**Sociology 1871M: Theories of the Third Sector and Civil Society**

Spring 2014

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Meeting Times: Tuesdays, 4:00-6:20pm

Office Hours: Tuesdays, 3:00-4:00.

Meeting Location: J. Walter Wilson 503

**Synopsis**

How do relief organizations deliver aid to flood victims? How do social movements mobilize in support of environmental legislation? How do philanthropic foundations make decisions about what projects to fund in Latin America? Most of these scenarios play out through organizations that are neither government nor market entities, but rather belong to the Third Sector. The Third Sector—consisting of non-government, nonprofit, and social movements organizations—is an increasingly important segment of societies worldwide. This seminar will train students to use organizational theory to evaluate the contributions, and opportunities and challenges of this sector, and make informed choices about their participation in it as workers or managers. We will probe critical third sector issues, including: impact (for example, how much good can a ten-person neighborhood club do?), accountability (how do you know that your donations to an international relief fund are being well used?), and sustainability of sector activities (what happens to a social venture when its charismatic founder retires?); common issues in the sector such as legitimacy and co-optation (what gets people to buy into an organizational agenda, and why do they sell out?); the dynamics of government collaboration (can an independent sector really be independent if it gets so much money from the government?); and what constitutes social justice in the distribution of the sector’s resources (is a development organization in Bombay serving the poorest members of the community, or the elites?).

**Prerequisite**

At least one course in sociology is strongly recommended; students without this background will have difficulty fulfilling the course expectations successfully. Enrollment preference is given seniors in Sociology and BEO concentrators.

**Course Description**

The course is designed to help students develop theoretical knowledge on the sociology of organizations, and to use that knowledge interactively by critically assessing their own experiences and observations. Students will have the opportunity to apply theories of organization by shadowing at a real-world social organization of their own choosing within their local community. This experience of shadowing will help students make sense of the challenges facing a real-world organization, and encourage them to find solutions for such problems based on the knowledge they have gained in the classroom.

Organizational sociology deals with formal organizations--groups or arrangements of people that mediate most aspects of social life. The field spans multiple levels of analysis, including micro-studies of interpersonal dynamics, meso-studies of organizational structure and culture, and macro-studies of inter-organizational relationships and environments. We will focus on third sector organizations—that range from social movements to government-contracted service providers—in order to equip students to think constructively and critically about organizational dynamics generally. We will jump into some of the hot debates around social change: should the government be funding the third sector? Is accountability important or needless red tape? Does fundraising have political implications? These inquiries will give students the skills to be informed and critical managers and workers in third sector organizations. The course will also benefit students who wish to use tools of organizational analysis in other areas of sociology and commercial and professional settings.

**Learning Goals**

By the end of this course, you will be able to apply basic theories of formal organization to various types of third sector organizations; you will also have a substantive knowledge of some of the patterns of success and failure of nonprofit and social change organizations worldwide. The class will equip students to, for instance, judge the validity of arguments for and again transferring government functions to charities, and give them a sense of the costs and benefits of an expanding third sector.

**Expectations and Assessments**

Everyone in the class is expected to come prepared to participate fully in our weekly discussions, having completed the required reading.

Discussion leading: You will take turns co-leading discussions each week, starting in Week 2. Depending on the number of the students in the class, you will lead the discussion either once or twice throughout the course of the semester. We will talk about the expectations for discussion leadership during the first few weeks of class, and the following will help get you started:

* *What are the main arguments in the text? Are they consistent/comprehensible?*
* *What are the connections between the readings? Why were they assigned together? Do they complement each other? Illustrate each other? Stand in tension with each other?*
* *Can you think of a context in which these issues spell the difference between success and failure for a given organization?*
* *What are the implications for managers of this particular theory?*
* *Is the methodology appropriate? Would a supplementary or complementary method have helped? What does this specific method leave out?*
* *Do these issues have implications for “good” and “bad” ways to run a third sector organization?*
* *Do these readings have implications for whether public money should be used for third sector organizations?*
* *Are there experiences that you’ve had that illustrate the processes described in the readings?*
* *What are the weaknesses in these arguments? What are potential counter-arguments or counter-points?*
* *What are the normative implications of these arguments? Are they just? Whose interests do they represent?*

Weekly Analytic Memos: You will turn in weekly short analytic and reflective memos (1 page, no more than 1.5 pages) about the course readings, through Canvas. These papers are not graded individually, but do count as assignments, and therefore towards your final grade. The analytic memos have no strict guidelines, but are expected to thoughtfully probe one or two aspects of the readings. They are due to me by email by 8:00pm on Monday evenings.

*Questions to jump-start your memo writing: What are the main arguments in these texts? What are they intended to describe or explain? Do they succeed in describing/explaining that thing, and if so, under what circumstances? Do the readings explain what they are intended to explain? How do they relate to that of other weeks? What tensions did you find among perspectives in the different readings? Have you observed these dynamics in your own life or work? What circumstances can you think of in which the theory holds up particularly well or particularly poorly?*

Shadowing at a Nonprofit, Field Notes, and Extended Analytic Memo: In order to enable a deeper understanding of “on-the-ground” issues facing nonprofits, you will shadow a staff person at a local nonprofit of your choice twice throughout the course of the class. You are expected to keep field notes of your visit. While this can be undertaken at any point during the semester, you are expected to write up the experience in an extended analytic memo, including excerpts from your field notes. This assignment will serve as a midterm.

Final Paper: You will also write a final paper in the form of a “case of” project. The final paper asks you to apply an organizational theory or theories to an organization of your choice, using published information about the organization, news articles, organizational documents, and the like (this organization may be, but is not required to be, the nonprofit in which you shadowed). You will be expected to make the argument that observed dynamics are a “case of” a specific organizational process (isomorphism, organizational learning, etc.). The purpose of this exercise is to both to help you *identify* patterns within the specific organization, and to enable you to explore some of the tensions between sociological theories and observed “on-the-ground” occurrences within real organizations.

Grade breakdown:

Seminar Participation: 40%

Discussion leading: 10%

Analytic memos: 10%

Nonprofit Shadowing, field notes, and extended analytic memo: 20%

Final Paper: 20%

**Email Etiquette**

Many people write informally using email, assuming that the quality of their writing does not “count” in this medium. Please do not make this assumption. Email, like other forms of communication, should be clear and precise. If it is not, you risk representing yourself as careless and unlearned. I expect emails coming from the students in my class to be well written. If they are not, I will not read them. Writing takes time and attention. If you write me an email, please follow these guidelines to ensure that I read it.

* Always begin with a salutation: “Dear Meghan”, etc.
* Always end with a closing: “Sincerely”, “Regards”, etc.
* Write in complete sentences and put punctuation where it belongs.
* Spell correctly. Use spellcheck if necessary.
* Always capitalize “I”.
* Tell me why you are writing.
* Be polite and respectful.
* Let me know what kind of response you would like. The more detailed you are, the better able I will be to help you.
* Do not ask me what you missed, or if you missed anything important. All classes are important. If you want to know exactly what happened, consult the syllabus or a classmate.

**Readings**

This course is grounded in organizational sociological perspectives, while acknowledging the overlap of normative and associational models of civil society, political economic analyses of development and societal transitions, models of social welfare transformation, and assessments of the role of the third sector. As such, the readings are organized by problematic (e.g. legitimacy or democracy), rather than by type of organization (e.g., nonprofit hospitals, foundations or social movement organizations). This design is meant to facilitate a multi-faceted examination of sets of issues, each of which must be apprehended through diverse perspectives. Each week’s class session will consist of discussion exploring major concerns, concepts, debates and critiques related to particular areas.

I suggest that you do the readings in the order in which they are listed on the syllabus. They readings are designed to first introduce you to the week’s core ideas, and then to activate new knowledge with analyses that draw on those core ideas.

**Week 1, September 9:** Introduction and Syllabus Review

**Week 2, September 16:** Foundational concepts

The third sector encompasses a wide variety of organizations, ranging from social movements to advocacy groups to social enterprises to lobbying organizations. Though most of them are formally incorporated, because their striking diversity, these organizations are grouped together largely because of what they are *not*—not governmental and not-for-profit—rather than what they are. Organizational theory, meanwhile, has largely been developed in the context of for-profit organizations, where motives and incentives are very different than in social organizations, and political theories of third sector organizations are still emerging.

* Scott, W. Richard, and Gerald F. Davis. 2007. Organizations and Organizing. New Jersey: Pearson Prentice Hall. Pp.1-34.
* Salamon, L. M. 1995. The Rise of the Voluntary Sector. *Foreign Affairs* 73(4): 109-122.
* Martens, Kerstin, “Mission Impossible? Defining Nongovernmental Organizations.” *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 13: 271-285.
* Kallman, Meghan and Terry Clark (forthcoming). The Third Sector. Chicago: University of Illinois Press. Chapter 1.

**Week 3, September 23:** Democracy and Accountability

The classic starting point for discussions of third sector organizations in the US is Alexis de Tocqueville’s *Democracy in America*, first published in 1835. He and other French leaders of the time were fearful about what the impending French democracy might entail. A leading French advisory group sent de Tocqueville to investigate crime in the United States, which broadened into a study of how democracy functioned. One of de Tocqueville’s main conclusions was that local organized groups were one of the most critical building blocks of the entire US society. These organizations were one of the most distinctive non-European aspects of America, important primarily because they were separate and autonomous from the state and from higher-level political officials. De Tocqueville stressed how, in America, the “engaged citizen” was really quite an average person in most instances. In the process of participating in these small civic groups, average citizens created new services, new social arrangements, and during that process, the *participants themselves were transformed*. As they planned the construction of churches or worked together on projects, citizens learned to trust their neighbors more; they learned to serve as leaders themselves, temporarily or for long periods of time. This Tocquevillian perspective has deeply informed how the US understands third sector organizations today.

* Tocqueville, selections.
* Kaldor, Mary. (2003). “Civil society and accountability.” *Journal of Human Development*, 4 (1): 5-26.
* Clemens, Elisabeth S. 2006. “The Constitution of Citizens: Political Theories of Nonprofit Organizations.” In Powell, W. W. and R. Steinberg (eds.), The Nonprofit Sector A Research Handbook, Second Edition. New Haven & London: Yale University Press, pp. 207-220.
* Jordan, Lisa and Peter van Tuijl. 2006. “Rights and Responsibilities in the Political Landscape of NGO Accountability: Introduction and Overview.” In Jordan, L. and Van Tuijl (eds.), NGO Accountability Politics, Principles & Innovations. Sterling, VA: Earthscan, pp. 3-20.

**Week 4, September 30:** The Third Sector and State Failure

The most common explanation for the development of the third sector has been, until recently, one developed by economist Burton Weisbrod to reconcile the persistence of nonprofit organizations with classical economic theory. Known as “State Failure” or “Market Failure” theory, it is a classical economics perspective acknowledging the limitation in the market's ability to supply sufficient quantities of “public goods” (goods that are available to all whether or not they pay for them). In classical economics, this shortcoming of markets serves as a major justification for government. But in a democracy, the supply of public goods will tend to reflect the preferences of the “average” voter when there are different opinions about which public goods to produce. There will thus be unsatisfied demand for public goods from marginalized groups, and the market will not provide them either because in most cases they are not lucrative. Such “government failure” is most likely, therefore, the more heterogeneous the population. In these circumstances, people will turn to nonprofit organizations to supply the public goods they cannot get through either the market or the state.

* Tsai, Lily L. 2011. Friends or Foes? Nonstate Public Good Providers and Local State Authorities in Nondemocratic and Transitional Systems, *Studies in Comparative International Development*, 46:46-69.
* Dobbin, Frank, and John R. Sutton. 1998. “The Strength of a Weak State: The Rights Revolution and the Rise of Human Resources Management Divisions.” *American Journal of Sociology* 104(2):441–76.
* Obiyan, A. (2005) A Critical Examination of the State versus Non-Governmental Organizations in the Policy Sphere in the Global South: Will the State Die as NGOs thrive In Sub-Saharan Africa and Asia? *African and Asian Studies* 4(3):301-327.

**Week 5, October 7:** Third Sector and State Collaboration

A raging political dispute for the last three decades turns on the relative effectiveness of government and private actors in solving social problems and providing public goods. Public problem-solving now occurs through a complex web of collaborative relationships among governments and private institutions. Along with this transformation has come increased debate about the consequences of this transformation for the third sector—historically heralded for being independent of the government.

* Salamon, Lester. 2002. “The new government and tools of public action: an introduction.” In The tools of government: a guide to the new governance, Lester Salamon and Odus Elliot, eds. Oxford and New York: Oxford University Press. Pp 1-47.
* Bidet, Eric. 2012. “Overcoming Labor Market Problems and Providing Social Services: Government and Civil Society Collaboration in South Korea.” *Nonprofit and Voluntary Sector Quarterly* 41(6):1215–30.
* Hall, Peter Dobkin. 1987. “Abandoning the Rhetoric of Independence: Reflections on the Nonprofit Sector in the Post-Liberal Era.” *Nonprofit and Voluntary Sector Quarterly* 16(1-2):11–28.

**Week 6, October 14:** Rationalization and Professionalization

The dynamics of professionalization have been discussed extensively within organizational sociology. At its genesis, the third sector was explicitly not professional. But as nonprofit and third sector organizations have increasingly undertaken collaborations with both business and government, professionalism has been on the rise, linked with transparency and accountability concerns. What are the benefits of this turn? The drawbacks? What assumptions are implicit? What is gained and lost in the process of professionalization?

* Wilensky, Harold L. 1964. The professionalization of everyone? *American Journal of Sociology*, 70 (2), pp.137-158.
* Hwang, Hokyu, and Walter W. Powell. 2009. “The Rationalization of Charity: The Influences of Professionalism in the Nonprofit Sector.” *Administrative Science Quarterly* 54(2): 268–98.
* David F. Suárez. 2011. Collaboration and Professionalization: the contours of public sector funding for nonprofit organizations. *Journal of Public Administration Research and Theory*. 21 (2): 307-326.
* Eikenberry, Angela M., and Jodie Drapal Kluver. 2004. “The Marketization of the Nonprofit Sector: Civil Society at Risk?” *Public Administration Review* 64(2):132–40.
* Eliasoph, Nina. “Measuring the Grassroots: Puzzles of Cultivating the Grassroots from the Top Down” *The Sociological Quarterly* 55 467–492. 2014

**Week 7, October 21:** Ecology, Evolution, Mortality, and Survival

Many scholars have probed the ways and patterns through which organizations evolve, survive, thrive, or die. Since the turn of the 20th century scholars have been interested in applying theories of the natural world to social and organizational scenarios. Hannan and Freeman’s landmark paper proposed an ecological approach to the study of organizational mortality, replacing the adaptational perspective that scholars had previously employed. How do these dynamics transfer to organizations without profit motives?

* Hannan, Michael T., and John Freeman. 1977. “The Population Ecology of Organizations.” *American Journal of Sociology* 82(5):929–64.
* Aldrich, Howard, and Martin Reuf. 2006. Organizations Evolving, Second Edition. London: SAGE. Chapter 2.
* Edwards, Bob, and Sam Marullo. 1995. “Organizational Mortality in a Declining Social Movement: The Demise of Peace Movement Organizations in the End of the Cold War Era.” *American Sociological Review* 60(6):908–27.

**Week 8, October 28:** Organizational change

Organizational theory developed around the private sector tells us that for-profit organizations are theoretically highly adaptable, but constrained by dynamics like inertia, path dependence, and the like. Nonprofit organizations, with their accountability and funding constraints, face countervailing pressures: on the one hand, their funding structure requires considerable flexibility and their political goals do not lend themselves to direct measurement. On the other hand, precisely because of their resource dependence and internal conditions, nonprofit organizations may experience both inertia and path dependence.

* Powell, Walter and Rebecca Friedkin. 1987. “Organizational Change in Nonprofit Organizations”. In The Nonprofit Sector: A Research Handbook, Walter Powell, Ed. New Haven: Yale University Press. Pp. 180-194.
* Ebrahim, Alnoor. 2003. NGOs and Organizational Change: Discourse, Reporting, and Learning. Cambridge: Cambridge University Press.
* Minkoff, Debra C. 1999. “Bending with the Wind: Strategic Change and Adaptation by Women’s and Racial Minority Organizations.” *American Journal of Sociology* 104(6). Pp.1666–1703.

**Week 9, November 4:** Path Dependence

* Arthur, Brian. “Positive Feedbacks in the Economy.” *Scientific American*, February 1990.
* Sydow, Jörg, Georg Schreyögg, and Jochen Koch. 2009. “Organizational Path Dependence: Opening the Black Box.” *Academy of Management Review* 34(4):689–709.
* Greskovits, Béla. 2002. “The Path-Dependence of Transitology.” In Bönker, Frank, Klaus Müller, and Andreas Pickel (Eds.), Postcommunist transformation and the social sciences: cross-disciplinary approaches. Lanham, MD: Rowman & Littlefield Publishers, Inc., pp. 219-146.
* Tatur, Melanie. 2002. “Economic Transformation, Moral Resources, and the State in Postsocialist Societies: On the Comparative Analysis of Transformation Paths in Central and Eastern Europe.” In Bönker, Frank, Klaus Müller, and Andreas Pickel (Eds.), Postcommunist transformation and the social sciences: cross-disciplinary approaches. Lanham, MD: Rowman & Littlefield Publishers, Inc., pp. 175-198.

**Week 10, November 11:** Resource Mobilization and Resource Dependence

Some argue that social movements, if they are to be sustained for any length of time, require some form of organization: leadership, administrative structure, incentive for participation, and a means for acquiring resources and support. This perspective gave rise to the theory of Resource Mobilization within social movement theory in the late 1970s. At the same time, organizational sociologists were beginning to probe how organizations managed inter-organizational relationships, resulting in a theory of Resource Dependence.

* Pfeffer, Jeffrey, and Gerald R. Salancik. 1978. The External Control of Organizations: A

Resource Dependence Perspective, Chapter 3. New York: Harper and Row.

* McCarthy, John D., and Mayer N. Zald. 1977a. “Resource Mobilization and Social Movements: A Partial Theory.” *American Journal of Sociology* 82(6):1212–41.
* Edwards, Bob, and John McCarthy. 2008. “Resources and Social Movement Mobilization.” in The Blackwell Companion to Social Movements. John Wiley & Sons.
* Cress, Daniel M., and David A. Snow. 1996. “Mobilization at the Margins: Resources, Benefactors, and the Viability of Homeless Social Movement Organizations.” *American Sociological Review* 61(6):1089–1109.

**Week 11, November 18:** Institutionalism: foundational concepts

Organization theory suggests that the regulatory, normative, and cognitive dimensions of institutions affect how organizations develop. Thus, organizations are embedded in institutions. Research has also demonstrated that cognitive structures limit the range of practices that social movement activists can imagine; normative structures limit what is considered appropriate movement practice; and regulator structures limit the range of practices that movements pursue.

* DiMaggio, Paul J., and Walter W. Powell. 1983. “The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields.” *American Sociological Review* 48(April):147–60.
* Ramanath, Ramya. 2009. “Limits to Institutional Isomorphism Examining Internal Processes in NGO—Government Interactions.” *Nonprofit and Voluntary Sector Quarterly* 38(1):51–76.

**Week 9, November 25:** Institutionalism: Legitimacy

The early days of organizational theorizing viewed organizations as "machines"--designed to efficiently transform inputs into outputs, understanding them as clearly bounded from their surrounds. In the last forty years, however, new types of organizational theorizing have emerged. Scholars now see organizations as porous, their boundaries uncertain, and institutional theory generally has emphasized the ways that organizational behavior is rooted not in technological imperatives, but rather in cultural norms, symbols, rituals, and the like. At the root of this transformation is the idea of legitimacy, a concept that addresses the normative and cognitive dynamics that empower, constrain, and shape organizations and their behavior.

* Suchman, Mark C. 1995. “Managing Legitimacy: Strategic and Institutional Approaches.” *The Academy of Management Review* 20(3): 571–610.
* Suddaby, Roy, and Royston Greenwood. 2005. “Rhetorical Strategies of Legitimacy.” *Administrative Science Quarterly* 50(1): 35–67.
* Lister, Sarah. 2003. “NGO Legitimacy: Technical Issue or Social Construct?” *Critique of Anthropology* 23(2): 175–92.
* Doyle, Cathal and Patel, Preeti. (2008) Civil Society organizations and global health initiatives: Problems of legitimacy. *Social Science & Medicine*, 66(9): 1928-1938.

**Week 12, December 2:** Entrepreneurship and Social Enterprise

The increasing institutionalization of the third sector worldwide, along with non-conventional entrepreneurial dynamics and a persistent shortage of funding among nonprofit organizations, has facilitated the development of “social enterprise”. In the US, social enterprise generally refers to market-oriented activities that serve a social goal, a response to funding shortages in the third sector. In Europe, the design looks different, emphasizing the co-operative nature of the movement and supported by a great deal of legislation.

* Defourney, Jaques, and Marthe Nyssens. 2006. “Defining Social Enterprise”, in Social Enterprise: At the Crossroads of Market, Public Policies, and Civil Society. Edited by Marthe Nyssans. London: Routledge. Pp.1-19
* Aldrich, Howard E., and C. Marlene Fiol. 1994. “Fools Rush in? The Institutional Context of Industry Creation.” The Academy of Management Review 19(4):645–70.
* Chell, Elizabeth. 2007. “Social Enterprise and Entrepreneurship: Towards a Convergent Theory of the Entrepreneurial Process.” International Small Business Journal 25(1):5–26.
* Hulgard, Lars, and Roger Spear. 2006. “Social entrepreneurship and the mobilization of social capital in European social enterprises.” ”, in Social Enterprise: At the Crossroads of Market, Public Policies, and Civil Society. Edited by Marthe Nyssans. London: Routledge. Pp.85-106

**Week 13, December 9:** Networks and coalitions

The idea of social networks and the notions of sociometry appeared over 50 years ago. Network analysis is the study of how the social structure of relationships around a person, group, or organization affects beliefs or behaviors. Causal pressures are inherent in social structure. Network analysis is a set of methods for detecting and measuring the magnitude of the pressures. It is a relational approach, in general focusing on the relationships between people, instead of on characteristics of people. These relationships may comprise the feelings people have for each other, the exchange of information, or more tangible exchanges such as goods and money. By mapping these relationships, network analysis helps to uncover the emergent and informal communication patterns present in an organization. These emergent patterns can be used to explain several organizational phenomena.

* Granovetter, Mark S. 1973. “The Strength of Weak Ties.” *American Journal of Sociology* 78(6):1360–80.
* Ashman, Darcy, L. David Brown, and Elizabeth Zwick. 1998. “The Strength of Strong and Weak Ties”. *Nonprofit Management and Leadership* 9(2): 153-172
* Powel, Walter W. 1990. Neither Market Nor Hierarchy: Network Forms of Organization. *Research in Organizational Behavior*, 12: 295-336.

**Week 14, December 16**: Student Presentations