



The End of the Leviathan and the Rise of the Big Society

**Are we transitioning from big to small states,
and from small to big societies?**

18th November 2011

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From the cover of "The Leviathan", by Thomas Hobbes, 1651

THE LAY OUT

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Introduction

Information is power¹. If one attempts to make sense of the birth of the “nation state” that took place about five centuries ago, one will not fail to notice that the raise of the new political construction coincided with one of the two greatest information revolutions that have helped define the history of human mankind for the last one thousand years².

The invention of the printing machine did, in fact, reduce by hundreds of times the cost of accessing, elaborating and transmitting information. This unavoidably had profound consequences on the distribution of knowledge – and, thus, was strictly functional to the unfolding of the Renaissance – and of power – with the centralization of it in the capitals of new born “states”. As we will elaborate, it is unavoidable that the new information revolution that has been triggered by the Internet – that technically speaking has implications for the cost of knowledge that are very similar to the ones that Gutenberg’s machine allowed – will also determine a new radical transformation of the mechanisms by which we distribute power, take collective decisions, and produce public goods.

The recent twin crisis of rising public debt and increasing demand for social protection will expose the states to a challenge that may be fatal if they do not courageously anticipate the need to radically rethink themselves. In this light, the big idea of the “big society” is not only a successful communication twist to market unpopular decisions, but also the opportunity to start up a process that will challenge sleeping “dinosaurs” and create opportunities at all levels: new business models and investment banking practices, a new political discourse, and a different approach to change management within the public sector.

This paper outlines the main features of the background against which the “big society” project started, some of the possibilities and the dangers, and the big questions whose responses can gradually fill the contents of the big society agenda. It is a research that has the potential to dominate the political agenda for years and it clearly shows that, in the future, vision and pragmatism should practically coincide.

¹ The maxim (in Latin *Scientia potentia est* where *Scientia* is more associated to the concept of knowledge than to the idea of information) is attributed to the great English Philosopher Sir Francis Bacon (1561 – 1626) who was, in fact, born one hundred years after Gutenberg’s invention.

² Manuel Castells, *The Information Age Trilogy* (1996, 1997, 1998)

1. The birth of the Leviathan and the power of Information

The modern European state is to be understood as the kind of political association which has emerged during the last four and a half centuries from the conditions of medieval politics.

The political experience of modern Europe, indeed, begins with an important addition to the European political vocabulary: the word *state*. It is a word for a new political experience, which derives from the Latin word *status* and which was not originally a political word. It meant a “condition” of any sort, but particularly a ‘social’ condition, as, then, did the word “estate”.

In Medieval times there was a “kingly estate”— the status of being a king. There were “noble” and “knightly” estates as well as a “clerkly” or ecclesiastical estate. And (according to the French way of speaking) there was a *tiers état*, the condition or status of a free town-dweller, outside the feudal organization.

Now, when the political word ‘state’ emerged from this word ‘estate’ in the sixteenth century, it took three meanings simultaneously: that of a piece of territory, on the analogy of a landed estate; that of the ruler and the ruling apparatus; and that of an association of human beings in regards to political activity and those matters with which political activity is understood to be concerned – instruments of government, policies, and laws.

Thus, **the political experience of modern Europe is the experience of generating, living in, ruling, and understanding a new sort of political association.**

The main features of this political association which came to be called a ‘state’ are:

- a. **A specific territory.** What in modern Europe and elsewhere in the world is recognized as a ‘state’ is, in the first place, a well-defined piece of territory. Normally, this territory is continuous.
- b. **The character of the inhabitants of its territory.** Generally speaking, in modern Europe, every man belongs to a state, and no man can belong to more than one state. And, for the most part, those who belong to a state live in its territory. Moreover, the human components of a modern European state have something to distinguish them besides normal residence within a certain area of territory. They enjoy in common what may be called a certain sentiment of **solidarity**.
- c. **It has a government exclusively of its own.** This ruling authority may take different forms but, underneath this variety of forms, the governments of modern European states have their most important characteristics in common. Every state is ruled by a single, centralized authority. No part of its territory, and no person, is exempt from this single ruling authority. All those who participate in the activity of governing are either principals, or agents whose powers derive from these

principals. There is a single hierarchy of courts of law which permits no independent jurisdictions.

- d. It recognizes the **supremacy of the legislative act** and existing laws as authoritative simply by virtue of them not having been changed or repealed by a legislative act.

We speak of a modern European state as “sovereign”, where sovereignty, here, means independence from all other authority. Governing in a modern state is recognized to be a “sovereign” activity, not because the ruler can do anything he likes, but because its legally authorized government is supreme over all other authorities, and is recognized to be the sole source of law.

It is the second of these qualities which is, perhaps, the more important and the more characteristic of modern European states.

Modern European governments derive their power chiefly from having acquired a large share (though rarely a monopoly) of **the ability to control men and things**, which distinguishes modern European civilization from that of earlier times. It is because they have at their disposal an apparatus of inquiries, records, registers, files, dossiers, indexes, passports, identity cards, licenses, etc. It is because their paid agents can move and communicate quickly. It is because they enjoy settled and guarded frontiers which none may surpass without scrutiny and perhaps permission.

It is because they have:

- Methods and instruments of administration by means of which policy may be rapidly and effectively carried out, and agents who can be directed from one centre.
- Extensive and organized civil and police services.
- Military forces easily mobilized and supplied with uniform and powerful equipment.
- A ready supply of paper and ink, reports and records (of births, deaths, marriages, incomes, occupations, the resources of the territory etc.) which spring up wherever paper, ink, curiosity, or ambition are joined.
- Efficient techniques for collecting revenue.
- Control over the issue of money; banking and monetary techniques which enable governments to live on credit with a permanent debt in which the future productivity of their subjects is mortgaged. Debtors are always more powerful than creditors.
- Accurate maps and precise means of measuring time.
- Literate subjects upon whom the duty of reading notices and filling in forms may be imposed with confidence.

- A settled common language and almost unhindered ability to disseminate utterances of all sorts, whether of command, persuasion, encouragement, or prohibition.
- Effective means of identifying their subjects individually by means of names, signatures, photographs etc.
- The telegraph, the telephone, broadcasting, the Holerith machine, and the computer.

These, then, are the characteristics of a modern European state. It is a well-defined territory, inhabited by a people who have acquired, or are on their way to acquiring, a certain sentiment of solidarity, ruled by a government endowed with sovereign authority and very great power. And in all these respects it constitutes a large modification of the medieval political community from which, in most cases, it sprang.

However, there is one unifying element that we recognize once we consider the specific features and the distinctiveness of the “modern state” as opposed to the medieval “compromise” between the church and the king: it is the centralization of information (and hopefully knowledge which does not coincide with it) in a bureaucracy that, in fact, finds its strength and, at the same time, its justification and legitimacy in information (from maps to identity cards, from data on cultivation to ones on population and need): in the age of the celebration of wisdom, it must have appeared wise to grant to one centralized agent the monopoly of holding and using such knowledge. Nation states emerged because they simply demonstrated to be more efficient than less rational arrangements. Although simultaneously and gradually another large, long term revolutionary movement started to require and expect of that agent to respond to citizens, and be, in fact, formed upon citizens’ wills.

Democracy and constitutions are, however, a relatively recent qualification of the State.

The philosophical justification of the modern state resides in the theory of social contract as first developed by Thomas Hobbes³ in his *Leviathan*: given that men are naturally self-interested, but also rational, they will choose to submit to the authority of a Sovereign in order to be able to live in a civil society, which is conducive to their own interests. Hobbes argues for this by imagining men in their natural state, or in other words, the State of Nature. In the State of Nature, which is purely hypothetical, men are naturally and exclusively self-interested, they are more or less equal to one another (even the strongest man can be killed in his sleep), there are limited resources, and yet there is no power able to force men to cooperate.

Given these conditions in the State of Nature, Hobbes concludes that the State of Nature would be unbearably brutal. In the State of Nature, every person is always in fear of losing

³ Thomas Hobbes of Malmesbury (5 April 1588 – 4 December 1679),] was an English philosopher.

his life to another. They have no capacity to ensure the long-term satisfaction of their needs or desires. No long-term or complex cooperation is possible because the State of Nature can be aptly described as a state of utter distrust. Given Hobbes' reasonable assumption that most people want first and foremost to avoid their own deaths, he concludes that the State of Nature is the worst possible situation in which men can find themselves. So **men, who are rational, decide to renounce a certain amount of freedom in order to live in a state which grants them some rights. They abdicate some of their power to the Leviathan that, in exchange, should provide them with a certain number of services which at the beginning were security and the right to property, and then grew to include other goods and services including public health and education, public transport etc.**

The theory of the social contract has been developed and refined by several other thinkers such as John Locke and Jean Jacque Russeau or, more recently, John Rawls.

But while the subject of this paper is not a dissertation on this topic, we cannot avoid however to frame the questions that are specific to this paper in a wider frame that can make us more capable to do the problem solving.

Can we still trust – twenty years after the start of a revolution as big as the one produced by the start of the Era of the Books and while most of the most developed states appear close to bankrupt - the assumptions that the Leviathan takes for granted? Is it still true – in the era of the Internet based collaborations that are shaping the ways we produce the most classical products of knowledge like the Encyclopedia - that "*homo* - is unavoidably – *homini lupus*"? Is the "nation state" still able to tax (leaving alone the idea that it has got the monopoly of it) when technologies make possible to transfer income and wealth with a click of a button? Do we still have "nation states" in the continent where they were born if that very states have already surrendered the power to print money to a brand new institution? Is it still true that one person can only belong to one state and why should we continue to form collective decisions on the basis of the idea that citizenship is organized through territorial layers if ideas and, thus, more worryingly, information, is flowing in a completely borderless fashion? Can we afford to continue to think that there are political emergencies that have nothing to do with these more visionary considerations?

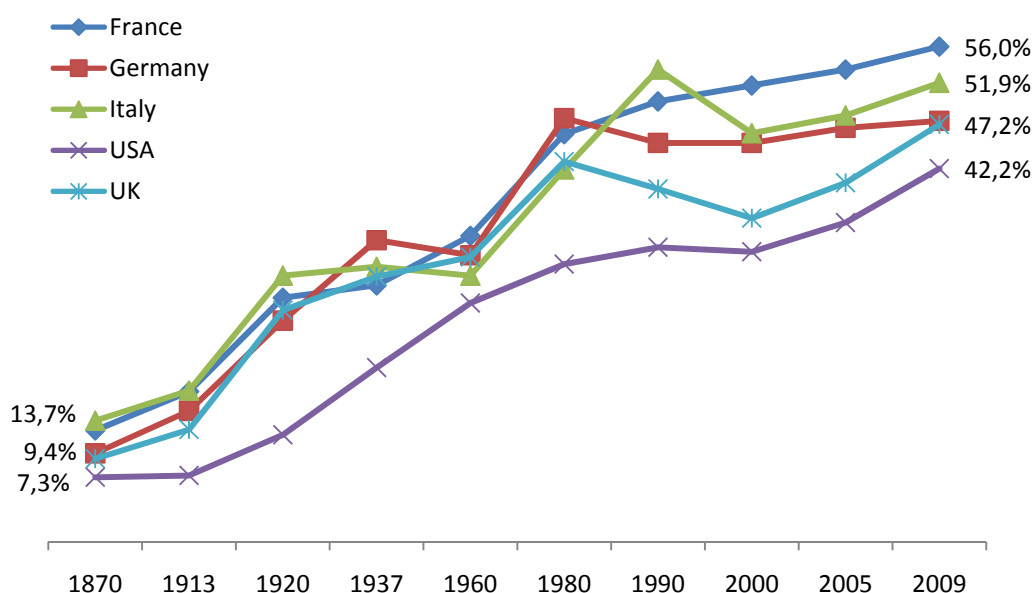
And more specifically **is the Leviathan respecting the contract? Did it exceed its mandate or did it keep its word? Did it grow too much, as some people say, or not? Should we revise the contract?**

2. The paradox of the Leviathan

The big paradox of the Leviathan is that it has kept growing even when there was an agreement on the need to reduce it. The several reforms concerning the privatization of state sectors and the new public management, that should have improved the (spending) efficiency of the civil service, did not attain their objective, neither did the Maastricht criteria which, aiming at a reduction of the public expenditure, are at the very basis of the financial policy of the European Union since 1992.

What is certain, is that **in the last centuries the Leviathan grew a lot, and so did the expenses necessary to assure its existence** as it is shown in the graph below. Government spending, needed for the subsistence of the state and the provision of services requested by its citizens more than quadrupled in the last century and a half.

Graph 2.1: Government spending as a percentage of GDP



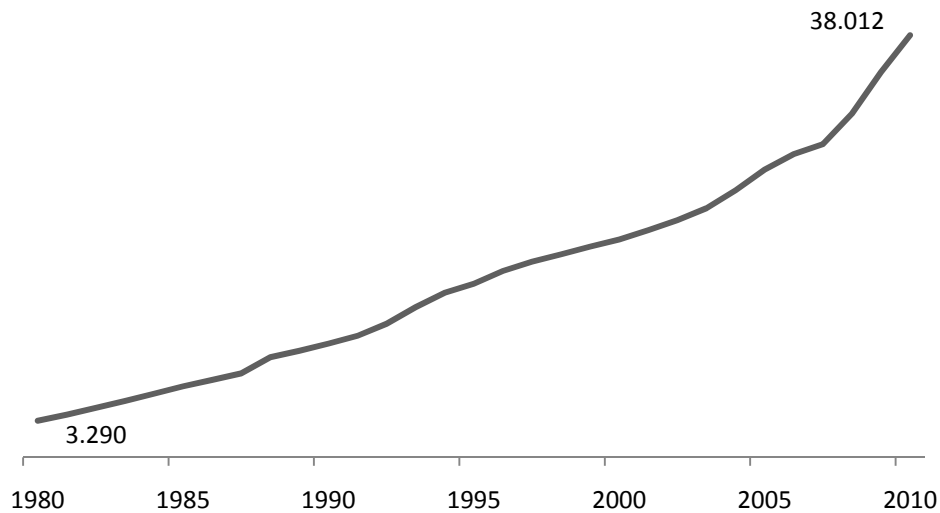
Source: IMF; OECD; Economist

Of course this growth was not decided only by the Leviathan itself. **The size and the structure of the public sector are not exogenously given, but reflect the preferences of voters** who decide on the scale and the scope of government duties. However, voter's preferences are distorted by information deficits and citizens may neither be aware of the size of the public sector nor of the trade-off existing between public sector activity and economic performance. Moreover, a society's preference for public activities is contingent upon the economic and demographic context.⁴

⁴ See Heinz Handler, Bertrand Koebel, Philipp Reiss, Margit Schratzenstaller, *The size and performance of public sector activities in Europe*, background study for the European Commission's Competitiveness Report 2004.

The growth of the Leviathan made the **public debt grow as well**, as shown in the graph below. The actual average per capita debt of a citizen in major European economies (UK, Spain, France, Germany, Italy) amounts to 38.012 Euros, having increased, over 30 years, 11,55 times, showing a growth rate of 1056,9%. *Ça va sans dire* that, as the government draws its income from much of the population, the public debt is an indirect debt of the taxpayers. So the Leviathan grew to the detriment of its contractors.

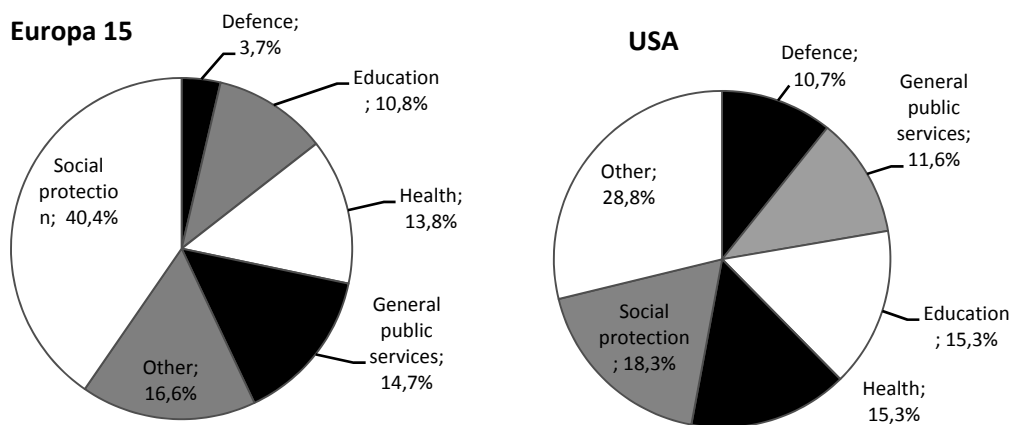
Graph 2.2: Eu5 (United Kingdom, Spain, France, Germany, Italy), USA and Japan pro capita public debt.



Source: Vision on International Monetary Fund

But what exactly does the Leviathan spend for?

Graph 2.3: Expenditure per policy, EU 15 and USA as a percentage of GDP, 2001



Source: Vision on Eurostat

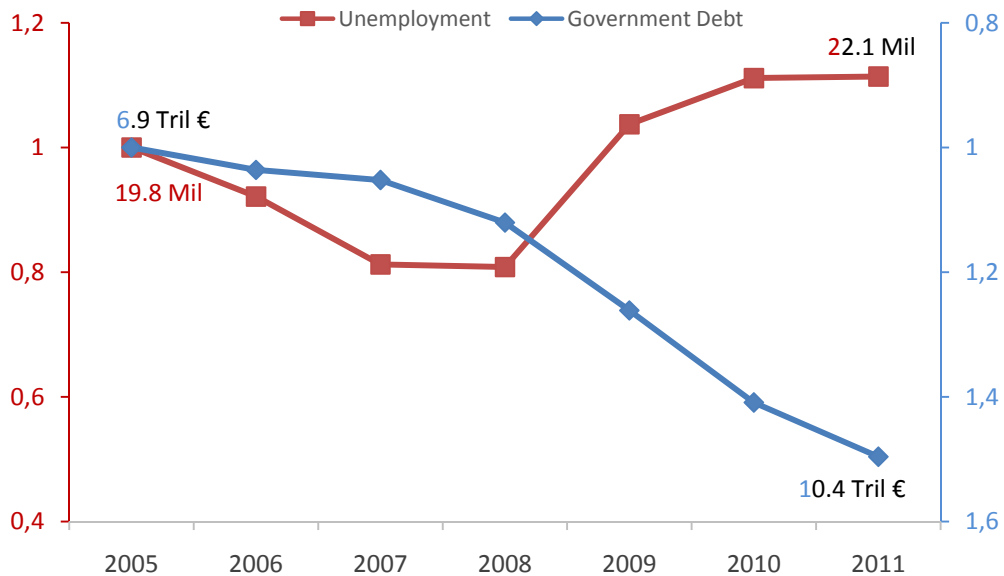
As shown in the pie charts above, **the state spends a big part of its income in social protection, health and education**, the three services that, especially in Europe, replaced

security (defence) as the main object of the contract signed between the Leviathan and the citizens. As we will see, these three services represent also some of the most macroscopic state failures and three of the areas in which volunteers are more active.

It is, however, the very recent crisis that has, more dramatically, exposed the problem.

The graph below illustrates the effect of the twin explosion of the problems of public finance and unemployment.

Graph 2.4: Number of unemployed people and (reversed scale) public debt – EU 25



Source: Vision on Eurostat and ECB

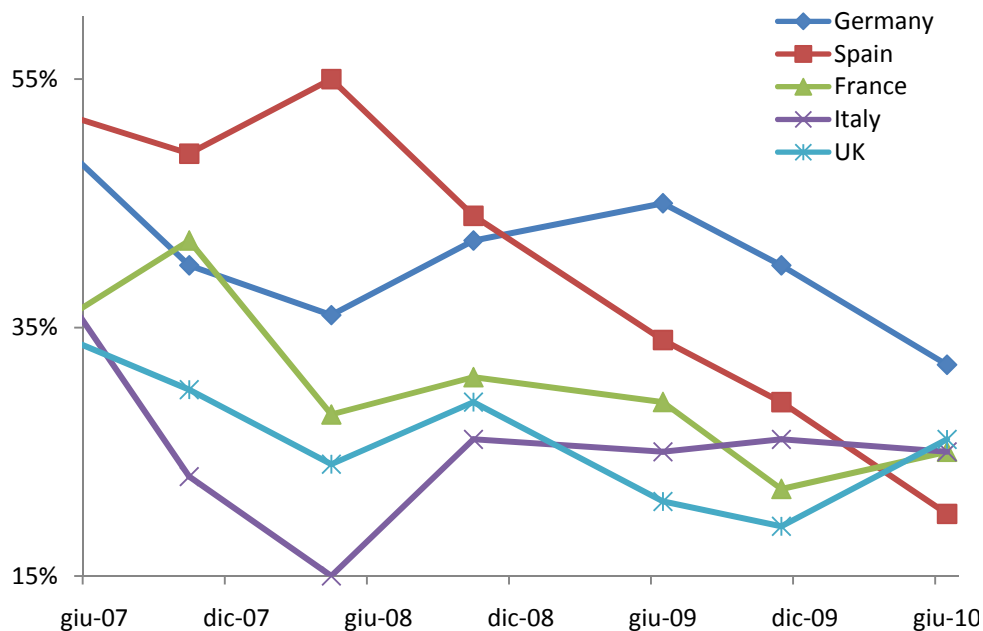
The blue line tracks the capability of the state to spend, and we proxied this by using on an inverse scale the public debt of EU 25: the public debt – we already saw its evolution in the last thirty years – did add almost three trillion euro to its overall sum which is an increase of almost a third; at the same time, the number of unemployed people also increased by three million individuals (more than twelve per cent) reaching a record of twenty three million citizens looking for a job. **This is the clearest image of the paradox that is posing the most serious threat that the Leviathan has ever faced: how can it possibly significantly increase the quantity (and quality) of services provided (for instance in terms of social protection asked by an increasing number of people that live on social security benefits) by drastically decreasing at the same time social expenditures in order to avoid the default?**

Against this background, the next section will attempt to contribute to the problem solving.

3. The State failure

Notwithstanding the enormous growth of the Leviathan, **the satisfaction of the contractors, the citizens, is decreasing.** If we look at the trust people have in their public administrations, we discover that in the five best performing European economies this is in general lower than 50%. The case of Spain is particularly interesting: being the best performer in 2007, today it is the worst one. This change is probably due to the economic crisis that affected the Iberian state and which the Leviathan was not able to neutralize. So the real best performer is Germany, that shows a certain stability even if worsening its performance, while France does poorly as well. The UK is almost stable, even if at a low rate, while Italy lost much of the trust with the crisis but managed to retake back some, placing itself at the same level of France and England in 2010. The graph below portrays our assessment.

Graph 3.1: Percentage of people who tend to trust in their public administration (proxy of customers' satisfaction)



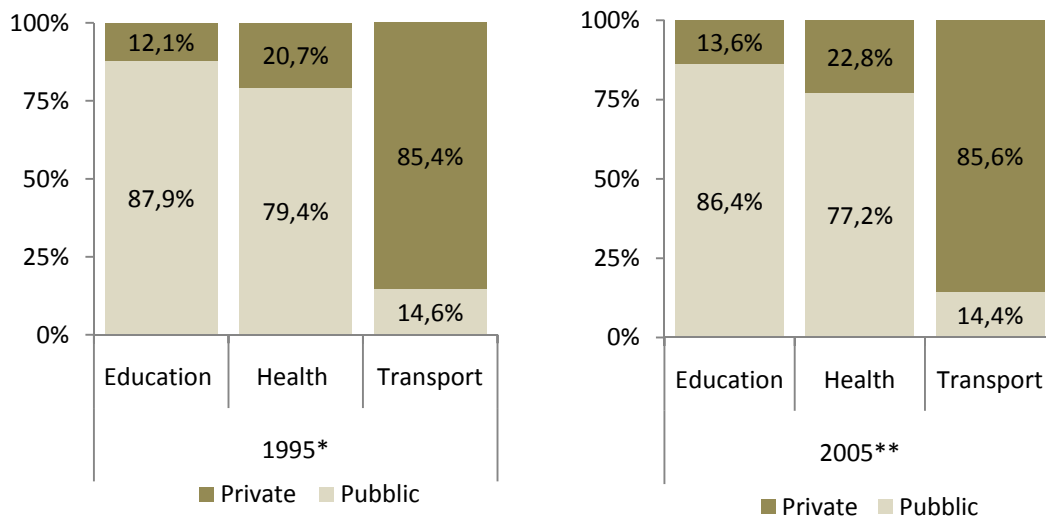
Source: Vision on Eurobarometer data

According to most polls, the reduction of trust in the state is not being compensated by an increase of trust in private organization. This shows that social capital – in the meaning that Putnam⁵ would give to such a word - is not a zero sum game and that it is the trust in being a community or, at least, the trust in the mechanisms that have kept communities together, that is being eroded. The graph below shows the shares of the

⁵ Robert Putnam (1993) in its seminal work on social capital considering Italian Regions as case studies.

private sector on health and education expenditures and on Kilometers covered (transport) between 1995 and 2005 in France, Germany, United Kingdom, Italy and Spain. The message is clear: **the public market share is diminishing only very slowly and although dissatisfaction is on the rise, no real alternative appears to be on hand.** That means that citizens are not satisfied anymore with the services provided by the Leviathan which, anyway, notwithstanding the lower demand keeps growing as we saw in graph 2.1.

Graph 3.2: share of private sector on health (expenditures), education (expenditures) and transport (Km covered), 1995-2000, EU5 (France, Germany, United Kingdom, Italy, and Spain).



Source: Vision on Eurostat.

* Education, 1998

**Transport, 2003

Contrary to what some prophets of privatization have stated, there is still no evidence – we will see other data on this – that privates (or even no profit) are doing better (we should probably say less worse) than the State. And yet big differences exist if we move our analysis from the abstract comparison between public and private to the more fruitful observation of differences in performances amongst different states, different regions, different public administrations (and the same would apply to a more intelligent comparison amongst different privatization models, amongst different voluntary organizations) where big differentiators appear to be the policies we are talking about and the characteristics of the territory we need to govern.

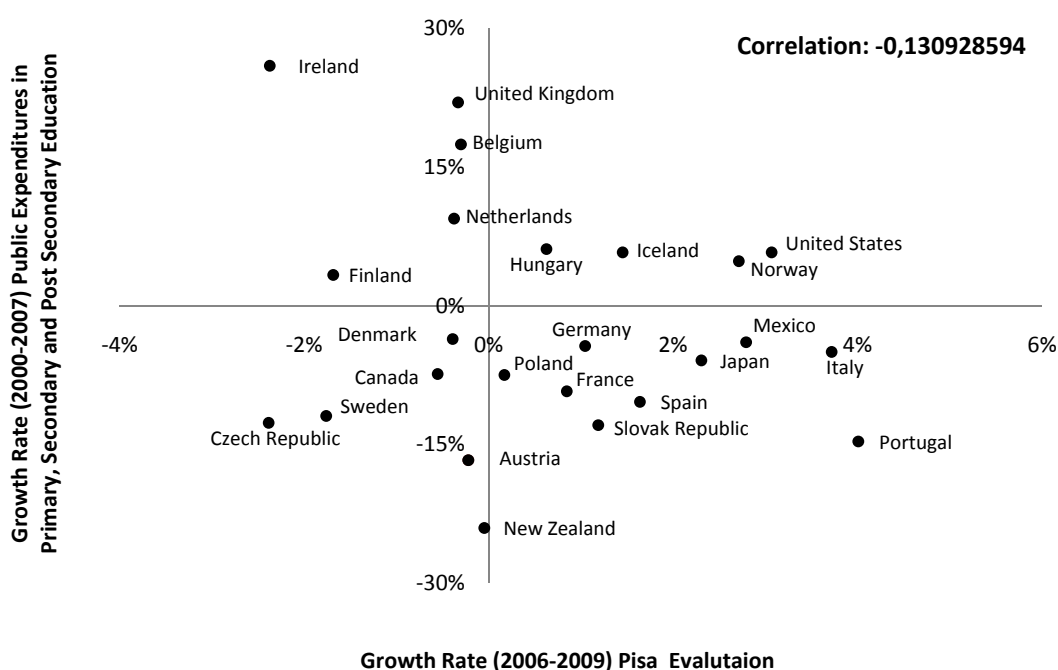
4. The myth of the lack of resources

When one laments the low and deteriorating level of public services quality, the usual cry that we hear from civil servants, trade unions and even most of citizens is about financial resources that are lacking or that are being cut.

A priori, high public expenditures could be associated with a well-functioning government and a high quality of public goods and services. However, the figures show that this is not (always) the case. To prove our hypothesis we undertook the following analysis.

We compared, at a global level, the growth rate of the public expenditure in education (primary, secondary and post-secondary) between 2000 and 2007, and the growth rate of the scores of the OECD PISA evaluation between 2006 and 2009.

Chart 4.1: Growth rate public expenditure in education (primary, secondary and post-secondary) 2000-2007 and growth rate of the scores of the PISA evaluation 2006-2009



Source: Vision on OECD data

The differences in period provides a rather fine time lag: one could reasonably expect that spending more in a certain period, will – *ceteris paribus* – improve the outcomes in a later period.

Our analysis found that the **correlation between the inputs (money) and the outcomes is even (slightly) negative**. That is to say that as far as education is concerned **effectiveness is not a question of increment in spending**. The three states that augmented their investments the most (Ireland, UK, Belgium and the Netherlands) have a negative growth

rate of the PISA scores, while the ones that bettered their results the most (Portugal and Italy) have negative growth rates on the expenditures side.

To conclude, in this section we showed that **the variation in performance is not linked (solely) to the amount of monetary resources allocated for a policy**. It follows, in our view, that **what the Leviathan needs to do better is not access a larger amount of money, but adjust and re-organize into new structures**.

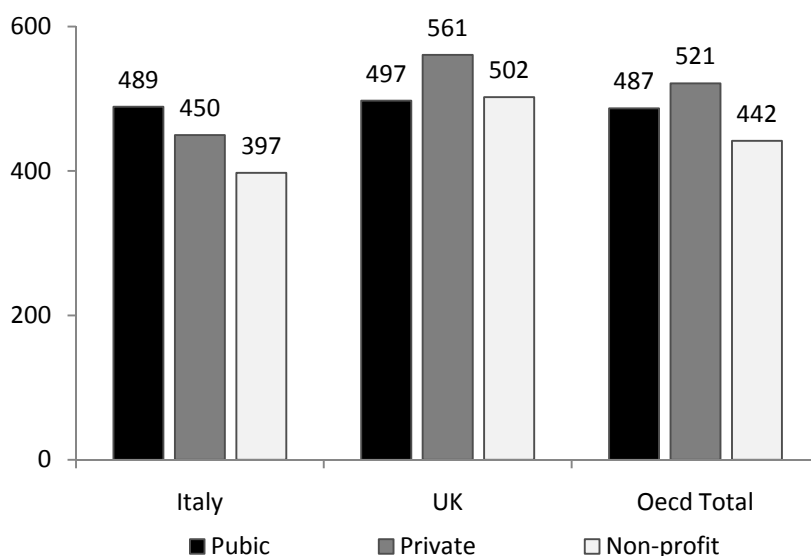
5. Questioning the mantras: How civil is civil society? Is decentralization always better?

The Leviathan is, therefore, not any longer capable to deliver its promises and this is going to make the very social contract falter and erode fundamental public nets webbing societies within states. Years of reforms of public administrations have not been able to modify the trend: we now need something more. We need to question the very allocation of power to a certain administration: the responsibility of a certain policy and the resources that are attached to it should only (as much as possible) go to the organization that will prove to be more efficient and more effective, with the lowest possible cost to citizens.

For years, the response of many has been the privatization of public services. For others, more recently, the real alternative comes from a so called third, not for profit sector. Private firms were supposed to work better due to financial incentives and to a clever use of human greed. Voluntary based social entrepreneurs were instead expected to be able to leverage on higher motivations and, on the opposite side of private firms, the theoretical absence of greed.

The two ideas can both count on a long history of implementations. Track records, however, do still fail to demonstrate any definitive evidence of the superiority of private or even of no profit organizations in regards to public administrations outcomes. An example comes from the results of the three categories (public, private and no profit) of schools in various countries as recorded by the OECD PISA assessment of skills achieved by fifteen years students.

Graph 5.1: Comparison of Private, Public and Nonprofit school on Pisa assessment (2009).



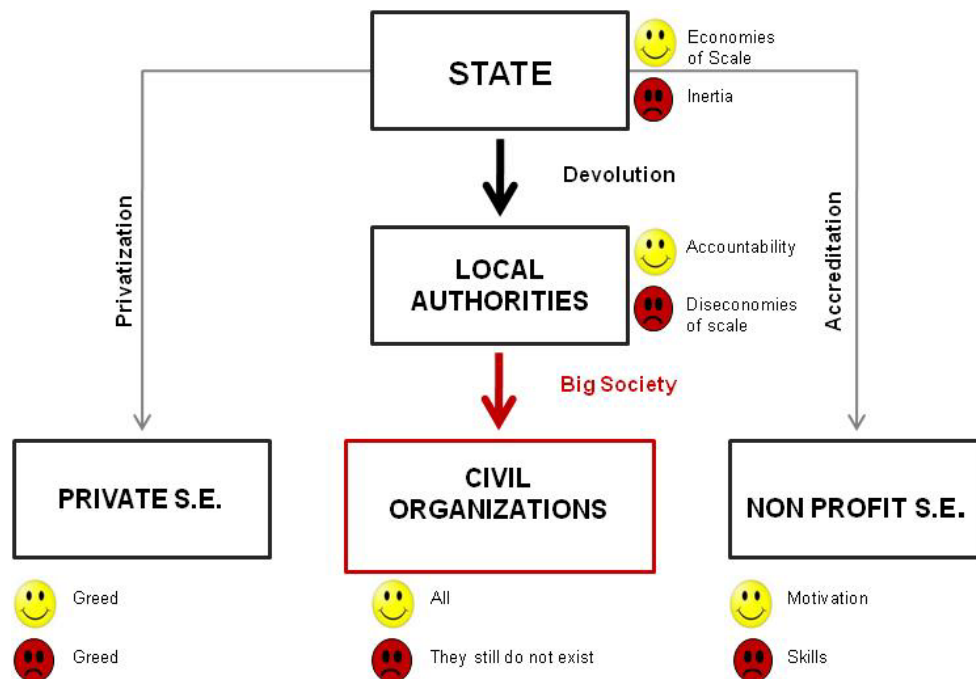
Source: Vision on OECD

The results are mixed at best, and similar ambiguous outcomes are also found if one tries to assess the validity of the other big idea that many have advocated as alternative to the failure of public sector centralization: the devolution of power from the central state to local communities.

No arrangement does, therefore, seem superior to the others. The real solution is, thus, only an institutional framework that is flexible enough so that power and resources are allocated and reallocated on the basis of the results that each provider of services has concretely achieved.

It is against such a background that the ‘big society’ idea took shape and gathered esteem. As an option which is different from all the ones – mere decentralization, privatization, accreditation of voluntary organizations – that have been tried as tools and failed the test of taming the Leviathan. The five options design a framework where there is none of them which is superior to others (as shown by the competitive advantages and disadvantages that we mentioned) and along whose lines power and resources need to be continuously reallocated looking for efficiency and creativity.

Chart 5.1: Five arrangements for public goods production and delivery



Source: Vision

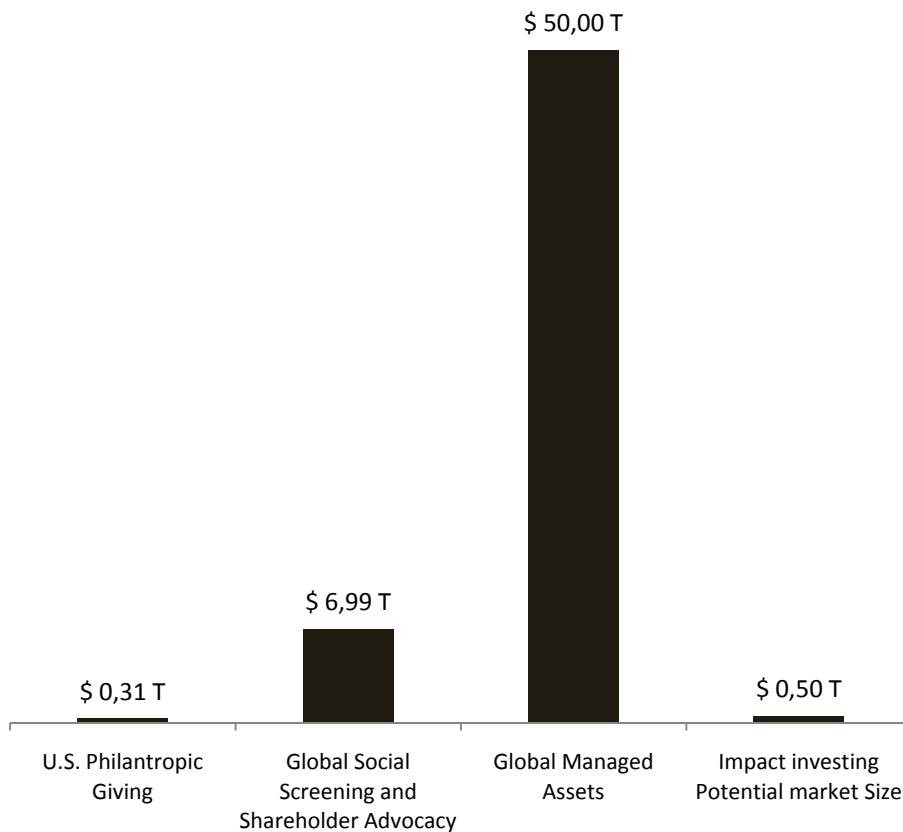
As the chart shows, a brand new organization model – we will elaborate in the next section on the “civil organization”, a product of the big society process – is emerging. It has got the potential to put together many of the strengths and none of the weaknesses of the

others; it has, however, the problem that it does not yet exist and that many questions on its viability still need to be addressed.

According to a study conducted by the investment bank JP Morgan, the big society idea it is not only a powerful mean to get more with less but also an interesting market. In fact, the market of high social impact investments in five strategic sectors – healthcare, education, microfinance, housing, and water supply – could worth in between 400 and 1,000 billion Euro, and make profit for new social investment banks between 200 and 600 billions Euro.

The following chart compare market sizes showing the social impact investing potential.

Graph 5.2: Comparative market sizing (data 2007)



Source: Monitor Institute, *Investing for Social & Environmental Impact. A design for catalyzing an emerging industry*, 2009

On the basis of Monitor Institute’s study,⁶ given the size of today’s screened social investments, it is plausible that in the next 5 to 10 years investing for impact could grow to represent 1% of estimated professionally managed global assets in 2008. That would

⁶ Source: Monitor Institute, *Investing for Social & Environmental Impact. A design for catalyzing an emerging industry*, 2009

create a market of \$500 Billion. This kind of market would supplement philanthropy nearly doubling the amount given in the US today.

6. The Big Society idea and the different adequacy of countries and policies towards the BS objective

As we have discussed in the previous sections, the state is losing trust and market share while, also as a consequence of the economic crisis we are facing, its ability to respond to the increasing citizens' needs is diminishing. That is why in almost all the countries of the world, from China to Great Britain, **policy and opinion makers scream for reforms** (or, better said, in developing countries, for betterment of evolution and performance) **of the state. In other words, they look for a revision of the contract signed with the Leviathan.** Liberals and not only, say that too often an institution that, at least in a democracy, was supposed to be the people's servant, has become their master. **Moreover, the quality of the state we live in does more to determine our well-being than natural resources, culture or religion.**

At the same time, the economic crisis, an important new variable of our times, has changed people's minds. There now seems to be far greater acceptance that government is failing. Voters are more readily prepared to give their leaders leeway to mend it – if these leaders could articulate a seemingly viable and well adjusted plan.

Reform projects are springing up everywhere, taking different names: the German Federal Government published a program called “Modern State – Modern Administration”; in Italy the government is announcing, these days, that it will proceed to a reform of the architectural infrastructure of the state; in UK Tony Blair started speaking of a “post-bureaucratic state” while the evocative name of Big Society, coined by Phillip Blond, emerged with the present government. Everywhere the bottom line is **to foster a larger involvement of citizens in the administration and delivery of public services, either on a paid or voluntary basis.**

A corner stone of this new paradigm, in fact, **is the (re)discovery of volunteering**, and of the “spirit of ancient times”, with Cameroon, in UK, speaking of Burke's “small platoons” and, in the rest of the world, of the traditional, religious and civic involvement in the life of the community. It is not by chance that 2011 is the European year of volunteering and several statistical and research projects have been initiated to better understand and measure this phenomenon.

The table below, elaborated by the European Commission, measures the density of voluntary organizations in some European countries. As we can see, among the strongest European economies, Italy is the only one showing a deplorably low density of such organizations.

Table 6.1: Number and Density of voluntary organizations in some European countries

Country	Number of voluntary of organizations	Year	Density of voluntary organizations
France	1,100,000 associations	n.a	High
Germany	Over 515,000 non-profit organizations and foundations	2007	Medium
Italy	35200 voluntary organizations	2007	Low
Spain	Estimated 270,000 third sector organizations	2002	Medium
U.K.	170,905 voluntary sector organizations	2009	Medium

Source: EC

However, the **“Big Society” idea is intrinsically different from a mere voluntary organization as well as from all other models that we have mentioned.**

In fact, the distinctiveness of the idea is probably best captured by Philipp Blond’s paper on the Ownership State (2009) with the notion of the ‘Civic Organization’. by Civic Organization, the founder of the Vision partner *Respublica* appears to mean **a brand new coalition of a piece of public administration** – the so called **front end workers** that are already dealing day by day with customers (nurses in the hospitals, teachers in the school, policemen patrolling the streets, drivers in buses) – and **a piece of the so called “civil society”** – i.e. the **citizens/ clients that are on the receiving side of the public service process** (and, therefore, are patients and their families in the hospitals, students and parents in the schools, dwellers of neighborhood and passengers using public transportation).

The idea is that their coalition can **combine the skills** of the most productive public employees (in fact, they are expected to be more efficient to respond to the demand that they must immediately handle) **and the motivations** of the people who have most interest in the highest possible quality (the users of the services). Such a construction would, therefore, avoid the competitive disadvantage of many voluntary organizations (lack of skills and formal incentives) and of many private firms (insufficient motivations) and would respond to the inertia that is killing the Leviathan and the inefficiencies of some decentralizations.

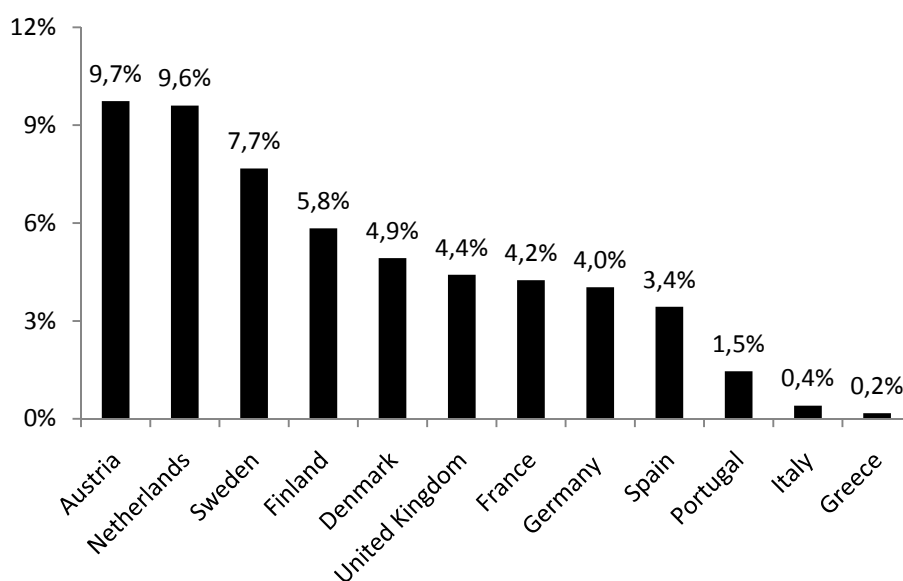
Can it work? The next section will provide a possible conceptualization of the big political, managerial and financial questions we still need to answer – more with successful experimentations than with theories – before big society can really move from concept to practice..

However, in the meantime, it is worthwhile to establish one more *criterium* to go ahead with the investigation of how to use the big society model to tame the Leviathan: in fact, the answers we will provide will greatly differ amongst policies and amongst countries.

As an example of the different **big society readiness** of different countries vis a vis the adoption of these long term adjustment processes, one can observe the difference in the percentage of work that is dedicated to voluntary work. Civic organization will be, as we just saw, different from a replica of a mere no profit organization and yet the number of citizens who are willing to enter into this coalition with front end workers by investing their time, is a condition of viability.

Differences between Nordic and Southern European countries are very large. Voluntary hours are equivalent, in FTE, to more than 9% of the working hours in Austria and the Netherlands and to between 4% and 8% in Germany, France, UK, Denmark, Finland and Sweden. In the Iberian Peninsula we stay between 1,5% and 4% while in Italy and Greece the rate is well below 1%, being respectively 0,4% and 0,2%. This can be probably partly justified by the “family-oriented” tradition of Southern countries, where families, more than civil society organizations, provide the services that integrate and complement the state’s offer. However, the statistics are clearly sobering and significant in our opinion.

Graph 6.1: FTE Volunteers on Total FTE employees.



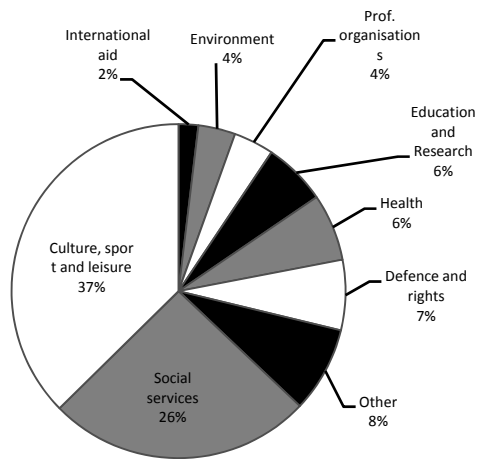
Source: Vision on EC and Eurostat data

Differences also exist in terms of adequacies of different policies towards such a transformation. As the pie charts below portray, **volunteers are especially active in some areas in which the state starts to have difficulty in delivering high-quality services as culture, social services, education and health.**

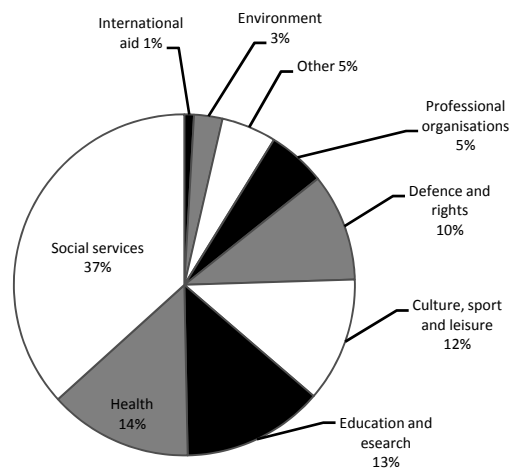
The situation also seems different between the US and Europe. A comparison between the data in graph 6.2 and graph 2.3 shows that the US benefits from more readily available potential also in healthcare and education, whereas this is less the case in Europe where the most obvious chances appear to exist in the management and exploitation of cultural heritage.

Graph 6.2: Areas of volunteering in Occidental Europe and USA

EU 15



USA



Source: Vision's elaboration on Edith Archambault, *Le bénévolat en France et en Europe*

The **European social innovation index**, a complementary Vision project aimed directly at untangling this phenomena, is meant to account for differences across countries and policies in a systematic way. **It aims to measure how big is, and could possibly become, social innovation across countries and policies, to understand how big is the size of social entrepreneurs, how far do they fit with the definition of big society, and thus, how far they imply innovation in organizational models and institutional settings.**

Differences in performance amongst administrations and institutions, variances in both institutional capabilities and structural features amongst countries, different readiness for citizens to take responsibility to deliver amongst policies, make, however, general discourses on 'big society' useful for framing the concept and yet too general to have practical consequences.

7. The Big Questions on Big Society

A synthesis of the main messages that this paper puts forward for further debate could be summarized as follows: **the state, meant as that particular construction that we have called for years “nation state”, appears – in Europe and broadly elsewhere in the developed world – not to be able to deliver any longer the public goods it is expected to, although the demand for such goods is constantly increasing and will continue to be so in the foreseeable future.**

The recent twin crisis of employment and public finance in Europe, Japan and the US makes the necessity to find viable solutions and alternatives even more urgent; the growing dissatisfaction of citizens not only with the quality of the public services but also with the legitimacy of “somebody deciding for them”, risks to gradually compromise the “social contract” and even the basic trust into the very notion of democracy and of being part of a community. Tremendous differences in performance exist, however, if one compares public administrations’ efficiency and effectiveness (capability to reach targeted citizens across countries, policies, institutional levels, population segments, state versus non state actors).

This calls for institutional frameworks which are radically different from the ones that we have today, where power and resources are distributed more effectively in ways which are meant to be more stable in time and more uniform across different areas. This opens **considerable possibilities to a much more differentiated and creative layout and inter-connection of providers of public goods, where coalitions of citizens – together with front end workers - may decide to take back to their level a fraction of what was entrusted to the state, and become much more directly involved in the creation of the public good they need.**

Big society is not, therefore, just a buzz word. It is a possible response to a problem which is real and pressing in every community, in every *demos*. And it is based on an intuition whose consequences are far reaching not only for the size of the public administration, its delivery mechanisms and level of accountability, but also on fundamental questions like taxation, (political) representation, validity of reforms and approaches to change, social contract, and substance and forms of citizenship.

This paper is meant as a guiding contribution towards the development of a framework of “things to do” that countries like Italy or UK - by possibly knowledge and experience sharing - need to seriously ponder upon and struggle with in order to unfold the potential of an idea which is still in its infancy.

We, in fact, believe that **big society will need clarifications on several essential questions that only a public, lively, not only for experts, interactive debate can provide.** The conference that will take as starting base this concept paper is meant to provide a

nurturing medium to better address and further elaborate some of the key points teased out by our analytical effort.

1. *The novelty of the idea:*

What should we mean by “big society”? Which are the differences, if any, between David Cameron’s idea and the *communitarianism* of the *New Labour*? What makes “big society” new from both just moving away activities from public sector to private for profit firms (privatization or outsourcing of various kinds that flourished since the seventies) and to not for profit charities (which is something that has even got, in countries like Italy, a tradition that dates back to the industrial revolution)?

2. *The paradox of the Leviathan:*

Although significant currents of thought have strongly argued for years to make the state smaller, the numbers say that the state has become in fact ever bigger. What could account for the paradox? Could the establishment of certain simple, pre-defined, non-cheatable quantitative country or policy wide targets help to bridge rhetoric and reality?

3. *The assessment of discontinuities:*

How large is the role that the Internet is playing in terms of lowering the barrier to entry in the “market” of producing and delivering public goods and, thus, making less important economies of scale? Are the current (and probably structural) developed countries’ twin crisis of public finance and unemployment a window of opportunity, or a danger to fall further towards ineffectiveness given the increasing burdens?

4. *The conflict of interest:*

Big society is likely to mean ‘smaller’ states; ‘smaller’ states also logically may mean ‘smaller’ politics. If this is true, is it realistic that such a process be undertaken by an actor (the state but also the public administration) that has a direct conflict of interest (nobody would ever accept to voluntarily become smaller and less influential in the order of things)?

5. *The question of the decision maker:*

To whom should we allocate the power to decide from and to whom, when and where, should a certain policy in a certain area be allocated to a non-state organization? Who should select the organization and through which mechanisms (of accountability, quality, access to everybody, etc.) to which public services should be delegated? To whom should the right to call back activities be allocated and through which mechanisms discontinuity may take place constructively?

6. *The issue of money:*

Through which mechanisms should we reward the new social entrepreneurs? How could we link their remuneration to results, and how will the approach to measure value and define the return to the delivering organization differ across policies? Within which domains and polices could we best experiment these forms of “social success fee”?

7. *The issue of taxation:*

How will savings for the state be translated into reduction of taxes? Through which mechanisms will the savings be measured? How could and should they be distributed between reductions of consolidated debt and reduction of taxes? And should the latter be allocated to different categories of tax payers?

8. *The implications for institutions and for politics:*

If we agree that big society is much more than simply reallocation of public services, at least two big implications follow: What does big society bring to the table within the very approach to devolution and fiscal federalism reforms? How could we design flexible institutional layouts so that powers and resources are unevenly and continuously redistributed from less to more productive producers of public goods? How big are the implications of “individual responsibility” within the very approach to politics locally and globally? How could we constructively and effectively redirect the political discourse from the “I will” paradigm to “We can”, if this is a cultural pre-condition for society to become bigger, stronger, and the state less intrusive, for everyone’s benefit?

A public debate meant to find responses and next steps to the above questions appears indispensable for the viability of a social contract that may even survive the end of the Leviathan which has dominated European history for five centuries. This is the objective of the new practice on European big society that Vision will develop in the coming years.

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Annex: Programmes for volunteering in Europe (national and regional level)

	National	Regional/local
France	25 measures were adopted by the Prime Minister in 2006, which are structured around three types of action: promotion and awareness raising, support and accompaniment, and strengthening legal and financial certainty. In 2003 'Youth Policies 2003' was established, a programme that promotes youth volunteering in holiday and leisure centres. In 2002, the programme 'Envie d'agir' launched by the Ministry of youth, Education and Research was meant to promote involvement among youngsters.	At regional level, the decentralised state services ensure the local implementation of the policies promoting volunteering adopted at national level. In addition, the collectivités territoriales (regions, departments, communes) can have their own policies to promote volunteering, which often coincide with the objectives set at national level. Regions are in particular supporting the training of <i>benevoles</i> .
Germany	Initiative for Civic Involvement 'Together-for one other'. Focuses on providing greater clarity and structure in volunteering-related information and promoting voluntary organisations. Voluntary Year Of Social Service. Voluntary Year of Ecological Service; 'Towards the world' initiative focused at young people between 18 and 28; The Week of Civic Engagement; Social Day; 'Pro Ehrenamt' award, launched by the German Olympic Sports Federation; JUGEND HILFT (Youth helps);	There are a wide range of programmes at regional and local levels. Examples are presented below. In Baden-Wuerttemberg a yearly competition entitled 'Really Good' (Echt gut) has taken place since 2003. Bavaria has supported, since 2002, the Landesnetzwerk BE', a non-governmental network of voluntary agencies, mothers' and family centres and senior offices aimed at supporting joint voluntary actions. The 'kiezlkicker' initiative ('Football in Your Neighbourhood') was launched to make more opportunities available for young children to play football in their neighbourhood. The 'Card Voluntary Activities' ('Ehrenamtskarte') is offered by the Hessen region to persons who volunteer at least 5 hours each week.
Italy	National civic service	Development of various programmes by regions and communes. Regions can create their own legislative framework concerning volunteering activities. E. Lombardia- Law 14 February 2008- unique text on regional laws in relation to volunteering, social cooperation, associationism and mutual assistance society- platform created by the region to facilitate interaction between voluntary organisations and private companies.

Spain	Annual National Congress of Volunteering International Day of Volunteers.	Some autonomous Communities have also developed their own regional plans for volunteering, which develop and adapt the lines of the national plan according to their own regional needs. At local level the city councils develop their own plans on volunteering, which follow the framework of regional plans.
UK	The Millennium Volunteers programme in Northern Ireland, Wales and Scotland. In England the Millennium Volunteers (MV) has been replaced by 'Vinvolved', and is tasked with reaching a target of one million new volunteers by 2010.	Across the UK, there are excellent examples of programmes and initiatives being implemented at regional and local level. For example the North West Network has launched a number of projects designed to support the voluntary programmes for coaching for voluntary managers, a project focusing on self assessment manuals for organisations that involve volunteers. Linked to the North West Network is Oldham Council (local authority). Oldham Council has introduced a number of initiatives designed at promoting volunteering and supporting individuals to participate in volunteering and support for those responsible for managing volunteering.

Source: EC