
Two Cheers for Mike Edwards

Posted by Bruce Sievers - 2008/03/10 14:44

Two cheers for Mike Edwards's Just Another Emporor. I applaud Mike's strong argument about the downside of philanthropiccapitalism-- a masterful job of articulating the conceptual weaknesses of this approach and its rather meager results to date; it provides the best summary of the research revealing a glaring gap between rhetoric and empirical reality. And yes to his emphasis on the need to respect the differences in assumptions, aims and methods of the business and civil society spheres. Vive la différence!

As is often the case, however, with someone with whom one feels a close conceptual kinship, I also had worries about several points of his argument:

1)The piece tends to conflate what I consider two, quite different, problems with the application of the business model to philanthropy, namely:

- a) the danger of excessive control exercised by great wealth over civil society, and
- b)the conceptual distortion of civil society through infusion of the business framework

The first is the perennial problem of power that accompanies wealth and the interests it serves, posing the centuries-old challenge of how to rein this power in through democratic processes without repressing freedom of disposal of private property. The second is the much broader philosophical issue relating to the formation of worldviews and the distortion of values and civic purposes through the imposition of a particular mindset. Mike seems to move back and forth between these two quite different problems as if they were the same.

2)I would differ significantly with Mike's distinction between the core values of the market and civil society. He describes the difference between the defining values of the market as "individualism" and the "ordinary entrepreneur" and distinguishes that from "what lies at the heart of civil society" — "collective action and mutuality." His emphasis throughout the piece is almost entirely on the collectivist side of civil society, which, in my view, is much more central to government, versus, pluralism, which I would argue has defined the core of civil society since at least the seventeenth century. This leads him overly to stress civil society's role as a primary vehicle of "reducing the inequalities of wealth and power" and "social transformation." It is reflected in many of his concluding recommendations, such as requiring the board of a foundation to be reflective of the community it serves. As defined and enforced by whom?

Conversely, I would suggest that the determination and enforcement of collective goals in a democratic society is the primary responsibility of a well-functioning government, and I would worry about philanthropiccapitalists (or any philanthropists) taking on this function. The genius of civil society lies, in my view, in its unique role in balancing individual freedom and collective aims, representing the diversity of conflicting social views while allowing each to pursue its particular vision of the common good without purporting to represent the public as a whole.

3) Mike's argument seems to contain one important contradictory element: between the multiplicity and diversity of self-defined goals of the players in civil society, on the one hand, and the idea of demonstrating social impact, on the other. He repeatedly argues for diverse definitions of human fulfillment (pp. 44-5 and 58), but then later and champions the importance of social "impact evaluations" (p.87). This is a problem I believe he shares with the work of Jim Collins, whom he cites approvingly, in that, while the business model is rejected as "dead wrong," its production orientation sneaks back in under the guise of evaluating "social impact" in a way that potentially contradicts the multiple goals and definitions of purpose of civil society organizations. This is illustrated, for example, in the highly dubious argument that "government tax breaks are given in return for a commitment to use the same resources as or more effectively than government." Government tax breaks have a long and complicated history, having much more to do with the respect for the autonomy and overall value of civil society than they do for any explicit quid pro quo for specific social benefit.

These modest criticisms do not suggest any sense of overall disagreement with Mike's important piece—they are offered in the overall spirit of, as he advocates, advancing the dialogue.

=====