

American Social Welfare Policy: A Pluralist Approach

Chapter 6

The Voluntary Sector Today

Structural Interests within Social Welfare

- Traditional Providers
 - See social welfare as tightly interwoven with other community institutions
- Welfare Bureaucrats
 - Public functionaries
 - Maintain the welfare state in much the same form in which it was conceived during the New Deal

Structural Interests within Social Welfare

- Clinical Entrepreneurs
 - Professional service providers, chiefly social workers, psychologists, and physicians;
 - Who work for themselves instead of being salaried employees

Structural Interests within Social Welfare

- Human Service Executives
 - Salaried employees of for-profit firms and, as such, have less autonomy
- Marginal Interests
 - Usually represent special populations that have been:
 - Ignored, excluded, or oppressed by mainstream society

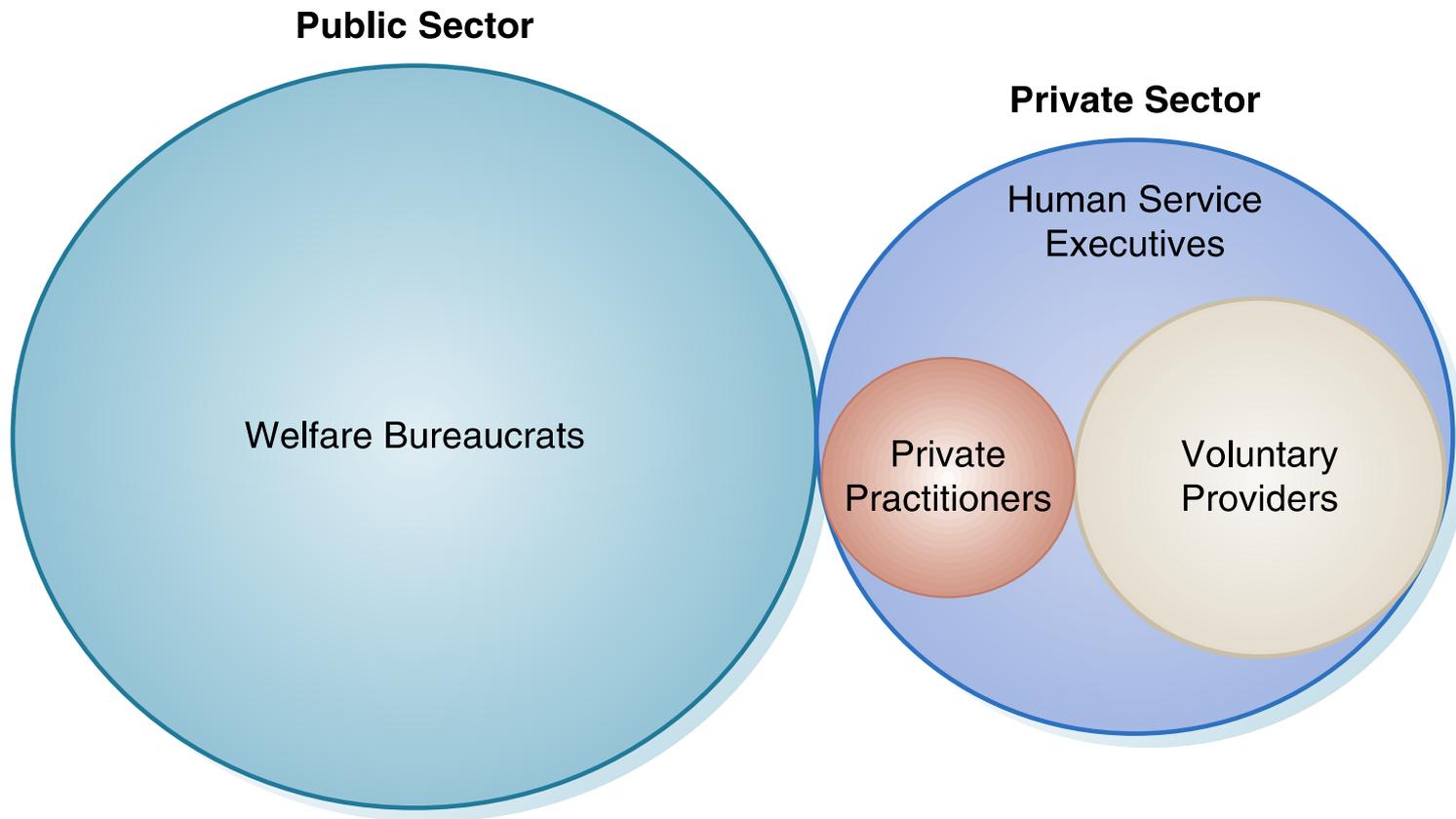


FIGURE 6.1 Dynamics of Structural Interests

The Independent Sector

- The vast majority of nonprofit organizations are small
 - Reporting less than \$25,000 per year
- Generally, the expansion of the voluntary sector has paralleled economic growth
- Public support for nonprofit organizations has suffered somewhat

TABLE 6.1 Nonprofits Earning More Than \$25,000/Year

Field of Activity	Revenues (billions)	%	Number	%
Arts, culture, humanities	37,841	11	32.5	2.3
Education	61,970	18.1	260.8	18.6
Environment & animals	14,528	4.2	13.5	1.0
Health	42,880	12.5	788.7	56.3
Human services	115,267	33.6	175.1	12.5
International and foreign	6,407	1.9	28.4	2.0
Public & societal benefit	42,633	12.4	88.1	6.3
Religion related	21,469	6.3	12.5	0.9
Total	342,995	100	1,399.7	100

TABLE 6.2 Total Net Engagement by U.S. in Developing Countries

Component	\$Billions	%
U.S. official development assistance	30.4	9
U.S. private philanthropy	39.0	12
Foundations	4.6	12
Corporations	7.6	19
Voluntary organizations	14.0	36
Volunteerism	3.7	9
Universities and colleges	1.9	5
Religious organizations	7.2	18
U.S. remittances	95.8	29
U.S. private capital flows	161.2	49
Total	326.4	100

Source: U.S. Agency for International Development, 2012

Advancing Social Justice

- The openness of democratic American culture
- The United Way
 - Perhaps the best recognized of voluntary sector organizations
 - United Way contributions have oscillated over time

Advancing Social Justice

- Elite Philanthropy
 - Much grander expectations
 - Critics questioned their generosity

TABLE 6.3 Largest Philanthropic Foundations

Rank	Name/(State)	Assets	As of Fiscal Year End Date
1.	Bill & Melinda Gates Foundation (WA)	\$33,120,381,000	12/31/06
2.	The Ford Foundation (NY)	11,615,906,693	09/30/05
3.	J. Paul Getty Trust (CA)	9,618,627,974	06/30/05
4.	The Robert Wood Johnson Foundation (NJ)	9,367,614,774	12/31/05
5.	The William and Flora Hewlett Foundation (CA)	8,520,765,000	12/31/06
6.	Lilly Endowment, Inc. (IN)	8,360,760,584	12/31/05
7.	W. K. Kellogg Foundation (MI)	7,799,270,734	08/31/06
8.	The David and Lucile Packard Foundation (CA)	6,351,000,000	12/31/06
9.	The Andrew W. Mellon Foundation (NY)	5,586,112,102	12/31/05
10.	John D. and Catherine T. MacArthur Foundation (IL)	5,492,269,240	12/31/05
11.	Gordon and Betty Moore Foundation (CA)	5,308,627,945	12/31/05
12.	The California Endowment (CA)	4,405,938,934	02/28/06
13.	The Rockefeller Foundation (NY)	3,417,557,613	12/31/05
14.	The Starr Foundation (NY)	3,344,801,753	12/31/05
15.	The Annie E. Casey Foundation (MD)	3,265,655,271	12/31/06
16.	The Kresge Foundation (MI)	3,032,422,497	12/31/05
17.	The Duke Endowment (NC)	2,708,834,085	12/31/05
18.	The Annenberg Foundation (PA)	2,539,268,854	06/30/06
19.	Carnegie Corporation of New York (NY)	2,530,191,576	09/30/06
20.	Charles Stewart Mott Foundation (MI)	2,480,562,766	12/31/05

The Future of the Voluntary Sector

- Commercialization
 - Particularly important for nonprofit agencies desiring to enhance their incomes
 - Unfair competition issue
- Faith-Based Social Services
 - Conservative think tanks have sought an alternative to federal social programs

The Future of the Voluntary Sector

- The approach had yet to demonstrate its superiority through research
- **Social Entrepreneurship**
 - Many theologically inclined liberals endorsed the idea of faith-based social services;
 - But others pursued innovations through capital and technology

The Future of the Voluntary Sector

- Captured the imagination of international development advocates
- Issues Facing the Voluntary Sector
 - Frivolity
 - Politicization

The Future of the Voluntary Sector

- Property tax exemptions
- Charitable aid
- Religious precepts
- Celebrity philanthropy
- Salaries

TABLE 6.4 Federal Grants to Faith-Based Organizations

Agency	Money for Grant Programs (in millions)	Money for FBOs (in millions)	Percentage for FBOs
HHS	\$10,874.3	\$567.9	5
HUD	2,197.7	532.1	24
Justice	791.7	51.6	7
Labor	512.4	11.3	2
Education	134.7	6.8	5

TABLE 6.5 Salaries of Nonprofit Executives

Category	2010 Median Salary	2010 Maximum Salary
Animals	\$100,000	\$554,751
Arts, Culture, Humanities	162,263	1,350,000
Education	177,734	1,916,143
Environment	115,734	493,332
Health	150,986	745,251
Human Services	117,875	787,300
International	128,187	879,591
Public Benefit	151,197	1,204,968
Religion	88,021	500,450

Conclusion

- There are a number of important challenges facing the voluntary sector
 - How will the nonprofit preserve its mission of caring for the disenfranchised
 - Without succumbing to the bottom-line ethos of the corporate sector?

Conclusion

- How will it respond to the range of diverse populations without favoring the mainstream?
- How will it adapt to the latest innovations in technology
 - While putting forth a human face on social welfare?