categories and patterns of behaviour as "helping"".[21] Luhmann concludes his analysis by stating that "international aid, for example, requires processes for the planned management of systemic developments which currently lack any political, organizational and scientific base. Reciprocity, charity and programmed assistance are all incapable of co-

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[18] Ibid., p. 27.
[19] Ibid., p. 28.
[20] Ibid., p. 30.
[21] Ibid., p. 37.

ordinating needs and resources for a global society".[22] Luhmann therefore argues that the age-old issue of helping others needs to be re-defined as a problem of redistribution at the global level.

Luhmann's analysis of the phenomenon of assistance is based upon an approach to societies rooted in system theory; they pass through a series of development phases, fuelled by a process of differentiation, with a particular form of help or assistance associated with each phase. In Western European states, organization has become the dominant form. But the others also survive, just as they have elsewhere in the world. The following scheme summarizes Luhmann's analysis.

Scheme 2-1: Co-ordination mechanisms in society to get help

Stage of development	Type of society	Co-ordination mechanisms	Mechanisms of reallocation
Little or no differentiation	Archaic	Reciprocity	Mutual assistance
Differentiation	Cultivated	Moral duty	Almsgiving
Strong differentiation	Modern	Organization	Programme, project
Very strong differentiation	World society	-------------	Redistribution

Diagrammatically, Luhmann's analysis can be represented as a three-stage model, as shown above. In the first stage, people know one another and/or belong to the same family. In stage two, people no longer know one another; but religious belief, the obligation to give charity and the faith community play an important role. In the third stage, the distance between people has grown further, secularization is a strong factor and government programmes (social services, for instance) take on the task of providing the essentials without which people in need would be unable to lead a decent life. As a teaching point, Luhmann stipulates the prevalence of structural mechanisms to regulate 'spontaneous' helping behaviour.

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[22] Ibid.

2.3 Mishra: social actions and arrangements to fulfil needs[23]

In his classic work, *Society and Social Policy*, Ramesh Mishra discusses, analyses and evaluates a number of theories concerning the relationship between these two phenomena. How can we explain the fact that the citizens of one country pay for social services whilst the government is barely active, whereas in another, commercial corporations are very active in this area? What theories can help to explain variations in social policy? Mishra explores various theories in an attempt to develop from them one of his own, to explain the phenomenon of social policy in discrete social forms. Like Luhmann, he chooses a broad, general definition of his research topic: social policy "refers, in a generic sense, to the aims and objectives of social action concerning needs as well as to the structural patterns or arrangements through which needs are met. *Our definition is not restricted to government action and arrangements concerning needs (we use the term social services for this), nor indeed to the context of industrial societies.* Perhaps a term such as the institution of welfare or welfare policy expresses our meaning better."[24]

Mishra lays his cards on the table from the very beginning of his book. At its heart are three fundamental convictions: (1) the importance of theory; (2) the importance of an international, generalized approach; and (3) the implications of the broader social context for social policy. The introduction to the second part of the book explains the last point further. Social institutions must be analysed within the context of the societal order in which they operate, and the most important of these institutions is the "mode of production". Moreover, social institutions can be seen as encompassing more than government-provided social services alone; they can also include corporate arrangements like occupational welfare, fiscal welfare like tax facilities and other institutions fulfilling needs. Finally, stratification (societal inequality; the difference between classes) is the most important aspect of the social structure. Mishra argues that the relationship between this stratification and the existence of social institutions requires particular attention.[25]

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[23] Mishra, R. (1981), *Society ad Social Policy: Theoretical Perspectives on Welfare.* London: Macmillan.
[24] Ibid., p. x.
[25] Ibid., pp. 97-98.

Mishra's welfare policy - theories

The first part of Mishra's book is devoted to a discussion of theoretical explanations for the existence of "welfare policies". He distinguishes five theories: "social administration", "citizenship approach", "convergence theory", "functionalist theory" and the Marxist perspective. Mishra begins by describing each theoretical approach, then evaluates its relevance to both the theoretical concept of social policy and actual policy.

"Social administration", the first approach that Mishra addresses, stems from a tradition of social research and reformism. Social problems in England, the Netherlands and other Western European countries led to initiatives on the part of enlightened liberals and social researchers to seek public attention by presenting figures and data – on child labour, for example. According to Mishra, "pragmatic" and "utilitarian" are the key words behind the social administration approach. The facts should be allowed to speak for themselves, and policy should be derived from them. Mishra further characterizes social administration as follows: "national focus, interventionism, supradisciplinary or field orientation and empiricism".[26] He then asks, "What are the implications of these [characteristics] for the understanding of welfare as an aspect of society?"[27]

Mishra summarizes his evaluation of this approach as follows, "Its interest lies not so much in building a knowledge base about social welfare institutions as in understanding the nature and dimensions of a particular social problem – poverty, child abuse, homelessness – with a view to its solution."[28] This does not make social administration an academic discipline, however, as it lacks a unique "theoretical frame of reference" and an "intellectual commitment". In Mishra's words, "Social administration has yet to develop a generalizing and theoretical approach focused on the society-welfare relationship."[29]

The second approach examined by Mishra is T. H. Marshall's "welfare as citizenship". This perspective views social policy as the embodiment of the social rights which developed out of civil and political rights. In industrialized Western European countries, civil rights were established in the eighteenth century with political rights following the nineteenth century.

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[26] Ibid, p. 9.
[27] Ibid.
[28] Ibid., p. 24.
[29] Ibid., p. 25.

The advent of social rights followed in the twentieth century, with social policy as a result. Marshall acknowledged the tension between the "equality of citizenship" and the "inequalities of capitalism", but considered them reconcilable. Civil and political rights offer the opportunity to pit democratic (humanistic) values against "market values", with social rights emerging from the result of friction and struggle. According to Mishra, Marshall's analysis offers more theoretical perspectives than that of social administration. He argues that, "Unlike social administration, the citizenship view offers a descriptive (rather than prescriptive) and generalizing perspective on welfare, albeit one that is confined to state welfare and its development in Western democratic societies."[30]

Although Mishra criticizes Marshall on a number of points, including the evolutionary and functionalist visions embedded in the concept of citizenship, he is positive about the concept's possibilities: "Against the ascendancy of the economic (i.e. market) principle, citizenship can be invoked in defence of the sociopolitical notion of equal consideration as a member of the societal community."[31] In his later work, Mishra uses the concept of citizenship to develop the idea of "community standards". As he explains, "The first step in the renewal of the concept of social welfare is to restate its meaning and place in the development of modern industrial societies. We would argue that the "social" dimension identified by Marshall must be seen as a universal category similar to those of the "economic" or "political" in modern society. The economic order is concerned with the efficient production of goods and services and the market is the key institution. The "political" is concerned with the mechanism of decision-making and the distribution and exercise of power. The democratic polity is the key institution. The "social" is concerned with the maintenance of community and social solidarity, and universal social provision is the key institution. Thus, the "community" emerges as a social category similar to the economy and the polity. In other words, we need to think in terms of community standards rather than individual rights, for it is the community as a collective that must have some social standards or norms, which entail both rights and obligations. The concept of community… is a contested one… But it can be argued that membership in a national community which entails reciprocity, interdependence and solidarity presupposes basic rather than minimum standards. It is the role of the polity to guarantee or uphold

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[30] Ibid., p. 26.
[31] Ibid., p. 38.

these basic social standards."[32]

The third explanation for the existence of social policy stems from convergence theory. Industrialization is the driving force behind – and the central concept in – the development of social policy. If industrialization is to take place, entrepreneurs must have educated, healthy and competent workers; economic development therefore requires at least some degree of social policy (income security, education and healthcare). In the initial phase of industrialization, the nature of the industrializing elite is still the primary determinant of the form and scope of social services. The middle class usually develops a minimum form of social policy. Dynastic or traditional groups, such as those in Germany and Japan, follow traditional paternalistic patterns of duties and responsibilities and therefore tend to be more collectively oriented.

Convergence implies that, after a certain time, industrializing countries– regardless of whether they have free-market economies or socialist planned ones–come to resemble each other. In other words, they converge. Mishra is positive about this approach because of the breadth of its description of social policy, and is also positive about the underlying theory's structural character and about its phasing. Nevertheless, he has serious objections to its deterministic manner of reasoning: "By connecting the social structure with industrialism in a general functionalist manner, it fails to account for the human and social processes involved in change and development."[33] Mishra appears to be promoting an actionist approach to the subject: the group and actor perspective, which allows the expression of societal dynamics. He criticizes the next theory on this point as well.

That fourth theory of social policy is "functionalism". In this scientific tradition, societies are seen as systems and social phenomena (for example, social policy and philanthropy) are explained in terms of the functions they serve for the existence and survival of the societal system. Functionalism (more precisely, structural functionalism) arose from cultural anthropology, in which researchers analysed the societal functions of the customs, rituals and kinship systems of less differentiated societies. Mishra distinguishes between classic functionalism (as described by Durkheim and Comte, for example) and modern functionalism (per Parsons, Merton and Smelser, for example). In terms of Parsons' classification of the four functional

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[32] Mishra, R. (2000), *Globalization and the Welfare State*, p. 118. Cheltenham: Edward Elgar Publishing.
[33] Ibid., p. 47.