

The 'Economy of Communion': a case study of business and civil society in partnership for change

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The role of Northern-based civil society organisations has undergone dramatic changes in recent years. In particular, their principal role as 'redistributive' agencies working in the South has come under criticism, leading them to seek new ways of defining their part in eradicating poverty. One widely adopted strategy has been an increasing emphasis on advocacy for social justice, while another is the creation of partnerships with non-state and state actors, including the private sector. Such partnerships raise some difficult questions relating to the underlying values and civic legitimacy of the action, in particular of Northern-based development NGOs. This paper examines the question of partnerships between civil society organisations and business through a case study of the 'Economy of Communion', a global project bringing together small businesses and church-based organisations whose shared aim is that of eradicating poverty.

The changing role of Northern-based organisations

Context

The contribution of Northern-based civil society organisations in the fight against poverty, particularly that of development NGOs, has become more prominent in recent years. This has arisen in part from the steady decline of Official Development Assistance (ODA), as well as from the need to make such assistance more efficient. Northern-based development NGOs have, in many instances, become intermediaries for government and non-government funding. This changing global environment has generated new challenges for NGOs in both North and South, as they attempt to redefine their role as 'agents of social change' (Pearce 1993). NGOs in the North have been trying to break free of the legacy of colonialism and the Cold War that has historically shaped their agenda, tying it into patterns of patronage associated with official aid (Escobar 1995; Fowler 2000:593). They have also had to address deeper questions as to whether their role as deliverers of 'placatory (socio-) economic services' in developing countries has actually played into the hands of a radicalised neo-liberal agenda of globalisation, deepening dependency and absolving governments from their duty (Fowler 2000:591). At the same time, NGOs are faced with the challenge of balancing a new relationship with governments, in terms of strategic partnerships, with the desire to remain

independent (Smillie and Helmich 1999). Around 50 per cent of Northern NGO budgets now come from government funds. As well as generating new and welcome resources, this transformation of funding has generated a high risk of 'public distrust by association' with far-reaching consequences for the long-term independence of NGOs. Maintaining this independence is essential in shoring up civic legitimacy for what they are doing at a time when their modes of governance and accountability are being challenged (Edwards and Hulme 1996). Recent literature and conferences have spelt out the various changes which NGOs need to undertake in order to adapt to this changing global environment and meet the challenges of fostering new forms of international solidarity (Edwards et al. 1999).

Civil society and business enterprise

One dimension of this changing role, on which this paper will focus, is the relationship between civil society organisations and business enterprises. Traditionally the relationship between civil society organisations and the commercial world has been interpreted as an antagonistic one. NGOs have been viewed as espousing values such as solidarity, cooperation, and goodwill as the foundation of their work and acting as the 'conscience' of the commercial world. Market enterprises, on the other hand, have been perceived as the realm of an instrumentalist logic in human relationships, with the profit motive dominating other concerns such as human rights and the environment. NGOs engaged in advocacy work have made substantial gains in pushing the 'corporate responsibility' and 'ethical business' issues right to the top of company agendas, primarily through mobilising public opinion (Zadek 1997). The literature on Corporate Social Responsibility (CSR) has burgeoned in recent years, with numerous multi-stakeholder processes underway to establish the potential, as well as the limitations, of partnerships between business and the community.¹ Throughout the 1990s, numerous high-profile campaigns highlighting the human rights and environmental violations of multinational corporations, such as the actions of Shell in Nigeria, created mounting pressure on the international business community to reform its ways. Although there is still scepticism as to the substance and extent of changes within the corporate sector, there is growing evidence that such issues have begun to be integrated into corporate strategies in a systemic fashion. Throughout the 1990s, moreover, there was a massive growth in corporate philanthropy, demonstrating a new will within the business community to be actively engaged in areas which were traditionally the arena of the NGO community.² However, Korten (1995), among others, has argued forcefully for the continued separation of the work of NGOs, state, and market enterprises on the grounds that collaboration under the guise of 'corporate responsibility' will only further extend the power of large corporations.

While the antagonistic relationship with the private sector has remained a dominant feature within the NGO community, and civil society movements at large, the relationship between markets and NGOs has become somewhat more ambiguous (Davis 1997). The 1990s saw an upsurge in the number of partnerships and joint ventures between NGOs and the business community, blurring the line between the private sector and NGOs. Such partnerships have been fostered by the creation of specialised centres specifically geared to facilitating and researching such joint enterprises. As Davis (1997) illustrates, in some cases partnerships have taken the form of non-charitable subsidiary companies linked to NGOs, designed to cross-subsidise non-profit activities. In other cases, NGOs with business backing have taken on the role of investment banks in developing countries, supporting the initiation and development of 'home-grown and home-owned' enterprises which benefit local communities (Fowler 1998). The assumed barrier between market and non-profit enterprise has gradually begun to break down in many cases, with NGOs working in collaboration with local business entities in order

to generate wealth creation for the poor, which is sustainable in the long term only if it is capable of working according to market principles (Harper and Finnegan 1998). Preliminary research, however, has been inconclusive as to the positive impact that such joint ventures and partnerships can have on poverty alleviation in developing countries.

New frameworks and flashpoints

This changing identity has generated a need to rethink the place of Northern-based civil society organisations, including NGOs, within the global political economy and to reassess their role in poverty alleviation. The emerging relationship with the private sector is ambiguous, both in terms of the value-base of NGO culture and in terms of actual operational partnerships. Such a relationship does not sit easily with the dominant notion of NGOs as a 'third' or 'voluntary sector'. There is still resistance to market mechanisms and the adoption of market-based ideas within NGOs, with many seeing this as a 'slippery slope' to the abandonment of basic ideals and principles that are not compatible with such a logic. Many NGOs still regard their role as one of providing a 'safety net' for the fallout from the market and the state, though this view is widely contested (Uphoff 1993). On the other hand, some see this as an exciting opportunity for those who wish to 'co-opt' the benefits of the market system and use them to their own advantage, recognising that new forms of cooperation must emerge from within the existing market paradigm. Traditional NGOs are seen as a 'moment in history' and radically in need of new ideas if they are to survive in the new globalised environment and have a lasting impact on poverty alleviation (Fowler 2000; Smillie 1995).

Several possible new frameworks have been suggested for articulating this new relationship. Fowler (2000), in particular, suggests that development NGOs need to adopt the paradigm of social entrepreneurship or civic innovators in order to express this new role. Social entrepreneurship, in his view, is characterised by 'the creation of viable (socio-) economic structures, relations, institutions, organisations and practices that yield and sustain social benefits' (p. 649). In other words, he reconceptualises the role of the development NGO as one of underwriting the creation of new social enterprises that not only provide profit for their owners but also constitute a real social benefit for the communities in which they are situated. Civic innovation, on the other hand, involves 'the creation of new or modification of existing conventions, structures, relations, institutions, organisations and practices for civic benefit demonstrated by ongoing, self-willed citizen engagement and support'. These types of action, in Fowler's view, should distinguish themselves from both commercial entrepreneurship and public welfare in their intention to generate a social good without relying on the redistribution of a profit or access to tax-derived subsidy. These frameworks offer a new model for engagement in resolving poverty: the so-called 'non-profit-for-profit' model. The function of 'underwriting' would involve generating and sustaining the value-base of 'social capital' underpinning such activities. It would also involve financial support—underwriting the risk of such an enterprise where such provision was not available.

The kind of organisation envisioned by Fowler moves beyond the traditional concept of development NGOs. He is pointing the way to a new form of socio-economic organisation in which blunt distinctions between 'market' and 'voluntary sector' become increasingly blurred. His view is that such organisations would be characterised, above all, by their value-base and their capacity to demonstrate clear social benefits within the paradigm of market exchange. In a sense they would occupy a 'fourth position' which is neither voluntary, in the sense of 'third sector', nor market, nor state. Rather, they would draw on expertise and best practice familiar to the business world, making them attractive to investors, but at the same time use this capacity directly to benefit those most disadvantaged by the current economic system.

According to Fowler, such organisations should focus precisely on becoming ‘value-based’ organisations with the primary task of ‘rebalanc[ing] the competitive and cooperative rationalities that motivate human agency’ (Fowler 2000:594).

In many respects, the kinds of value-based organisations which Fowler is describing fulfil the traditional role of churches and other religious groupings in their capacity to generate patterns of local civic innovation through advocating a ‘change of heart’ (rebalancing the ‘competitive and cooperative rationalities’) and fostering community spirit. Most Northern NGOs originated from such institutions, many of which have been in decline, especially in the West. Moreover, institutions of this kind have not generally had a positive view of engagement in market enterprise. Throughout the 1990s, however, many such institutions have seen a revival, especially in Latin America, in the form of movements articulating alternatives to the dominant capitalist vision (Escobar and Alvarez 1992; Green 1996; Kirk 1995). Such movements, like the Economy of Communion (Econômia de Comunhão, EOC) discussed below, foster the creation of new alliances between the business community, existing NGOs, and global community networks founded on strong moral principles. Such partnerships present innovative strategies for overcoming some of the problems outlined above and effectively eradicating poverty.

Case study: the ‘Economy of Communion’³

The EOC’s mission

The EOC is an example of the new interface between business, NGOs, and religious organisations to have emerged in recent years (Bruni 2002; Gold 2001). The EOC, as a project, shares many of the objectives of traditional development NGOs—such as poverty alleviation and promoting sustainable development through international cooperation—but fulfils them in a very different way. The project was first set up in São Paulo, Brazil, in 1991 by the Focolare Movement, a Catholic-based inter-religious movement numbering around five million adherents that works for greater dialogue and social integration at all levels of society. Founded in the 1940s, it now involves 764 small and medium-sized businesses in 34 countries in profit redistribution and technological exchange in favour of the poor in developing countries. Since the 1960s, the Focolare has been an umbrella organisation for a number of local, regional, and international NGOs working to eradicate poverty on different levels.⁴ The vast majority of the ‘micro-projects’ initiated through the Focolare are informal, are supported locally and form an integral part of community life.

Central to the ethos of solidarity underpinning the Focolare is the idea of building relationships based on communion, emphasising the importance of overcoming material inequalities principally through radical sharing (Bruni 2002; Focolare 2001; Lubich 2001). This ethos, based to a large extent on voluntaristic attitudes and motivations called a ‘culture of giving’, is at the foundation of all the Focolare’s work. Its focus, therefore, is not on poverty alleviation per se but on building relationships based on mutual care and solidarity, which also involves addressing financial poverty. The main source of funding for the Focolare’s poverty work has traditionally come from private donations from its membership, with a limited amount of finance from government agencies in various countries. The evolution of its poverty work has grown up mainly around the private initiatives of individuals in their own poor communities, such as those of Magnificat in Brazil and Bukas Palad in the Philippines. This indigenous-led work, supported when necessary through external financial and other resources (such as volunteers, expertise, logistical support) from the global Focolare community, has led to the development of an ‘organic’ network of projects based almost entirely on the stated need

of local communities, expressed through their representatives. In many ways, it is a pattern of development consistent with the 'civic innovator' idea.

The work of the Focolare in the fight against poverty took on a new emphasis in the early 1990s. During a visit to the Brazilian city of São Paulo, its founder, Chiara Lubich, realised the extent of the inequality which also existed among those immediately connected to the Focolare Movement. During her stay, she launched the idea of increasing contributions through the creation of businesses. The proposed businesses would be run by people who shared the Focolare ethos, and hence according to social and environmental principles, and would share their profits in three parts. The first part would be reinvested in the business, the second would be for the poor, and the third would help to sustain projects for the creation of a new ethos of sharing. Some of the businesses envisaged would be situated in purpose-built business parks near the 25 Focolare villages throughout the world. In the course of the past ten years, 764 small and medium-sized firms have become EOC businesses: 246 are in Italy (where the Focolare originated), 232 are in the rest of Europe, including 60 in Eastern Europe, 176 are in Latin America, 45 in North America, 36 in Asia, 15 in Australia, nine in Africa, and two in the Middle East. The majority are small businesses, but ten have over 100 employees.

Business parks

One important element of the EOC has been the setting up of purpose-built business parks to support a number of the businesses. The first, Spartaco, was set up near São Paulo immediately following the launch of the EOC in 1992. It was established by a group of entrepreneurs linked to the Focolare Movement who wanted to participate in the project and recognised that much could be gained from a common approach. Funding was generated initially through the creation of a public limited company, ESPRI, which bought the land, created the infrastructure, and then rented out the lots to prospective EOC companies. Of the 3300 shareholders in this company, most are members of the Focolare across Brazil. Many are relatively poor, but wish to participate in the project as small investors. There are currently nine businesses located in the business park. Some of the businesses relocated, whereas others opened and were offered start-up incentives such as rent-free periods from ESPRI in the initial stages of their development. Ideas about who may like to set up in the park generally emerge from within the Focolare Movement. Capital has also come through matching those with good business ideas with other people in the Focolare who have capital to invest. In the Spartaco Park, for example, an Italian financier has established an investment fund that aims to support the liquidity of the other EOC businesses. Final decisions on who can set up in the park, however, rest with the ESPRI Board of Directors, most of whom are also EOC entrepreneurs and members of the Focolare.

Other business parks, modelled on the Brazilian park, are currently underway near O'Higgins in Argentina, Loppiano in Tuscany, and at Hyde Park in New York State. In each case, a holding company has been set up to administer the park. Funds have been generated principally through widespread small donations from people who are either involved in the Focolare Movement or sympathise with the aims of the EOC. More recently, however, the involvement of outside agencies, such as UNIDO, has been sought successfully. Such business parks have proved an invaluable resource for the EOC both in terms of their capacity to generate wealth and in their ability to serve as 'exemplars' for the whole of the EOC and beyond. The existence of these parks has facilitated the growth of sectoral and cross-sectoral collaboration within the EOC, on both a regional and an international level (Gold 2000). The parks have also fostered the sharing of skills, knowledge, and technology transfers to developing countries.

Sectoral diversity

Another feature of the EOC is the diversity of businesses participating in the project. One hundred and ninety-four are engaged in productive activities, 161 in commerce, and 327 in the services sector. The businesses involved are engaged in a wide variety of commercial activities ranging from iron and steel foundries to local grocery stores. Prodiel Pharmaceuticals, a Brazilian EOC company, for example, has expanded from four to 50 employees and has increased its turnover 50-fold over the past few years. It has now opened a subsidiary alongside eight other EOC businesses in the business park in São Paulo. In the Philippines, the majority of the shareholders of the Kabayan rural bank participate in the EOC. The bank, which is assisted by a consultancy firm also participating in the project, has moved from being the 123rd to the third largest rural bank in the Philippines in terms of deposits. It has opened eight branches with 150 collaborators. It managed to survive the Asian financial crisis of 1998 thanks to the trust created within and around the business. Another example is that of 23 German entrepreneurs who have set up a development investment fund called Solidar Capital, which aims to promote the setting up and growth of new productive activities in Eastern Europe, the Middle East, and Latin America (Gold 2001).

Profit redistribution

In the 12 years since the EOC started, the profits redistributed through the Focolare globally, though modest, have grown steadily (Bruni 2002). Many of the small businesses started from scratch and have had to reinvest a high proportion of their capital in the expansion and consolidation of their primary activities. Nevertheless, in the past few years the amount redistributed for the EOC has exceeded US\$2.5 million. The profits donated from the businesses are pooled in a central fund which is administered from the Focolare centre in Rome. Decisions on how the funds are distributed, however, are made locally through an annual 'survey of needs' carried out by the Focolare communities in the relevant country. This survey involves weighing up the private needs of individuals and their families connected with the Focolare in the locality against an assessment of the needs of ongoing projects that are not in a position to self-fund. On the basis of this survey, the profits, along with other private contributions, are redistributed annually. So far, an average of 15,000 families are assisted in this way each year, helping to meet some of their basic needs and assisting them in finding employment either with an existing EOC company or through starting their own micro enterprise. Since the Focolare uses pre-existing structures, networks, and meetings to facilitate this redistribution, costly overheads in terms of project management and administration are eliminated (Gold 2000).

Transforming effects on business

The above account of the evolution of the EOC shows that, initially, the intention was that the businesses would produce a surplus that could be used to cross-subsidise the Focolare's work of eradicating poverty. Over time, however, the role of the EOC has become much more than another system of corporate giving, albeit an original one (Zamagni 1999). The network has become a catalyst for internal transformation within the commercial world. A distinctive group of EOC businesspeople has emerged, creating a positive impetus for such change. For those who set up businesses in order to contribute to the EOC project it was natural to adopt certain practices within their business activities that were in accordance with their wider beliefs. Thus, these businesses tended to cluster around certain sectors, such as welfare services and environmental improvement, where the surplus of the enterprise was immediately apparent.

The EOC entrepreneurs felt that this wider objective obliged them to make internal changes in order to fit with the Focolare ethos of solidarity. The pressures to do so were both internal and external. First, making such changes was part of being consistent with their ideals. Pressure from the outside emerged from socialising with those entrepreneurs who had set up businesses specifically for the EOC and through participation in the EOC/Focolare Movement. As the EOC grew, the eyes of the Focolare and wider public continued to scrutinise the activities of the businesses, which in turn drew up a voluntary code of conduct to enable them to monitor their behaviour within the broader framework of the EOC ethos. In this way, the EOC entrepreneurs began to see themselves as agents of social change within the realm of commerce and industry.

A social benefit

The social benefit of many EOC businesses in their own right (and not simply as distributive agents) can be seen in a number of practices. In São Paulo, for example, where the project started, several EOC businesses have emerged in the education sector providing high-quality low-cost services to local communities. For instance, in the case of a primary school near São Paulo, the ethos of the project has facilitated a process whereby the amount paid by each client is established at the point of entry: no child is turned away as a result of the family's inability to pay. At the same time, those who are able to pay facilitate the expansion of the school and help other children in need. The ethos of the EOC permeates every aspect of the curriculum and has transformed the school into an important civic institution within the area. The school has already established several outreach projects (such as the city's first oral history archive and recycling initiatives), increasing the sense of community participation there. Similar practices have also emerged in other EOC businesses, demonstrating a profound integration between the social and economic benefits of this type of activity.

In many ways, the EOC reflects the paradigm of 'social entrepreneur' put forward by Fowler (2000). Those who have started EOC companies have done so in order to respond to a need within their community, but also to contribute to a more global aim of eradicating poverty through contributing their profits to the Focolare's wider poverty work. Through creating quality jobs locally, and sustaining enterprises that also have a social benefit, they have managed to contribute to developing their communities. Although such businesses recognise the need to work efficiently, the competitive rationale is subsumed within a cooperative ethos that emphasises 'win-win' relationships. Within this context, the Focolare plays the role of providing both the value base for the enterprises and a local and international network of contacts. It has also opened up new funding channels.

At the same time, the EOC supersedes the social entrepreneur paradigm in many ways. Fowler foresees that the emergence of such hybrid socio-economic activities should distinguish themselves from other market activities. The EOC businesses, however, do not do this. The emergence of an international network of EOC businesses has nonetheless given rise to discussions over a possible trademark. Such a trademark could represent a means of distinguishing EOC enterprises, creating new possibilities for marketing. The EOC businesspeople have decided against going ahead, at least for the time being, mainly because of their desire to merge with mainstream enterprises rather than to become a niche market for 'ethical' business. They wish to remain alongside other enterprises, but operate according to their ethos of solidarity at every level of commercial activity. In this way, they could open up new avenues of participation within the business community at large and not only within certain specialised sectors such as ethical trading.

The redistributive dimension

The EOC, moreover, retains an important 'redistributive' dimension which the social entrepreneurial model disregards. While redistribution is not regarded as the only dimension of the EOC, within the context of this community-building ethos, the sharing dimension is given a high priority as a means of addressing existing inequalities within the market system. It also has important synergic effects and has an important impact on the internal organisation of the company through explicitly subsuming the 'profit motive' within a more cooperative rationale (Bruni 2002). Such a rationale does not go against the market but uses the existing commercial and productive structures to create new flows of finances towards those most in need around the world.

Rethinking the role of development NGOs

What light does the experience of the EOC shed on the wider debate over partnership between development NGOs and the commercial sector? Development NGOs, as outlined at the beginning of this paper, face a number of challenges as they adapt to a new political and economic climate of globalisation. The EOC shares many of the aims of traditional development NGOs, but addresses these issues in a radically different manner. Its integrated social entrepreneur approach offers some answers to the difficult problems facing development NGOs, including, for instance, that of ensuring local–global leverage in an increasingly competitive voluntary sector (Edwards et al. 1999). In the past, such leverage was connected primarily to having 'people on the ground', for example, through church missions in developing countries. Such networks ensured a fast, efficient, and flexible means of allocating resources in accordance with need. The demise of such networks and the rise of paid development professionals have paradoxically weakened the global–local leverage of many organisations. The EOC has overcome this problem through tying itself to an existing extensive network of local communities with global representation. In this way, the Focolare has been able to set up a system of redistribution and poverty eradication which is guided and monitored at a local level, but coordinated globally. It is global in reach but responsive to the individual needs and aspirations of local communities.

Another issue facing development NGOs is the credibility dilemmas created by working in partnership with governments and big business. The EOC has avoided this through working mainly with numerous small companies and small projects, rather than with big business and large-scale projects. Through dealing with relatively small profit donations, the EOC has been able to create a large capital base independently of big business and government. The underlying principle of being 'poor, but many'⁵ involves recognising that big is not best—at least when it comes to giving. Pooling the resources of many small privately owned and well-managed businesses and putting them at the service of the poor, in fact, has many benefits over accepting a one-off super-donation from a private philanthropist. And, as we have seen above, involving small business enterprises generates synergic effects that go beyond the act of giving itself and begins to transform the underlying structures of the market.

At the same time, through creating a project involving a diverse group of stakeholders, the EOC has also come face to face with the dilemmas and pitfalls of trying to overcome the division between the profit-oriented motivation of the private sector and the aim of building solidarity and alleviating poverty. The lessons that can be drawn from the experience of the EOC over the past 12 years could have a bearing on the ways in which existing NGOs engage with commercial enterprises in the future.

Ensuring that business involvement does not become a liability

The first important lesson that the EOC has learnt is the difficulty, but not the impossibility, of actually making a profit, especially when one is motivated by 'good intentions'. Such intentions are not enough. The high ethical expectations of the Focolare with regard to EOC businesses delayed the realisation of potential profits which could be redistributed to the poor. Also, EOC businesses were unable to make changes to the overarching economic parameters in which they found themselves. Over time, the EOC has managed to overcome this difficulty through initiating its own schools for business formation, which not only present the ideals of the Focolare, but also the basic principles for business administration and management. Recent years have also seen the emergence of a number of independent consultancy organisations that can offer advice on how to put the EOC principles into practice within a business context.⁶

Addressing ambiguity of identity

Another related issue that the EOC has faced in its first decade is what Fowler calls 'sectoral ambiguity' (Fowler 2000:596). In other words, given the high degree of goodwill, as mentioned above, there was a danger that the objectives of business and charity could become muddled in a way that was detrimental to the organisations in question. When the EOC was initially launched in the early 1990s, there was a high degree of confusion over what the main characteristics of the businesses ought to be and where they fitted into the existing picture of private sector, third sector, and so on. While their motivations and values reflected those of the non-profit sector, their aim was also to make a profit, albeit to be shared with those in need. As the project has grown, and its various components have been systematically studied, this ambiguity has lessened and a new identity among the business community has been forged.

Avoiding 'mission creep'

The final lesson is the reality of 'mission creep' (Fowler 2000) when engaging with the commercial world. Despite their good intentions, many of the EOC businesses faced difficult dilemmas in implementing the EOC guidelines and redistributing their profits on a continual basis. Such are the pressures of commercial business that it is difficult to retain a high level of idealism and coherence within the workplace. The Focolare has been very successful in overcoming this problem through its networks of support, which ensure constant contact between the businesses and the spiritual foundations of the movement. It has had to be aware, however, of the fine line between respecting the autonomy of entrepreneurs and imposing a burdensome external pressure. The critical factors here are the underlying values of EOC businesses, based on building community, and the direct link to the Focolare, which provides both the ongoing motivation for the businesses and the practical support and distribution networks for the project itself.

Conclusions

The experience of the EOC demonstrates the powerful, and often unexpected, synergic effects of engagement between civil society organisations with a strong value base, such as the Focolare Movement, and the business community. New forms of partnership aimed at lifting people out of poverty have been created through the application of the Focolare's ethos of solidarity into the sphere of business. Such partnerships use existing networks to

identify need and to ensure the best use of resources. They also demonstrate, however, some of the pitfalls and limitations of this kind of engagement, such as 'mission creep'. The EOC exhibits many of the aspects of social entrepreneurship, which Fowler highlights as the future for development NGOs. At the same time, it retains an important international redistributive dimension. For EOC businesses, the maintenance of a redistributive dimension is an essential factor in their activity, introducing an additional motivational factor in increasing the social and economic good of the enterprise. The desire to redistribute profits beyond the business has a positive effect on the internal structures and strategies of the business itself, thereby initiating a systemic reform of the market structures. Certain practices that could have undermined cooperative relationships were deemed unacceptable in the new EOC climate. Based on the EOC, therefore, one could envisage new forms of collaboration between existing 'global value-based communities', such as religious movements and churches, business, and development NGOs. Such movements could provide new forms of welfare provision, through forging synergies with business communities linked to their ethos and addressing inequalities. The starting point would be to put principles of sharing into practice with those internal to their group on a local, regional, national, and international level.

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Notes

- 1 Important contributions to this field include the work of Jane Nelson et al. (2001) and the NGLS (2002). See also in this present issue of *Development in Practice* Seb Beloe's review of Deborah Leipziger's (2003) *The Corporate Responsibility Code Book*. While acknowledging this literature, debates on CSR are not the principal focus of this paper.
- 2 An example of this is trust funds, such as the Global Fund for Aids, Malaria and TB, set up under the auspices of UN agencies but based on the private contribution of corporations. Other major players include the Bill and Melinda Gates Foundation and the Soros Foundation.
- 3 Also known as 'Economy of Sharing' in some translations.
- 4 The Focolare runs around 1000 social projects, mainly under the auspices of two NGOs: New Humanity and Azione per un Mondo Unito.
- 5 Chiara Lubich, inaugural speech on the EOC at Araceli, Brazil, 29 May 1991.
- 6 One such organisation that has developed management principles in line with the EOC is Unilab, in Italy, which has produced a manual outlining basic principles of a management style in line with the EOC. See Golin and Parolin (2003).

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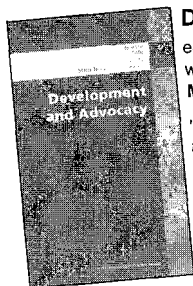
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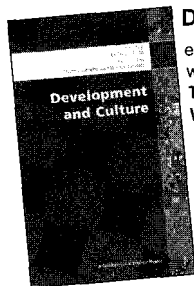
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