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Philanthropic Partnerships: The Theory of the Commons

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Partnerships, or joint lines of action by two or more independent actors, will always be a stable characteristic of the nonprofit, philanthropic and voluntary action worlds. We are often hard pressed, however, to find just the right words (or sometimes, any suitable words) to talk about such partnerships. We often find ourselves forced to stumble when characterizing such ventures as "philanthropic" or "charitable" or the recent favorite, "not-for-profit".

Such hesitancy is due more to the general inadequacies of existing "nonprofit" theory than to any personal linguistic inadequacies. In its present state, nonprofit theory is largely the creation of committees of lawyers and accountants concerned only with a very narrow band questions. The rather remarkable fact is that "nonprofit theory" is largely unconnected to any larger body of social, psychological, political or economic theory. (Just try finding "nonprofit" in the index of any theory text in any discipline, and you will discover the problem.) Much current concern boils down to trying to find or invent connections of this sort. While nonprofit theory largely handles immediate liability or fiduciary questions, there is no reason to suspect that derivative notions of nonprofit organization can adequately serve more general purposes (even if we rename them "not-for-profit" organizations). The labels are not the issue; the problem runs deeper than that.

Yet, the contemporary philanthropic world has been reluctant to embrace any substitute universal summary terms to describe or characterize the full range of concerns covered by concerns of philanthropy, development, endowment, charity, not-for-profit, voluntary, independent, institutional, (or even that nineteenth century legislative favorite, eleemosynary). For reasons set forth at length elsewhere, I have argued for a conceptual and semantic model grounded in the ordinary English noun commons and the associated adjectival term common (as in "the common good").*

Commons theory possesses sufficient integrative power to bring some measure of semantic and conceptual order to the jumble of words which stymies all of us when talking about what we do and what we intend. All manner of donative, voluntary action and "nonprofit" organization can be described in terms of commons and common goods.

From this vantage point, the philanthropic partnerships of the late 20th century American "nonprofit sector" can be seen as variants of the much broader and richer phenomenon of the commons, reaching back hundreds of years and relating the giving and organized cooperative ventures of many
different cultures. Islamic foundations (waqfs), mutual aid norms in rural Chinese villages, or medieval Japanese Buddhist fund raising (kanjin) campaigns are part of the same broad continuum of giving and sharing as modern foundations and fund-raising practices. In a real sense any commons represents a kind of philanthropic partnership, and any such partnership can be treated as a commons.

Although the term "commons" comes closest in my estimation to representing the full range of these core ideas in English, most of the world's languages contain similar terms to express formally or informally organized practices of giving, sharing and positive reciprocation (as opposed to negative reciprocation like vengeance). In a world suddenly grown smaller, one of our challenges is to find and explore the great similarities and differences of connotation between these terms.

In Anglo-American traditions, the concept of a commons has historically been most frequently attached to shared land in joint use by a village or community. (E.g., the historic Boston Commons) Because churches, schools, fire halls, community centers and other donative and voluntaristic institutions were often housed on or adjoining such common land, many similarities in word and deed have evolved.

Over the past couple of decades, the term commons has achieved more logically and mathematically precise meanings among academic theorists concerned with mathematical models of rational choice, and among biologists and environmentalists in the wake of Garrett Hardin's essay on "The Tragedy Of the Commons", which dealt with the overutilization of publicly available resources. In the process, the basic connotations of the term have remained largely intact.

We can begin to get a greater sense of the potentials of commons theory/terminology by asking the following question: If the not-for-profit world is termed, following the Filer commission, the "third" sector, of what does its "thirdness" consist? The labels nonprofit, not-for-profit and non-governmental organization (NGO) identify the first and second sectors by implication and tell us what the third sector is not. Such negations are not, in themselves, very interesting: Lettuce is also not an animal, and red is not green. They are, however, our current starting point.

In my view, what is unique about the third sector is that it is the sector of commons in the same sense that the market is the sector of firms and the state is the sector of public bureaucracies. Further, I believe that a commons can usefully be defined as a group of people whose actions together are characterized by voluntary (that is, uncoerced) participation; a sense of shared purpose; some measure of shared or pooled resources (whether common land, a shared treasury or some other endowment); a feeling of mutual regard and concern for one another; and a desire to treat one another
with basic fairness. The assumption that our philanthropic and charitable concerns ought to function as commons in this way is woven very deeply into the diverse legal and institutional frameworks which enable development and philanthropy.

The commons, in this broad sense, is a category which covers the full range of informal, ad hoc groups as well as formal (and incorporated) social organizations which share distinctive patterns of participation, purpose, resources, norms of reciprocity and social relations. Particular commons, in this sense, include religious activities of all types, basic research, the arts, amateur athletics, charitable concerns for the poor, homeless, children and the aged, and the myriad other activities and projects of collective philanthropic partnership people can conjure up. Some of them are formal organizations (associations), even nonprofit corporations. Others may be more informal social arrangements like the traditional patron-client partnership, or the familiar modern triad of patron, client and development professional.

Applying the proper noun commons to what has already been characterized as the third sector and nonprofit activity, however, is not as interesting as what begins to happen when we apply the adjective form to the shared purposes and resources of philanthropic partnerships. At this level, the theory of the commons begins to bridge the enormous gaps which have grown up between "materialist" and "idealists" (or "spiritualist") conceptions of charitable and philanthropic endeavors.

Following conventional economic usage, we can generally speak of the goals, or desired outcomes, of philanthropic partnerships as "goods." Although there has been much discussion of the fact that philanthropy may result in the private production of public goods, it has been less widely noted that not all philanthropic goods are public in any meaningful sense (loosely defined as being of interest to everyone.) A second class of equally interesting philanthropic goods are those of particular interest only to a subset of the general public.

(This introduces an interesting set of problems, since the term "common good" has been historically used by some political theorists in much the same sense as "public good." Conceptually, however, it is relatively easy to make a distinction between common goods (plural) and The Common (or public) Good. Interestingly, such a distinction exposes to examination the intent of a variety of philanthropic partnerships to cast their particular interests (and goods) as public good. An association of stamp collectors, for example, may view creation of a national office of philately (which serves their common good) as serving the public interest, while others might disagree.

There may also be a need to create some entirely new words to serve our purposes. "Nonprofit organizations" will not suffice, for example, because it
suggests we know to be untrue: that somehow all benefactions (a very ancient English word, indeed!) are or must be formally organized. Yet, there is no term which seems to imply the full range of formal and informal "good doings". By analogy with the private production of tangible goods (a.k.a., manufacturing) which is ordinarily done in factories (once known as "manufactories") using various factors of production, the philanthropic production of various common goods (a.k.a., benefactions) is done by a network of formally and informally organized benefactors, which includes schools, museums, social agencies, foundations, and assorted other tax-exempt and nonprofit entities.

Similarly, there is the issue of adequate words for the factors of production which go into benefaction, or producing benefits. Certainly, money and economic goods and services are always fundamentally important types of common resource. At the opposite extreme and equally important is what I call, following the philosophers of science, a paradigm: the network of related ideas, values and world-views which gives coherence to any type of common activity. This is merely a systematic way of restating a truth known to benefactors everywhere: It doesn't matter how good your ideas are if you have no resources to implement them; and it doesn't matter how much money you've got, if you don't have good ideas about what to do with it.

In between the treasury and paradigm of a commons fall two other important categories of resources: collections of objects, held jointly by the commons. Museum collections, religious accouterments and scientific apparatus are among the clearest examples of such collections. Whether the religious icons of a congregation or the ritual regalia of a college fraternity, collections are composed of physical objects whose meaning and value for the members of the commons transcend considerations of price. In a narrow accounting sense, collections often parallel inventory. However, to the members of a commons, collections are the objects which must be kept but which cannot be priced. Creating and maintaining a collection of sacred, beautiful, historical or other valued objects is one of the most consistent bases for forming and continuing commons.

Finally, a fourth important category of resources I term (after conventional theatrical and musical usages) the common repertory. In a real sense, the repertory of a theater company (or of an orchestra or a school of painters) is not simply its collections of scripts, props, canvases and paints, but the also the particular skills (in inflection, brush stroke, and the like) which members of a commons bring to their central tasks. Expanding the range of discrete, separate repertories is often among the strongest motivations for philanthropic partnerships.

The theory of the commons assumes that common actions in philanthropic partnerships are based on certain shared assumptions: such partnerships consist fundamentally of social action, in which different persons coordinate
their behavior by what they interpret others as doing or planning; everyone involved is not currently starving nor under threat of actual physical violence; people's actions are authentic in a philosophical sense, and can be taken at face value; common acts by the partners will have a certain continuity over time, and not be a matter entirely of the moment; common actions will be rational, especially in the larger sense of being related to a life plan; common acts will be possessed of a certain universality, such that actors in a wide variety of contexts and cultures will recognize the essential elements of the partnership; actors in such a philanthropic partnership will also ordinarily strive for some measure of autonomy in their joint actions, even if it is necessary to keep the partnership secret as a result. Finally, a consequence of striving to act independently and assertively, philanthropic partnerships will also devise their own standards and values—of success and other evaluations. If any of these assumptions is violated, or even suspect, the joint action of the partnership can be expected to cease while the terms of the partnership are renegotiated.

In this any many other ways, "commons theory" seems to offer a suitable medium for expressing the most central and important ideas of charitable and philanthropic practices and values. Once we begin to step aside from the recent and ungrounded model of nonprofit theory with its peculiar predilections, we begin to see that it is not limits on liability and fiduciary responsibility, but voluntarily shared purposes and resources, and a sense of mutuality and fair play which really characterize our deepest hopes and aspirations when we enter into philanthropic partnerships with others.

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