Third Sector Research Centre

Discussion Paper C

Lost in Austerity: rethinking the community sector

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Introduction

This paper has been written as a contribution to the process of rethinking the community sector. It aims to be analytical and grounded but it does not purport to be balanced or comprehensive. It is concerned with dominant trends rather than acknowledging all the different strands. It seeks to provoke debate rather than offer a finished analysis.

In Ireland crises are multiple - unemployment, mortgage defaults, banking collapse, social divisions, deepening poverty and diminished public services to list just a few. How should the community sector be responding? The sector itself faces crises, also multiple - funding cuts, threats of cooption by the state and the silencing of dissent.

The first instinct in a crisis is to survive. All energies get re-directed to the task of survival. People and organisations turn in on themselves, go back to what they know best and try to hang on until the crisis has passed. This response crowds out imagination, analysis and innovation. When this happens crisis can only be a threat rather than an opportunity.

The crises do present threats to the community sector. While funding cutbacks threaten its existence, the wider crises pose threats to its purpose and strategy. Crises also offer the necessary opportunity to rethink the community sector and its role. It would be remiss to fail to seize this opportunity.

The survival agenda

Since the onset of the economic crisis in 2008 there has been a constant whittling away of state funding to the community sector. At best this is a reflection of the limited status of the sector with Irish politicians seeing it as expendable and a source of easy savings. At worst it is a reflection of a political hostility to the sector, reflecting a desire to put 'manners' on it whilst at the same time providing minimal funding.

Many community organisations are faced with the task of downsizing and letting staff go. At the same time there are increasing demands on their services as poverty deepens and public services are diminished. Community organisations are faced with rationing or reducing much needed services to people in increasing need. They have to make choices as to who can access the services, who benefits and what becomes the priority. Thus community organizations become one transmission line for delivering austerity at local community level.

The voice of many community organisations has grown cautious. Funding relationships have to be sustained and the state is the core funder for much of the sector. So protest remains unvoiced in the public arena, dissent is diminished and advocacy is limited within careful boundaries. An agenda for survival has taken over.

This has also intensified competition within the sector for diminished funding. Competition for funding is also a competition for status, for media space, for access to decision makers and even for market share in disadvantaged communities. The community sector, already fragmented by its diversity, is further divided by this intensified competition.

Some community organisations have tried to survive by seeking philanthropic funding. These funding sources are few in Ireland. These funders have largely refused to take the place of reducing statutory funding and there is good sense to this position. In some cases, though, the granting of philanthropic funding has been used by the state as an excuse to withdraw its funding and the philanthropists have been strangely silent.

Overall, despite some useful initiatives, philanthropic sources in Ireland have failed to effectively support the community sector in finding a way out of its crises. Philanthropic funding sources have tended to take a more hands on approach with the organisations they fund and the issues they support. They have imposed agendas on community organisations and taken places on their boards. They have set up new organisations that parallel activity already being developed by community organisations. They have cut funding to organisations that hold real promise for a different future for the sector.

The survival agenda within the sector has meant that advocacy by many community organisations now focuses on sustaining much needed services in increasingly disadvantaged communities. Organisations where they have a role as service providers are partly trapped into this agenda. However, at times, this survival advocacy has been reduced to a demand to save the jobs in the sector. As a result, the agenda and voice of much of the sector has had only a limited focus on the wider crises in Ireland and on the quality of the Government responses to these.

The state's agenda for transformation

The Irish state is also talking the language of economic survival, but is actually pursuing an agenda of transformation. The need to balance the books is offered as the rationale for cutting key public services and reducing benefit payments to those living in poverty. Public sector reform has become the banner under which the state withdraws from direct service provision and reduces its role in society. Competitiveness is put forward as the argument to reduce the wages of the low paid and cut benefits to those who are unable to get jobs. Stability is the excuse offered for using public funds to bail out private banks.

This is an agenda for a society based on a dominance of the market, and the needs of so-called entrepreneurs and their demand for profit. This agenda will increase inequality and ensure economic stagnation and diminishing creativity. A new and harsher society will emerge from the crises if this agenda remains unchallenged.

This state agenda is defended with the mantra that there is no alternative but to pursue this agenda. The IMF, the ECB and the European Commission are now supposed to be in control. This hides real choices that are being made by the Irish Government even within the constraints imposed by the requirements of these international organisations.

Politicians are encouraged by commentators to take the 'hard' decisions and to stand up to vested interests. 'Hard' usually means cutting back vital public services and these so-called vested interests are then the groups that experience inequality and poverty. Political unresponsiveness to protest, political acceptance of hardship for the powerless, and political pride in taking the 'hard' decisions have diminished Irish democracy.

The community sector, in failing to move beyond an agenda of survival, runs the risk of rendering itself irrelevant to the challenge of advancing equality and justice in this new context created by the state's transformation agenda. The sector could soon stand accused of no longer being fit for purpose by those it seeks to serve.

Some recent history

The roots of today's community sector lie in local actions to mobilise people who are disadvantaged and who experience inequality and poverty. Community organisations emerged through the recession in the 1980s to provide the space within which individual hardships could become collective interests. They offered the platform from which to articulate these collective interests and the means to agitate for an effective response to these interests.

The agenda for these local organisations was based on the situation of people experiencing inequality and poverty. The skills in these organisations were those of politicising, mobilising and campaigning. Accountability within these organisations was directly to those who experienced poverty and inequality.

Community organisations were also developed at national level. Their power lay in their ability to articulate accurately the concerns of disadvantaged communities and to mobilise local organisations behind their campaigns and policy demands. A range of such organizations can be identified that reflect the diversity of issues and communities and, alongside these, the fragmentation within the sector. They include such as the Irish National Organisation of the Unemployed, the National Women's Council of Ireland, the Irish Traveller Movement and the European Anti-Poverty Network. The community sector developed as a national policy focused lobby.

It sought a closer relationship with decision makers at national level and, in the 1990s economic boom, it was able to bring its agendas into social partnership. Social partnership is the process by which Government engages with employer, trade union, farming and community interests in a policy dialogue on a regular and planned basis.

Opportunities for participation with the state opened up at local level too. Local government reform opened up opportunities for local participation on strategic policy committees and, more specifically, in structures such as Local Traveller Accommodation Coordination Committees. Participation in the processes of a local government that has few functions and limited fund raising powers was not effective. Local development companies were also established with EU funding to address area based disadvantage and participation in these entities was more rewarding.

Divisions grew between those organisations close to or engaged in social partnership and those outside the partnership process. Those inside social partnership saw those outside as irrelevant. Those outside social partnership saw those inside as compromised. Participation within social partnership was weaker for not being linked to protest and agitation outside of social partnership. Indeed, protest and agitation was easily marginalized where it had no means of communication with the decision makers. By allowing these divisions the community sector effectively traded in its source of power.

In becoming a policy lobby the skills base within the sector changed. Policy analysis and policy development skills dominated. The agenda was not set by the experience of local action but out of the knowledge of policy experts. Accountability to those experiencing poverty and inequality became more tenuous as the technical nature of the policy positions developed became more complex. The links of communication and solidarity between national and local levels were diminished as the former focused on policy influence and the latter on direct service provision.

The economic boom times also meant the community sector was able to secure significant new funding, particularly during the early 2000s, to provide services within disadvantaged communities at local level. The sector developed into a significant service provider. Community organisations developed a skills base as employers and service providers to the exclusion of its earlier skills of politicising and mobilising. This new funding was accompanied by a significant bureaucratic workload. Gradually the accountability of community organisations was re-oriented from their local communities to the state and its authorities.

There is an unfortunate parallel in this bureaucratic burden with the practice of Irish philanthropic funding sources. They too demanded an intensive accountability from the organisations they funded and required these organisations to take on business methodologies of planning, managing finances, measuring impact and detailed reporting against pre-set criteria. These demands inevitably distracted organisations from their principal purpose. They also impacted on the nature and culture of the funded organizations as key personnel moved from being activists to being, effectively, managers.

The challenges

The community sector in Ireland now faces a crisis of purpose and capacity. The sector has lost the decision maker audience required for its role of policy analysis and development. It has lost the means necessary to adequately play a role in service provision. The skills it needs to imagine and develop new roles is lacking.

Firstly there is the challenge of imagination – to define a new purpose and to establish an agenda fit for that purpose. Community organisations need to change their primary roles from being a partner of the state or from being a servant of the state. Their primary role for the next period will inevitably be oppositional to the dominant policy positions being pursued by the state.

Organisations need to build and pursue new agendas that are not limited by their specific mandate, that go beyond what they stand *against*, and that establish the broad alternatives which they stand *for*. These new agendas should come from the experience and situation of people living in inequality and poverty. They should hold some resonance for all who espouse values of equality, justice, environmental sustainability and participative democracy.

Academia has an important contribution to make in responding to this challenge of imagination. Academics need to make the learning available that enables organisations to think through the nature of such an oppositional role and to devise effective alternatives to austerity policies being pursued by Government.

Secondly there is the challenge of organising – to identify and establish the institutional structures that are required within the sector to effectively pursue this oppositional purpose. Fluid alliances are

needed across the strict boundaries that have divided community organisations. New relationships of cooperation and collaboration need to be brokered within and beyond the sector. The issues being pursued need to be framed in a manner that enables and gives effect to these new alliances.

The relationship between national level and local level organisations needs to be redeveloped. Agendas at national level should be shaped out of local action on poverty and inequality if they are to have resonance. Local action needs to give expression to analysis and priorities agreed at national level if local opposition is to have the possibility of being part of something greater than the efforts of individual organisations. This linkage requires an investment of time and energy in effective communication, trust building, and resource sharing.

Thirdly there is the challenge of focus – to establish who the sector needs to focus its attention on. The focus of much of the policy work to date has been on the powerful while that of service providers has been on the powerless. An oppositional purpose, a context of political unresponsiveness and a situation where values of equality, justice, environmental sustainability and participative democracy have limited popular traction suggest the focus for the work of the sector must now be on politicising and mobilising the people who are disadvantaged and those with potential to be in solidarity with those experiencing inequality and poverty.

People need to be convinced of these values, of their importance in creating a different type of society out of the current crises, and of their potential to contribute to a resolution to the crises. The key activities for organisations would then be conscientisation and politicisation to secure broad popular support for these values, and mobilisation to demonstrate the demand for Government policy and practice to be based on equality, environmental sustainability and participative democracy.

Conclusion

As noted, the Irish community sector is in crisis. The roots of this crisis for the community sector lie in the times of economic boom, in the decade that preceded 2008. The community sector was increasingly locked into a smothering embrace with the Irish state. Funding largesse turned community organisations into local service providers. Social partnership engaged community organisations in consensus based problem solving with employers, trade unionists, farmers and civil servants.

This crisis for the sector has deepened with the economic collapse that has followed from 2008. The community sector has largely become focused on an agenda of survival. It has failed to transform itself to be better able to advance values of equality, justice, environmental sustainability and participative democracy in the new context of austerity and economic crisis.

The community sector needs to face up to challenges of imagination, organisation and focus if it is to retain a relevance to the current situation in Ireland and to merit the support and engagement of those who experience poverty and inequality.

About the Centre

The third sector provides support and services to millions of people. Whether providing front-line services, making policy or campaigning for change, good quality research is vital for organisations to achieve the best possible impact. The Third Sector Research Centre exists to develop the evidence base on, for and with the third sector in the UK. Working closely with practitioners, policy-makers and other academics, TSRC is undertaking and reviewing research, and making this research widely available. The Centre works in collaboration with the third sector, ensuring its research reflects the realities of those working within it, and helping to build the sector's capacity to use and conduct research.

Below the Radar

This research theme explores the role, function, impact and experiences of small community groups or activists. These include those working at a local level or in communities of interest - such as women's groups or refugee and migrant groups. We are interested in both formal organisations and more informal community activity. The research is informed by a reference group which brings together practitioners from national community networks, policy makers and researchers, as well as others who bring particular perspectives on, for example, rural, gender or black and minority ethnic issues.

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