

Privatization in Four European Countries: Comparative Studies in Government-Third Sector Relationships, by Ralph M. Kramer, Hakon Lorentzen, Willem B. Melief, Sergio Pasquinelli. (1993). Armonk, NY: M. E. Sharpe. 220 pp. \$63.95, cloth.

Lately, more attention has been drawn to the development of the third sector in different countries. Concepts such as "civil society" and "good governance" make it clear that in a modern society, building a pluralistic institutional structure of mixed public and private providers is needed. Part of this process can be called privatization. Privatization, according to Kramer, Lorentzen, Melief, and Pasquinelli, is the use of nongovernmental organizations for implementing public policy. The book describes this process of privatization in four different European countries.

The authors aim at a dual goal. First, they want to describe from a macro perspective how four different countries use their voluntary sectors to provide services to people with handicaps and the role of these voluntary sectors in the modern welfare state. The second goal is a comparative study on the historic development of privatization in four different countries. As a kind of secondary process, this book also looks into organizations from a micro perspective. The developments in the different organizations—for example, changes in incomes and number of personnel—are described. We think that the authors have managed to meet their stated goals.

Based on empirical research in England, the Netherlands, Italy, and Norway, the authors answer the following four questions:

1. What are the major historical patterns of development in the character and role of the third sector, particularly in its relationship to government?
2. What is the current status of the third sector in the country and how has it been affected by public policy? (For example, why was the third sector more visible during the 1980s than it was during the 1960s?)
3. On the organizational level, what are the major changes in the structure and performance of voluntary and nonprofit organizations serving the disabled and how did these come about?
4. What are the social policy implications for the future of the welfare state?

Empirical data were gathered in the four countries in different types of agencies within the field of people with handicaps. The agencies were mainly advocating and service delivery organizations. Most of the agencies already participated in the earlier Kramer (1981) study, *Voluntary Agencies in the Welfare State*. Being familiar with the Dutch situation, we can say that since then the importance of some organizations changed and other organizations were founded and/or became more important. For example, views on care for

people with mental retardation changed and thus other organizations than the ones described in the book became important. For the data offered in the book, this means that a decrease or an increase in income for the organization therefore does not completely cover different subsidy patterns from government. Explanation can also be found in internal factors within the organization, such as an old-fashioned view of the care for people with handicaps. It might have been prudent to select different organizations for this research.

The book is divided into three parts. The first part consists of a description of the research in the four different countries. This gives the reader a good inside view of the development of four different third sectors. The second part is a comparative analysis of both the organizational and the sectoral data from the four countries. The last part is a summary of the study's implications for social policy and the future of the welfare states in Europe and the United States.

In this review, we do not describe the results of the empirical work in depth. It is worthwhile reading through the empirical chapters, as they give a good impression of the situation in the four European countries. In England, the third sector is characterized by the phrase "statutory alternative." In the Netherlands, it is characterized by institutionalized privatization. In Norway, it is characterized by integrated dependency. And in Italy, it is characterized by unplanned contract state. This book thus discusses cross-cultural differences among different European countries.

Based on the cross-cultural study, the authors compare trends. They suggest that despite the differences in history and sociopolitical contexts, there are more similarities than differences and more continuities than changes since the mid-1970s, that there was a rapid change in the number and type of voluntary organizations, that there was a commonly held belief that the third sector should be used by government as a more economical provider of public services, and that there was a cluster of institutional changes that can be described as modernization.

We could argue that the fact that three of the countries are part of the European Community may well be one reason why they are becoming more alike. Deregulation and more competition are important trends in the whole of the European Union (EU). It is interesting for future research to compare trends to those of other non-EU countries, as Kramer did in his 1981 study by using Sweden and Israel.

On the other hand, one can say that most Western countries, whether EU countries or not, are becoming more complex, dynamic, and diverse. In this world, it is almost impossible for government to govern the society alone. Government must leave room for others to cogovern—to participate in governing. This might also be an explanation for this trend toward privatization, given that third sector organizations do broaden the participation of people in governing processes. It also offers possibilities to cope better with the growing

diversity, not only in racial terms but in every aspect of the society, by creating different organizations. The possibility to offer the right set of norms and values can be an aspect of quality, especially in organizations in the human services sector.

There are, at least in the Netherlands, some other trends that explain the growth of the third sector. A first trend is a change from indirect solidarity to more direct forms in which citizens give money directly to an organization instead of routing it through governmental taxation and government subsidies—something that is quite common in the United States. Yet another trend is the ongoing retreat of governmental regulations in different areas of the society. Instead of having a relatively safe “geographical monopoly,” third sector organizations are facing cross-regional competition too.

Because this can only be a very short resumé of the book, we suggest that anyone interested in a comparative perspective on the third sector read this book. Being Dutch ourselves, we recognized the chapter on the Netherlands as an exact reflection of the Dutch situation. Because we were somewhat familiar with the other countries, we were able to get a good insight into these other countries. This probably is one of the best things about this book: Whether you are (somewhat) familiar with the situation of the third sector in a country or not, the book is interesting to read.

LUCAS C.P.M. MEIJS, SHARON SWEIJRD
FACULTY OF BUSINESS ADMINISTRATION
ERASMUS UNIVERSITY, THE NETHERLANDS

REFERENCE

Kramer, R. M. (1981). *Voluntary agencies in the welfare state*. Berkeley: University of California Press.