Public authorities have increasingly recognized nonprofit organizations as partners for the implementation of public policies (Salomon 1999). In Flanders, as it is in many other countries, these nonprofits have become an essential part of the ‘welfare mix’ (Defourney & Pestoff 2008). Verso, the Flemish umbrella organization for nonprofit organizations, estimates that in the following years the level of nonprofit employment will increase three times faster than in other sectors (Verso 2008). Pestoff cites several reasons for the growing importance of the nonprofit sector in Western European societies including the semi-permanent austerity in public finance (Pestoff 2008). In light of the current financial crisis this argument will only gain in importance. This is especially the case in Flanders, where local, regional and federal governments guarantee up to 75% of total revenues for the nonprofit sector (Defourney & Pestoff 2008). This makes the Flemish region a very interesting case to examine the impact of changed public funding on the autonomy of the organizations, their incentive to develop innovative methods to address social problems or the will to be involved as a key player in the policy process.

The central aim of our paper is to map the nature and evolution of the financial relationships between government and private nonprofit organizations in Flemish urban regions. The relationship will be understood both in terms of governmental nonprofit funding and in terms of governmental control. Next to the descriptive part we will also initiate some explanatory research. We will therefore focus on the impact of the relationship with government on the internal management of the organizations. Will this relationship hamper these organizations to raise a critical voice and defend the interests of their members? Will it drift them away from their initial social mission? Are government rules an incentive to become more professionalized or rather bureaucratic? Or will it encourage them to develop innovative approaches for social problems?

Empirical data are collected through a large scale survey aimed at leaders of private nonprofit organizations in the thirteen biggest cities in Flanders. These organizations will be found via www.desocialekaart.be which gives an overview of all nonprofit service provisions in the Flemish region. Selected organizations are all characterized by a non distribution constraint and all have paid workforce and a permanent and self-governing character. This implies that public nonprofit organizations, purely voluntary organizations and commercial enterprises active on the nonprofit fields are not included in the database. In addition, we have selected four target groups which are related to some main societal challenges for the 21th century (Pestoff 2008): elderly, poor people, children in special youth care and ethnic-cultural minorities.

References

