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The third sector and public services: an evaluation of different theoretical perspectives

Taco Brandsen, Tilburg University, The Netherlands

Contact details:
Tilburg University, Faculty of Law, PO Box 90153, 5000 LE Tilburg, The Netherlands. Tel. + 31 13 466 2128. E-mail t.brandsen@uvt.nl.
1. Introduction

In many European countries, the third sector has traditionally played a major role in providing public services.\(^1\) Over recent decades, its significance has further increased as governments have privatised and/or contracted out parts of their service delivery duties. Partly as a result of this, research on the sector has also grown exponentially. It has raised the question about useful ways to link theories from the traditional disciplines to this object. There are many interesting academic perspectives out there, but how should they be used? When to choose which perspective?

In this article, I will identify different categories of theoretical perspectives and judge how they are useful for the study of public service delivery by the third sector. The perspectives will be illustrated with interesting examples from current literature. The specific way in which I frame them is borrowed from the work of the sociologist Charles Tilly, which I find particularly perceptive. However, the purpose of the article is not to argue that his meta-theoretical framework is the one superior way of analysing theory. There are other, equally valid ways to categorise theories. The point is that applying such a framework can be a useful exercise for understanding the relative strengths of different theoretical approaches in a particular field of research. It is common knowledge that each perspective tends to highlight certain aspects of reality at the expense of others. How does this work for public service delivery by the third sector?

The structure of my argument will be as follows:

- First, the article will argue that the concept of a third “sector” in itself invites normative connotations that are harmful to theoretical development in this field;
- Three meta-theoretical perspectives (systemic, dispositional and transactional) will be introduced.
- A small set of criteria for assessing the different perspectives will be suggested.
- Each approach will be illustrated with relevant theories on the role of the third sector in public services.

\(^1\) An earlier version of this article was presented at the ESF exploratory workshop “The Third Sector in a Changing Europe: Key Trends and Challenges” in December 2006. I would like to thank all participants and particularly Eva Kuti for their constructive comments.
The article ends with a brief assessment of what is necessary for further theoretical development.

Finally, a word on the meaning of key terms. The term “public service” will here be used in a narrow sense, referring to services carried out by the third sector on behalf of the state. This is a choice of convenience and not one that reflects the full meaning of the term as I would normally understand it. The term “the third sector” is notoriously difficult to define, an issue which will be addressed in the next paragraph.

2. The purity of exploitation

Research on the third sector of course started millennia ago, but the recent development of third sector-specific research was spurred by political developments of the 1980s and ‘90s. The US government based its policy on the assumption that a reduction in state expenditure and taxation would allow private initiative to blossom, suggesting a direct trade-off. More generally in the Western world, there were moves towards privatisation and contracting-out that brought the third sector into the spotlight. Finally, the disintegration of the communist regimes in Central and European aroused interest in the movements and organisations that would fill the gap left by a retreating state.

These events not only spurred the continuing interest in voluntary and non-profit organisations, but also reinforced two assumptions that have pervaded some of the research since: first, that these collective actors could be thought of as a “sector”; and second, that its relation with the state is essentially an oppositional one. The latter notion has been reinforced by some important sources of inspiration for third sector research. The social movement literature, which gained momentum at a far earlier stage and which is conceptually more coherent, has an oppositional perspective almost by its very nature. Although there have been various perspectives on social movements, they are generally focused on protest in situations of conflict (Della Porta & Diani, 1999). In political philosophy, the number of illustrious names who have argued in favour of an autonomous civil society is daunting (for an overview, see Hall...
When the focus is on power and democracy, and civil society is recognised as separate from politics, then authors tend to emphasize the need for distance from the state rather than closer integration.

The question is not whether such perspectives are right or wrong, but whether the assumption of a fundamental separation between state and third sector is useful for studying their co-operation in the context of the public services. This is highly questionable. To begin with, the empirical evidence does not support such a perspective. In fact, the interdependence between state and third sector in many countries is such that a view of the latter as opposition seems out of touch. Lester Salamon’s well-known study in the US showed that the growth of the state and growth of the third sector went hand in hand, contrary to the “crowding out” assumption at the heart of the Reagan government’s policies (Salamon, 1995). Similar findings were recorded in the Western European context. Recent efforts to decentralise and to contract out services to voluntary and non-profit organisations have only increased the interdependence further. Whatever the rationale behind public policy, the one constant in the postwar period appears to be that the third sector has grown. It could be argued that the material growth in terms of financial and human resources has led to a loss of the third sector’s autonomy and of certain qualities that make it distinctive (encouraging the emergence of hybrid organisations). Be that as it may, the trade-off is too complex to make normative assumptions about the nature of the relationship *a priori*. Indeed, given the overwhelming evidence that the relationship between state and third sector in the public services is symbiotic, one might wonder why the myth of opposition is still worth discussing. The key arguments against it were made before the author of this article even graduated (e.g. Salamon, 1987; Gidron e.a., 1992; Kuhnle & Selle, 1992).

Then why does this discussion keep returning? In part, this is simply due to cross-national variety. The third sector is not in opposition with the state in Western democracies, but there are regrettably still many countries where opposition is a fact. But there is a more fundamental reason for the continuing re-emergence of the oppositional view. This is because the concept of a “third sector” itself implies such a

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2 The relationship between the terms “third sector” and “civil society” is contested, but it is clear that in discussions there is often a great deal of overlap.
view. The term itself is of course of quite recent origin, but the notion of a third domain next to state and market originated in the political philosophy of the eighteenth century, with an increasing emphasis on its autonomy—especially from the state (Hall & Trentmann, 2005). Previous, civil society and political society were regarded as more or less integrated. In the Aristotelian view of politics, for instance, the only alternative to participation in political life was to withdraw to a secluded existence. There was no public life separate from politics. The word “sector” itself therefore implies a separation between these social phenomena. The symbiosis between sectors is conceptually limited when they are defined to be separate.

This is not problematic when the term is used only for limited theoretical or for practical purposes. The meaning of the “third sector” can and should be very much in the eye of the beholder. Problems arise when meanings derived from different perspectives (e.g. different disciplines) are believed or made to refer to the same thing. For instance, from a legal perspective, it can be used to refer to collections of organisations with certain legal characteristics (e.g. foundations, associations, charities). For practical purposes, this can be used to operationalise the philosophical notion of a third domain in society. When one is trying to collect large-scale survey data on the third sector, this may be the best choice. But the legally defined category is in this respect only a methodological substitute for a philosophically defined category. This becomes most clear when there are debates over entities that are intuitively considered part of the philosophical category, but which fail to fit the criteria of the legal understanding (e.g. because they lack legal form). But they are essentially two very different things. Likewise, the legal category may or may not have meaning in a sociological sense. Research has borne out that in some countries people identify with the notion of such a sector, whereas in others it only exists on article (see e.g. Dekker, 2001). Kendall & Knapp identified the third sector as a “loose and baggy monster” (Kendall & Knapp, 1995, p. 66), but this is only true if one bundles all the different meanings into one.

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3 Indeed, ideas of the “state” and the “market” as separate domains date from the same period.
4 The operationalisation of the philosophical in the shape of a legal category has worked most well where it could easily be benchmarked against characteristics of the other domains, i.e. in terms of economic indicators.
Nevertheless, it is convenient to retain the “sector” label for practical purposes. The use of the term “third sector” as the title for an academic forum makes sense because it is socially meaningful to the participants as members of a professional community, even if it is unlikely (and in my view unnecessary) that they are talking about the same thing when they start wearing their researcher hats. There is also a methodological benefit in defining idealtypes of organisations from the state and third sector. It means that each move towards the other implies a loss of distinctiveness by definition. For instance, the decision of a non-profit to professionalize in order to meet the standards of state contracts makes it less of a non-profit. This can help to understand how the interaction changes the organisations. But one should remain aware such an idealtypical approach can be a Trojan horse, smuggling in normative assumptions. For example, it may be concluded that organisations idealtypically defined as third sector becomes more like organisations defined as state. But to say that the third sector is losing ground to the state is different. An idealtype can lose its relevance without affecting the method, but in a model of sectors a loss of ground becomes an imbalance. This process is especially insidious when conceptual and normative assumptions subtly fade into one another. Few researchers went to study the third sector because they hate it. A methodologically constructed shift then easily becomes a loss of something dear.

Advocating value-free research at this point would surely invite (justified) hoots of laughter, but nonetheless it is important to be wary of the pitfalls of the sector concept. While it is useful to retain state/market/third sector idealtypes (as long as there is no credible alternative), these should be cleansed of normative assumptions inherited from political philosophy, in which it means something essentially different. Such assumptions include the desire to retain an autonomous third sector, independent of the state. These are fine for other discussions. There are all sorts of other reasons why one could favour an autonomous third sector. As a democratically minded citizen, I welcome the thought that there are pockets of diversity and freedom in my society. Their loss may be a sign of totalitarianism. But that is a democratic argument and irrelevant to an examination of the public services. The removal of such normative connotations can only be achieved by putting the public services at the root of the analysis. The co-operation between state and third sector serves only the quality of those services. If the latter is better when delivered by an autonomous third sector
(e.g. when democratic qualities are made part of the definition of quality) that is an argument in favour of autonomy, but one subordinated to the analysis of service delivery in the context of industrialised and democratic Western welfare states.

In my view, the best way to avoid tangled arguments is to approach the third sector not as a democrat, but as a tyrant. The only pure analytical approach is one of exploitation (even if this is not the reality of state-third sector relationships). If public services are truly at the core of the analysis, then the third sector must analytically be regarded as undiscovered territory that can be subjugated and raided at will, left free only where this is necessary to keep its beneficial qualities intact. If one left the goose with the golden eggs alive, it was probably not out of respect for animal rights, but out of greed. It is the only reliable means of separating different types of arguments. Such an instrumental approach essentially means that the concept of a third sector is abandoned, because it has no regard for the balance that a model based on sectors implicitly advocates. If we use the term for convenience, we must make sure that is an empty shell.

The remainder of the article will focus on three types of perspectives that each imply a different conception of what the third sector means and consequently interprets its role in the public services differently. In distinguishing between ontological perspectives, I have refrained from re-inventing the wheel and worked with an existing typology.

3. Three meta-theoretical perspectives

In his recent book *Identities, Boundaries and Social Ties*, Charles Tilly distinguishes between three different meta-theoretical perspectives to social life (Tilly, 2005b). Each of these offers a different type of explanation of social phenomena. The triple distinction is lucid and in my view offers an opportunity to review the different directions from which to approach the third sector’s role in the public services, especially because it transcends disciplinary barriers and levels of analysis. Let me start with a general description of each.

*Systemic perspectives* to social life suggest the existence of a coherent entity. Social phenomena are explained by reference to their location within that entity.
Functionalist reasoning is the prime example of such an approach: a social phenomenon is explained with reference to its function for the total system. Suppose that the waiter who brings me my coffee gives me a particularly friendly smile (in the US, where I am writing this article, it is less hypothetical than in Europe). How can this event be interpreted systemically? It could be argued that these kinds of expressions function to uphold a culture of service that is embedded in a particular variety of capitalism. In another system, a smile might be dysfunctional because it assumes at least some kind of familiarity. According to Tilly, the advantage of systemic accounts of social life is that they connect small-scale and large-scale events. However, they are less good at bounding systems and at establishing clear causal lines of reasoning.

*Dispositional perspectives* to social life likewise assume the existence of coherent entities, but usually at a smaller scale (e.g. individuals). They explain what happens on the basis of the orientations of the entity before action occurs. The orientations can be conceptualised as preferences, rationalities, logics or cultural templates, to name but a few. Action then depends on incentives and opportunities related to those orientations. For instance, if I can deduce that two actors have certain preferences, I can explain how they will interact. To return to the example of my friendly waiter, I could analyse his behaviour in terms of his incentive to maximise his tip. His action is informed by his expectation that my disposition is to reward those who are friendly to me. External conditions, such as the setting and the price of the coffee, will co-determine the ultimate action. It is an approach widely used in economics. According to Tilly, these types of accounts relate well to the findings of disciplines such as psychology, but cannot deal well with aggregate properties, nor with properties of the relations among actors.

*Transactional perspectives* explain events as the result of interactions between social sites. They imply that the characteristics of these “sites” themselves are the result of these interactions. It is also known as a “relational approach”. My waiter’s smile could be understood as reinforcing the relationship of asymmetric independence that exists between us. His compulsion to smile is bigger than mine. But should I return his expression with an equally friendly smile, the relationship is at least given the illusion of equality. The advantage of these types of accounts is that they put
communication at the heart of the social science, but they are counter-intuitive as popular accounts of events tend to stress dispositions.

Although Tilly notes the advantages and disadvantages of each approach, but in the end comes down firmly in favour of the transactional approach. It is important to be clear about what it means to favour one of these perspectives. They essentially represent ontological positions that cannot be proven or disproved. Arguments between rival explanations usually take place within such an approach, because it is on the basis of shared assumptions that empirical propositions can be verified. When researchers from different traditions meet, they will have to first reach a compromise over basic assumptions before they get down to theoretical disputes (imagine a neo-classical economist arguing with an economic sociologist). Academic life is often organised to avoid such uncomfortable meetings. The choice for one or another approach will often be determined by socialisation within a particular academic environment rather than by a conscious choice.

That does not mean, however, that it is impossible to evaluate the usefulness of an approach for the study of a particular field at a particular time. Although he does not explicitly state any evaluative criteria, Tilly’s reference to the “advantages and disadvantages” of perspectives imply that he has some. They appear to be the following:

1. Methodological validity, especially the ability to clearly identify and bound units of analysis and the ability to establish clear causalities.
2. The ability to explain change.
3. The ability to span boundaries (disciplinary, national).
4. The extent to which an approach reinforces or contradicts “intuitive” explanations of social life.

These criteria are based on the shared background of the three perspectives: commonly accepted beliefs about methodology, institutionalised disciplinary communities and more general beliefs about the dynamics of social life. They can be used to assess the strengths and weaknesses of perspectives to our topic, the role of the third sector in the delivery of public services. I hope readers will forgive me if I
leave out the final criterion, since I doubt my capability to judge what is intuitive to most people.

In the remainder of the article, each of the three types of perspectives will be assessed on the basis of the first four criteria. In each case, I will take one or two theories to illustrate my argument. It is certainly no comprehensive literature review on the topic, but rather an exercise in positioning and judging different perspectives. Again, let me emphasize that this is not an attempt to set up Tilly’s categorisation as the one that should replace all else. There are other ways of categorising theories which are equally valid. But I have found this one useful for understanding my own field of study and hope that it will clarify directions in which it could potentially develop.

4. Systemic perspectives

To reiterate, systemic perspectives explain social phenomena on the basis of their position in a larger whole. Most public services delivered by third sector organisations are “human services” in nature, meaning that they affect the personal attributes of individuals directly (Hasenfeld, 1983). Consequently, it makes sense to discuss them in the context of social policy, yet the general debate on social policy has taken little account of the third sector.

This can at least partly be explained by the dominance of welfare regime perspectives during the 1990s, although they have in recent years gone out of fashion. Esping-Andersen’s well-known *Three Worlds of Welfare Capitalism* (1990) identified three analytically distinct clusters of countries: liberal (e.g. the UK), corporatist (Germany) and social democratic (e.g. Sweden). The typology was based on several variables, of which the level of decommodification was the most important. The regimes were regarded as the outcome of historical bargaining processes between capital and labour. The regime typology has been used for an endless range of comparisons between countries from different regimes. A wide variety of criticisms has been levelled at this work, most concerning the inclusion of relevant dimensions and the causal assumptions in the model. Although the critique has severely eroded the basis of Esping-Andersen’s model, its value in encouraging international comparative research is undeniable (for an overview of the criticism, see Arts & Gelissen, 2002).
The welfare regime concept as defined by Esping-Andersen has certain characteristics that inherently tend to downplay the third sector’s significance (see also Pestoff, Osborne and Brandsen, 2006). It is almost solely based on income transfer, whereas the third sector’s role in the welfare state is predominantly one of service provision. In addition, it focuses on national arrangements, while the third sector often tends to rely on local arrangements. It is no coincidence that Esping-Andersen deals with the third sector only in two footnotes. Nonetheless, there have been some attempts to insert the third sector, or parts of it, within this framework. Gidron e.a. (1992) combined the dimensions of financing/authorising and delivery. Unfortunately, most countries tend to end up in one of the categories, which makes the typology illustrative of similarity rather than diversity. Kuhnle & Selle have proposed a typology based on the dimensions of distance (in terms of communication) and dependence. Although they are suggested as substitutes, these typologies are fundamentally different from the welfare regimes. The latter explain the present on the basis of institutional reproduction, a product of past forces that have created recurrent patterns. The other typologies offer us useful ways of understanding present developments on the basis of dimensions considered relevant to third sector development. However, they arguably allow us to see change without explaining it, as they are not theory-based. Probably the most elaborate and successful attempt was Salamon & Anheier’s “social origins theory” (1998), which distinguishes between four different types of regimes by embedding economic theory in a historical context.

There can certainly be benefits in coupling third sector research to the welfare regime debate. It might be a powerful rallying-call for cross-national comparative research, as the welfare regime typology was in the broader social policy field. It would provide a shared conceptual framework for a research field where (at least as far as I can see) single country case studies still predominate. The drawback of regimes is that they may in a double sense be resistant to change. To begin with, there is a danger that they degenerate into simple categorical tools for comparison that yield massive empirical data, but little theoretical development. When one starts to tweak individual threads, the whole starts to unravel, which means that minor criticism cannot easily be incorporated into the whole and the latter tends to become stagnant. When changes are incorporated, they tend to weaken the coherence and appeal of the original rather
than strengthen it. It could be argued that the concessions Esping-Andersen has made to his critics have strengthened their validity, but weakened their appeal.

A more fundamental criticism of such systemic perspectives have tended to be weak at explaining change other than through external and sudden events. The welfare regime theory shows how historical interactions between actors have resulted in particular institutional configurations. However, they have had difficulty in explaining recent welfare reforms because they stress permanence rather than change (Green-Pedersen & Haverland, 2002). Put differently, their contemporary relevance can only be demonstrated in that nothing changes. The social origins theory comes closest to incorporating the third sector in welfare regime model and in doing so incorporates its weaknesses. It cannot account adequately for (what appear to be) current changes in the third sector, nor does it cover any changes in the qualitative nature of providers and services.

Summing up, these and other systemic theories suffer from methodological problems and tend to be inherently static. However, they could greatly encourage comparative research on the third sector in the public services. The question is what one regards as the priority of current research. If it is to explain the third sector’s role in a larger context, based on a theoretical understanding of historical development, this is the way forward. If it is to explain the third sector’s role in welfare reform, it is likely to be insufficient.

5. Dispositional perspectives

Dispositional perspectives explain social phenomena on the basis of the orientations of actors prior to action. It is typical of contemporary economics: an analysis of social phenomena is impossible without an understanding of preferences.

In dispositional explanations of social phenomena, there is no basic theoretical difference between the third sector’s role in service delivery, in advocacy or in its encouragement of social cohesion, even if they differ as empirical variables. Market failure theory explains the role of the third sector as the result of a lack of information. Given that there is insufficient information for consumers to evaluate certain goods, they prefer organisational forms that do not allow for the distribution of
ill-gotten gains. The voluntary failure theory offered by Salamon (1995) is an alternative that turns the line of reasoning upside down. In their basic form, these are a-historical theories that account for the existence of the third sector. When they are specified, they define a number of conditions under which the organisational forms associated with the third sector can satisfy the preferences of consumers/stakeholders. These conditions can be related to broader historical patterns, as Salamon & Anheier do in their previously mentioned social origins analysis.

But that does beg the question what kind of theory we are talking about. Some years ago, a volume by Anheier & Ben-Ner (2003) reviewed the state of the art in economic theories of nonprofits. Yet on reading how various theories have been refined, the question arises whether some of the theory labelled as “economic” is in fact so monodisciplinary. Especially where relational goods are concerned, the so-called economic theories deal with issues that are normally associated with the “softer” social sciences: altruistic motivations, the desire for attention and direct interpersonal coordination (see e.g. Ben-Ner & Gui, 2003). It is then more accurate to speak of a rational choice approach that incorporates insights from several disciplines. There is much to be gained from adopting a well-structured theory of agency, in that it will strengthen the methodology of third sector research.\(^5\) Whether that is considered economic theory or not is neither here nor there.

The one thing that makes such theories truly dispositional is the insistence is that demand determines supply, or put differently, that preferences determine the shape of institutions; not the other way round. It has been one of the most damning criticisms of economics. In one of his lesser-known works, Hirschman has laid down the foundations of a theory of disappointment (Hirschman, 1982). Rather than assuming a fixed set of preferences, he argued that initial preferences could be changed through experience, which led to recurring changes on the demand side without necessarily any changes in supply. Interestingly, he noted that services might be especially prone to disappointment due to their uneven and unpredictable nature. Addressing the question of what consumers expect from the third sector and how experience affects

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\(^5\) Some may find it upsetting to cast such social phenomena as volunteering and altruism in rational terms, but that is either to confuse normative views with methodology or to deny the possibility of a duality in human motivation.
these expectations is one that could make dispositional theories more dynamic and encourage interdisciplinary work.

To conclude, the specific benefit for the study of the third sector would be in strengthening its methodology. However, its strict theoretical tenets can discourage interdisciplinary work. This is a pity because, as the collection by Anheier & Ben-Ner (2003) shows, there is an impressive body of work on the third sector in economics. Unfortunately, it makes little to no attempt to relate its development to insights from other disciplines.

6. Transactional perspectives

The transactional approach suggests that social phenomena must be understood as the result of interactions. Tilly applies it to the concept of trust (Tilly, 2005a). Intuitively, we tend to interpret it as an aspect of how we feel about another actor – in other words, a disposition- but a transactional approach conceives of it as an aspect of the relationship between ourselves and that other actor: the relationship is one of trust.

This approach has informed most of the literature on the role of the third sector in the public services. The reasons for this may be quite simple. Much of the interest has come from the field of public administration, where network theory has steadily gained popularity.6 In addition, the focus on regime theory in social policy studies may have encouraged third sector researchers to look for alternatives. Whatever the origin, transactional perspectives have taken various forms.7

Of particular importance to the study of public services are the network perspectives that became popular in the field of public administration and elsewhere in the social sciences over the past decades. They have brought home the point that public services are not the exclusive product of governments, but take shape as the joint product of a number of different actors. Not only has this perspective made it easier to include non-profit and voluntary organisations in the equation, but it has also made the relations between those actors the object of systematic empirical investigation, rather

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6 Public administration is here used interchangeably with public management and public policy.
7 Kuhnle & Selle advocated a “relational approach” (Kuhnle & Selle, 1992), but as I have argued above, theirs is closer to a systemic than a transactional approach.
than making prior assumptions about their nature. More so than the previously described perspectives, it is capable of capturing the dynamic of state-third sector relations.

One risk is that the bigger picture is lost. An analysis of relationships is often built on an understanding of units of analysis or “nodal points” that are conceptually similar. For example, collective units such as organisations are analysed in relation to other collectives, but not to individuals. Likewise, individual clients face bureaucrats, not bureaucracies. It means that developments on other levels of analysis are left external to the analysis, unless specific attempts are made to integrate them. Recently, there has been such an attempt through the reinvention of the “co-production” concept, distinguishing between three types of relationships between state and third sector (Pestoff & Brandsen, 2006). The concept connects activities of third sector organisations at different levels of analysis and at different stages of the policy cycle, which are often studied separately. Bringing them together within one framework could help to signal trade-offs and to allow a more holistic perspective. This is not necessarily limited to the third sector’s role in service delivery, although that was what it was designed for.

Another risk is that the smaller picture is lost. In a transactional account, attention is not necessarily limited to relationships between actors. Interaction within the relationships changes the actors themselves, e.g. how they look upon the relationship or what they hope to get out of it. This is a crucial difference with dispositional perspectives that tend to take the actor’s orientations as fixed. In network analysis generally this remains understudied, but in third sector research quite some attention is how this changes the non-profit or voluntary organisations involved. It is in answering this question that it could make a valuable addition to the more general network literature, in which the focus tends to be on the interaction and its effects on relationships, but not its effects on the actors themselves. An example of such work is Smith & Lipsky’s analysis of how US welfare reforms could affect nonprofit organisations (Smith & Lipsky, 1993).8

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8 What is sometimes forgotten in references to this work is that it was mainly a theoretical analysis of what might happen because of welfare reforms, not a systematic empirical analysis of what had happened.
What has received less attention is how the relation between state and third sector has affected the former. Studies of impact tend to focus on changes in the voluntary or non-profit organisation, less on changes in the nature of the service, and even less on change on the state side. Elsewhere, I have argued that the incorporation of non-profits in service delivery has encouraged the integration of service networks, breaking down traditional systems of differentiation (Brandsen & Van Hout, 2006). Perhaps this constitutes innovation in the welfare state from the bottom up.

To conclude, transactional perspectives appear to be particularly apt at analysing the dynamics of institutional change. They are therefore especially useful for understanding the role of the third sector in reforms of the public services. They also hold up better to methodological scrutiny than systemic perspectives, although not (yet) as well as dispositional ones. What systemic accounts do show better is how processes at different levels of analysis connect. There is a risk that transactional accounts bound their units of analysis so tightly that the relationships with other levels of analysis become lost.

7. Conclusion
Earlier, I noted that theoretical development in third sector research during the 1990s has been more modest than in the period preceding it, although in recent years there seems to be a revival (see e.g. Evers & Laville, 2004). The slackening of the pace can be partly attributed to the fact that scholars have redirected their efforts towards accumulating empirical knowledge, which has indeed increased significantly. This, in turn, has allowed them to sharpen their theoretical lenses. But my own impression is that other factors have also been at play. In Europe at least, the debate has been insufficiently structured to allow different perspectives to “speak to” each other and to allow for the emergence of common frameworks and cumulative gains. The lack of a sound infrastructure for third sector research at the European level has held back the quality of the debate. Ironically, this has happened at a time when the empirical significance of the topic has been steadily mounting.

The exercise conducted in this article has left me with a new optimism about our ability to transcend disciplinary boundaries in this field. Tilly suggests that debates
tend to take place within rather than between different perspectives (Tilly, 2005a; 2005b). My review of the literature has been only illustrative and naturally reflects my personal bias. Nevertheless, it leads me to believe that the demarcations are not as solid as they might appear. They are in their idealtypical form, but actual theories tend to lean toward one of the perspectives without necessarily excluding others. Institutionalist studies from the 1980s onward have created increasingly sturdy bridges between them and the most innovative work tends to emerge at the crossroads. Third sector research could have a valuable role as an interdisciplinary forum, bringing together insights from various corners of the academic world.

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