



RAAD VOOR
MAATSCHAPPELIJKE
ONTWIKKELING

FACTSHEET

Forms of diversity Six principles for the social domain

How does a society resolve common issues? What is the relationship between market, society and government? And what solutions are feasible at a time when government funding is under pressure but accessibility, availability, affordability and quality remain as important as ever? These are very topical questions for the Dutch social domain, embracing areas ranging from care, welfare services and social housing to international development cooperation, energy supply and social security. The government is increasingly stepping back and transferring responsibility to citizens themselves for looking after each other, keeping the streets clean, supporting older people, maintaining a clean environment, and above all placing fewer demands on government.

Historically, Dutch society is not organised along the lines of central government steering and policy planning. There is a long tradition of the people doing a great deal for themselves, as borne out by the many books that have been written on community initiatives. But recreating a society which resolves social issues itself does not happen automatically, and that society will not function unless a number of conditions are met. The Dutch Council for Social Development (Raad voor Maatschappelijke Ontwikkeling – RMO) has published a number of advisory reports in recent years on what those conditions are: *Terug naar de basis* ('Back to basics') (2010), *Tegenkracht organiseren* ('Organising countervailing powers') (2011), *Het onbehagen voorbij* ('Easing unease') (2013), *Rondje voor de publieke zaak* ('Doing something for the public cause') (2013) and *Terugreden is vooruitzien* ('Stepping back is looking forward') (2013).

This factsheet translates some of the points made in these publications into six guiding principles, and outlines the tenets for a society in which people work together to solve shared problems.

1. Diversity as the standard for society

The idea of people doing more for themselves fits in with the way in which the public domain has traditionally been organised in the Netherlands. Dutch civil society is one of the biggest in the world and incorporates a wide variety of organisations and

How will we organise and pay for solidarity in the future?

Three problems

The decision by the government to step back stems from three problems that are manifesting themselves within the welfare state.

1. Financial unsustainability. Public spending has risen enormously, partly because of a gradual shift from needs to rights. Everyone makes demands on publicly funded services. It has all become unaffordable.
2. Declining civic involvement. As long as the government organises everything, people are not inclined to do things for themselves. Whenever societal problems arise (litter in the neighbourhood, nuisance from gangs of youths, a neighbour in need of help), people tend to turn to the government first.
3. Growing uniformity. Government finance, with all its procedures and protocols, tenders and top-down control, means that public services ultimately all begin to look alike. They all tend to conform to the requirements of the governmental subsidy framework, rather than staying true to their own chosen mission.

initiatives, associations, foundations and social enterprises. In reality, therefore, terms such as 'participation society' are nothing new in the Netherlands.

Yet a change is taking place in the way in which services in the social domain have been organised in recent decades. We are moving from a homogenising public sector towards a heterogenising civil society, towards a situation in which people have a greater say in the organisation of society. This also means that people are able to strive to achieve their personal goals, to raise their voice for themselves and others and to protect their own interests. And that leads automatically to differences in outcomes – differences that have long been masked by a financing and regulating government, but which have never disappeared. Not everyone has the same goals or the same resources. Serious social initiatives will seek to determine their own organisation, direction and funding independently and in their own way. Civil society generates diversity based on plurality, not equality based on universality.

The plurality in Dutch society is both empirical and normative. The value of more civil society does not stem from the fact that we are on the cusp of a period of 'less government'. And it remains to be seen whether society will actually take on the tasks that the government is 'abandoning' or 'returning to the community'. Citizen initiatives are preferred because they do something different from what the government can achieve. They tap into and build upon the plurality and diversity in society and the preferences of (groups of) citizens. They have the potential to deliver higher (perceived) quality for those they serve.

2. Organising solidarity in communities

Any society, including a participation society, cannot exist without solidarity. Helping loved ones and family members, the care system, the pension system, volunteering, donations, development aid – these are all examples of a willingness to give time, money or other resources to others, based on a sense of solidarity. When it comes to *indirect* solidarity, however – organised by the government – the solidarity between individual members of society is placed at a distance and becomes anonymous. Relationships between the givers and receivers of solidarity become virtually invisible. Moreover, these welfare state provisions are now running up against their (financial) buffers. This is giving rise to questions such as: 'Who do I share solidarity with, and under what conditions?', 'What do I get from solidarity with others?' and 'How will we organise and pay for solidarity in the future?'.

The expectation and hope is that the answers to these questions will in the near future (once again) lie in *direct* forms of solidarity: solidarity that is generated by people

Goedmarkt: a picture of solidarity

Our team works hard every day to ensure that our guests have a splendid stay. And if we are able to support a good cause at the same time, that's an added bonus!

– Ronald Reichert, general manager, Holiday Inn Leiden, talking about Goedmarkt

Goedmarkt is an initiative that links companies in the SME sector to good causes. There are lots of splendid projects working on behalf of the most vulnerable, even in times of economic crisis. They always need money to carry out their good works. The Dutch economy is driven by 1.3 million SMEs, which until now have often stood aside when it comes to social engagement.

The Goedmarkt initiative offers SMEs the opportunity to donate a product or service. Everyone in the Netherlands can buy that product or service and thus become a new customer of the donor company. The purchase price goes to good causes in the Netherlands. Goedmarkt makes SMEs aware of their social responsibility and enables them to make a real contribution, but in a way that ensures that they also derive benefit, in the form of a new customer. This approach makes Goedmarkt a sustainable initiative. The donor gains a new customer in exchange for their donation, creating a healthy climate that encourages companies to do something good.

www.goedmarkt.nl

voluntarily amongst themselves. When the government solves public problems, there is little reason for people to invest their own efforts in public affairs. People then lose their sense of common interests and immerse themselves in individualism. This focus purely on their own interests undermines collective provisions. An illustrative example is provided by the reports that Dutch care insurers are making deep cuts to supplementary care policies because more and more people (young people, for example) are giving up their supplementary packages based on price considerations, because they are not using them anyway. However, this focus on self-interest stemming from the anonymity of the system undermines the system as a whole, because premiums will rise for others, mainly the elderly.

Direct solidarity is 'individual', something about which people decide for themselves. It is an expression of commonality with others, stemming from people's own convictions, not from the government. This does not mean that direct solidarity consists only of small-scale 'amateur' one-to-one relationships (doing the shopping for the elderly lady around the corner), however valuable that may be. Direct solidarity also involves the larger-scale solidarity of collective ties and civil-society organisations which (on a volunteering or professional basis) do something for a particular target group. Direct solidarity also opens the way for relationships that go beyond those between friends and family. Direct solidarity is the solidarity that arises within *communities*.

Communities where there is solidarity also allow people to experience that solidarity. Associations are created in which people work together to solve shared problems; sometimes by participating themselves, sometimes by giving money and sometimes by making use of that solidarity themselves. Examples include voluntary organisations, sports clubs, housing associations, care organisations, social enterprises, welfare organisations, schools, etc. By each making a contribution in their own way, people learn about the interests and needs of others. The narrow self-interest of the individual is thus broadened to an enlightened self-interest as part of a community, and a generic reciprocity. People do something for the public cause because they also benefit from it, for example in the form of a clean neighbourhood or happy elderly. And their experiences of solidarity build the confidence that if people contribute something themselves, they will one day reap the rewards of doing so.

3. Translating ideals into action

Civil-society organisations are in an excellent position to translate people's ideals into action. This leads to all manner of services for the community, ranging from offering help and support to a certain group to persuading others via campaigns. This potential

Seeing social discontent not as an endpoint, but as a starting point

The opinion forum

The rise of discontent to the surface of society is due partly to the changing way in which it is given a voice. Channels such as the Church, political parties and traditional civil society (which in the past tempered discontent or converted it into collective action) play a less prominent role today. The gaps that have arisen have been filled by the 'opinion forum' (*opinieplein*), a circular interaction between individuals, (new) media, politicians and opinion pollsters. Opinions on all kinds of topics rise to the mainstream of the debate quickly and without being filtered. Where in the past discontent was used for constructive purposes, it now often remains on the surface and does not fade away. There are two mechanisms that reinforce this. First, there is the suggestion of unity and consensus that comes from opinion pollsters. The outcomes of polls in turn fuel the idea that this is the opinion of 'the people', whereas it may mask a great deal of variation, change and differences in motivation. Second, public opinion formation often goes no further than a superficial value judgement about present and past. Public opinions often serve as the outcome of the debate, not as a starting point.

can offer a counterweight to the public discontent that has attracted so much attention in the Netherlands in the past decade. That discontent is a multifaceted phenomenon: it is different for everyone and everyone feels it differently. This diversity is however masked by the overarching feeling that 'things are going in the wrong direction'. Drawing on the phrase used by the Dutch sociologist Paul Schnabel that, 'I'm doing fine, we're doing badly', Dutch politicians, media and opinion pollsters are falling over each other to pinpoint the abstract feelings of discontent, without ever gaining a clear view of the concerns that underlie them or of the things that people do want. Discontent and powerlessness thus appear to go hand in hand.

But discontent can also be seen as something constructive, as an untapped reservoir of energy in society. The trick is to look beneath the discontent, to distil ideals and future ambitions from it and thus to make use of the energy in society. This can be achieved if social discontent is seen not as an endpoint, but as the starting point for a discussion. Discontent masks more than just people's concerns; those ideals, motivations, nuances and drivers need to be raised from the undercurrent to the mainstream. Discontent in the form of dissatisfaction is not the real problem, because it is also evidence of social engagement. Discontent that stems from powerlessness is more problematic, because then people are not able to do anything about their dissatisfaction. This implies a need to give people a greater say in solving social problems. And that is precisely what social initiatives show is happening. Self-employed workers establish *Broodfondsen* (literally 'bread funds') to provide an income when they are sick because of their dissatisfaction with existing insurance arrangements; people start food banks because they want to improve the position of the very poorest in society; people participate in a voluntary project in order to make a difference in their neighbourhood; or they start a new care organisation when they feel that the existing one is not forming adequately.

4. Letting go means letting in

Many parties are currently engaged in a quest for new relationships between government, market and society. The new position adopted by the government is often described in terms of 'letting go', 'leaving to others', 'creating scope' and 'transferring'. That discourse harbours two traps that impede rather than foster the development towards a participation society.

The first trap lies in the idea that the organisational structures and delivery of services by government, market and society are mutually interchangeable. In reality, each of these three domains has its own specific advantages and disadvantages. Each domain has its own 'identity', and they are not simply extensions of each other. Society will not

Survival of the fitting

Civil-society organisations have to bend at different times to the frameworks set by the government (financial, legal, qualitative). When the dependence on those frameworks becomes very great, it is difficult for organisations to escape from the direction set by those frameworks. Many public sectors have become increasingly tied to the state, with the government acting as financier, supervisor and framework-setter. This makes it even more difficult for organisations to make their own voices heard and to stand out from the masses. There is a risk of a situation developing of *survival of the fitting* rather than *survival of the fittest*. It will then not be the organisations that best meet the wishes of their customers or clients that succeed, but those which adapt best to the frameworks set by the financier, inspector or monitor.

organise things in the same way as the government, nor will the market. People will do things differently, and will express their own values and choices in civil-society organisations and other associational forms. Or they will decide not to do things because they do not match their convictions. It is therefore unwise to see society as the ideal candidate to take over governmental tasks, as a policy instrument that can be moulded. Because judgements in relation to identity, interests, risks and desired organisational form will always turn out differently in society, and will almost certainly lead to different outcomes from what policymakers may envisage.

The second trap lies in an excessive focus on 'letting go' and ignoring the need to let in variety, even though new entrants or new working methods are highly suited as vehicles for challenging existing systems and patterns. New entrants can drive innovation and expand the possibilities for citizens to make choices regarding the kind of service delivery they want. That in turn demands a recognition of a different kind of energy, of private solutions that are organised in a different way from what we have become accustomed to. But above all it demands an avoidance of rigid frameworks for societal sectors which almost by definition force innovative initiatives – from both new and existing organisations – into the same straitjacket. The result is then merely 'methodological poverty' which does not adequately reflect the diversity present in society (our first principle).

5. Guarding against homogeneity

This brings us to a fifth guiding principle: guard against homogeneity. Because although the public domain in the Netherlands has traditionally been characterised by a wide diversity of opinions and beliefs, this does not mean that the diversity in Dutch society is never under pressure. Frequently used systems and behavioural patterns have a tendency to become dominant and to suppress diversity. And productive methods sometimes have perverse outcomes which plunge whole sectors into crisis (just think of the crisis in the financial sector).

When perverse effects occur, they are almost always accompanied by a denial of multiple interests. But those multiple interests absolutely exist. The interest of an educational establishment in admitting only a certain number of students in order to maintain quality, for example, does not coincide with its financial interests or with the interests of aspiring students. The reality is complex, and from a practical perspective a degree of simplicity in governance, coordination, management and control is important. Control instruments and methods are welcome means of creating that simplicity, but regularly produce perverse effects as a by-product. They do not occur because the methods are bad in themselves or because those involved

Blind to perverse effects

There are three mechanisms which can make public sectors blind to the occurrence of perverse effects:

1. Moving goals: the original goals – for example, supporting a customer, patient or client – are overshadowed by an internal goal of the organisation concerned (increasing production, generating turnover, improving figures).
2. Modelling reality: civil-society organisations operate in a complex world with innumerable interests. Weighing those interests against each other is easier if a common language is used, for example in the form of an intake form, a quality test or a protocol. But such methods tend to take over reality. The customer, client or volunteer is then no longer the central focus, but rather the score achieved by applying the method.
3. Financial incentives: money sometimes rewards the wrong behaviour. For example, it may be more attractive from a financial perspective to do certain things that would be not be done from the perspective of quality of service. Funding from government can also force civil-society organisations into a straitjacket, rendering them less able to espouse their own values and vision.

have bad intentions; they arise when the reality is simplified to a model which comes to dominate that reality, and when people within the system thus created begin behaving strategically. This makes guarding against homogeneity a continual task in the public domain.

6. More constitutional democracy, less welfare state

The foregoing shows what can happen when society produces shared solutions to shared problems. Yet it is not simple to see societal diversity as a starting point rather than an endpoint. The pressure to deliver uniformity via the government is considerable.

If the diversity of society is taken as a starting point, however, there are no guarantees that everything will suddenly happen by itself. If people organise collective provisions themselves, they will also experience the inherent complexity for themselves.

Moreover, the outcomes will be different each time, and this will also differ from the way in which the government organises things. This societal diversity will sometimes be uncomfortable. The selective nature of civil-society initiatives means that not everyone has a guarantee in advance that they will receive an equal level of service. Creating scope for societal initiative by definition implies both ‘inclusion’ and ‘exclusion’.

It is therefore essential that the government devote extra attention to three conditions. First, societal initiatives must have a substantive say in what they create. As stated earlier, the diversity and uniqueness of communities is of key importance. Second, more scope must be created for the investment of private financial resources; this could for example be done through a reduction in tax and social insurance contributions. The third condition lies in the constitutional tasks of the government. The constitutional democracy has an important function in providing protection and setting limits. It can protect the diversity of societal initiative, as well as offering a guarantee against undesirable forms of societal initiative or unwanted forms of social exclusion (e.g. vulnerable members of society being left behind). The constitutional democracy also offers a framework for addressing issues or conflicts in relation to societal difference. Less government and more society thus implies more constitutional democracy.

The relationship between market, state and society will remain the subject of debate in the years ahead

Uniformity trap

The social safety net has turned into an equality trap. The cause lies in the three fundamental forces:

1. The democratic society and welfare state are interwoven to such an extent that citizens are inclined to make ever greater demands on government provisions.
2. Political unease rapidly arises about the inclusion and exclusion that civil society produces.
3. There is a strong preference for and belief in central coordination and planning. There is a tendency to be less trusting of a spontaneous structure which is based on a variety of actors and initiatives. While this spontaneous structure is flexible and adaptable, it is also unpredictable.

Conclusion

The relationship between market, state and society will remain the subject of debate in the years ahead. The necessary spending cuts will give an added dimension to that debate. At the same time, the prospect of 'more society' extends beyond this short-term view. A society marked by diversity needs a form of service delivery in the social domain which reflects that diversity. It is then reasonable to assume that solving shared problems will be less successfully achieved via bureaucratic means than through the deployment of private forces, both profit-based (businesses) and not-for-profit (civil society).

This requires that governments let go of the expectation that civil society will produce the same things as the government. They will have to shift their focus away from 'providing' (*zorgen voor*) to 'facilitating' (*zorgen dat*). At the same time, it will require that people in society translate their ideals into actions for the public cause. Civil-society organisations, large and small, will have to act from the basis of their self-determined mission and so secure legitimacy from their target group. Alliances with other private actors will then be more logical than a focus on the government. In a sustainable participation society, other private parties such as the business community are also brought into the social domain in a more active way than simply creating employment, paying taxes and not breaking the law. Combining the private forces of business and civil society, for example in the form of social enterprise, can lead to innovative combinations in which shared solutions are brought to bear on shared problems.

The Dutch Council for Social Development (Raad voor Maatschappelijke Ontwikkeling – RMO) advises the Dutch government and Parliament on the participation of citizens and the stability of Dutch society. The Council works on the development of new concepts for addressing social issues.

Raad voor Maatschappelijke Ontwikkeling
Postbus 16139
2500 BC Den Haag
The Netherlands
Tel. +31 (0)70 340 5294
www.adviesorgaan-rmo.nl
rmo@adviesorgaan-rmo.nl

Text:

Lucas Meijs and Lotte van Vliet

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Marielle Lammers/graphic designer

Translation:

Julian Ross

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Further reading

- RMO (2010). *Terug naar de basis. Over legitimiteit van maatschappelijke dienstverlening.*
Den Haag: Raad voor Maatschappelijke Ontwikkeling.
- RMO (2011). *Tegenkracht organiseren. Lessen uit de kredietcrisis.*
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- RMO (2013). *Terugtrekken is vooruitzien. Maatschappelijke veerkracht in het publieke domein.*
Den Haag: Raad voor Maatschappelijke Ontwikkeling.

RMO publications can be downloaded from www.adviesorgaan-rmo.nl