

Elizabeth T. Boris and C. Eugene Steuerle, eds. 1999. *Nonprofits and Government: Collaboration and Conflict*. Washington, DC: The Urban Institute Press. Foreword, introduction, bibliography, index, 383 pages. \$29.50 paper.

Covering the historical, financial, political, and global dimensions of this relationship, the rich, thoughtful contributions by 14 authorities make this *Nonprofits and Government* the state-of-the-art volume on the subject.

Nonprofits have been categorized as "privately supported supplementary service providers of public goods, as complementary partners with government in public service provision, and as advocates and adversaries in the process of public policy formulation and implementation." Of course, they often play these roles at the same time.

Supplementary forms existed from the beginning of the colonies, as in higher education, and government support of nonprofits only became extensive by the mid-twentieth century. While government funding has always signified some government control, the 1818 Dartmouth case established that despite such funding, the college was an autonomous entity with which the state could not interfere.

Though not back to pre-Reagan proportions, government support has enhanced the nonprofit sector in recent years as it has increasingly contracted with certain subsectors to provide services. We like to think our charity takes care of social problems, yet to deal with these we actually pay twelve times more in taxes than the less than two percent of personal income we give. Since private giving is even lower now than in the past, nonprofits have had to seek more government funding. While government has not tried to subsidize particular policy stances—it gives money to both "pro-life" and "pro-choice" nonprofits, both of which seek to influence government policy—we know

that the nature and availability of government funding influences nonprofits' organization and services. Whether tax-supported nonprofits should be allowed to influence policy remains much debated.

The impact of public policy on the nonprofit sector was clearly demonstrated by the sector's great growth as the "War on Poverty" was declared. This growth also refutes the notion that government action drives out nonprofit initiative. Such initiative has again been encouraged by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 with its emphasis on devolution. This act's "Charitable Choice" provision even extends federal funds to churches for social services as long as they do not proselytize.

Meanwhile, many traditional nonprofits, such as those in the health care industry, have become for-profit. For-profits emerging rapidly in higher education argue that they can better adapt to changing demands. However, they only deliver classes for the individual benefits of their consumers while, like for-profit hospitals, neglecting the public good of research and service. These for-profit conversions are not desirable when judged by the criterion of more efficiently maximizing social values.

Nonetheless, nonprofits continue to thrive in developed countries and are spreading throughout the rest of the world. Measured by employment rates, in several countries the sector is even more important than it is in the United States. The Netherlands leads with 12.4 percent; Ireland, Belgium, and Israel also have more than our seven to eight percent. The prevalence of nonprofits seems directly related to the significance of governments, and collaboration seems a better explanatory model than the conflict model so often cited. Can collaboration lead to diminished support for the state as people perceive their services to be provided by nonprofits?

This notion runs counter to the editors' traditional Tocquevillian "civil society" assertion that nonprofits "help build the networks of trust and reciprocity, the social capital, that allows democratic societies to function effectively." These two different perspectives suggest a need for more theoretical work. The three different figures cited for nonprofit sector employment in the United States in this single volume suggest a need for more empirical work as well.

Ulf Zimmermann

Kennesaw State University