Mixed Welfare Systems and Hybrid Organisations – Changes in the Governance and Provision of Social Services

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The provisions of social services is nowadays often thought as a matter of finding the right balance between market principles and state regulation, with the third sector admitted sometimes as an alternative provider. Against this, a different perspective is suggested in the paper, drawing on theoretical concept building and illustrative examples from empirical field research in Germany. Examples will be given with reference to three service fields: Schools, local cultural offers like theatres and museums and finally services in care for the elderly.

It is argued that a number of crucial changes in welfare and service provision have led to a situation, where service systems and service units instead of being part of a clear cut sector have to be seen rather as hybrids, combining varying mixes and balances of principles usually associated with the market, the state and the civil society. While this is acknowledged with respect to the intertwining of market rules and state regulation, all too often it is overseen that such services like schools, museums or child and elderly care units depend as well from a third resource and steering mechanism. It comes from the social capital of civil society – not only by grants donations and volunteering, but as well by networking, social partnerships a.o.

It will be argued, that this tendency towards hybrids and intermeshed systems of service provision is linked with historical changes in the welfare mix: from hierarchical systems to more autonomy for single service units and providers, from a sharp separation to an increasing intertwining of public administration and private management principles and finally from the crowding out of direct local participation in the designing and administering of services to new forms of its re-emergence as they are linked with the spreading of personalized service systems and the revival of these components of civil society.

Drawing on the afore mentioned arguments and the empirical illustrations, a conclusive chapter will highlight in its first part a central thesis, that is critical towards much of the so far prevailing social and political discourse on the third sector. Conceiving systems of social service provision as mixed in their character and service units as hybrids, puts the
emphasis away from issues of sectorial alternatives. It is not so much sector that matters but the relative impact of different principles co-governing a service system or a providing unit as a „social enterprise“. In that perspective e.g. more impact of user involvement, local autonomy, partnerships a.o. elements of a civil society can matter for services (e.g. schools) in the whole public realm instead of being seen as only relevant for a special „voluntary“ or „third“ sector.

The second part of the conclusive chapter will deal with the policy context as it prevails in many of the highly industrialised democracies and with the challenges it entails. Two-dimensional concepts of services and their governance prevail, wherein the mix of managerial, commercial and state principles marginalizes the third element of social capital / civic contributions by direct user involvement and support networks from the local community. There are many ways to use but likewise subordinate this component of mixed systems of provision and to keep it out from the design of future mainstream services. One of it may be a questionable and reduced understanding of civil society itself - seen as matter of indirect participation only, e.g. by civilising welfare markets through consumer groups and the power of the public media that altogether should result in a proper governance and legislation.