Erschienen in: Civil Society : Concepts, Challenges, Contexts / Hoelscher, Michael et al. (Hrsg.). - Cham : Springer, 2022. - (Nonprofit and Civil Society Studies). - S. 69-81. - ISBN 978-3-030-98007-8
https://dx.doi.org/10.1007/978-3-030-98008-5_5

Chapter 5
Successful Failure: Functions and Dysfunctions of Civil Society Organizations

Wolfgang Seibel

Abstract Although the crucial role of civil society in both the enrichment of political culture and the enhancement of societal participation is undisputed, normative perspectives on civil society organizations (CSOs) tend to neglect their ambivalence. The very fact that CSOs are operating on a nonprofit basis implies vulnerable resource dependencies, which, in turn, translate into differentiated stakeholder action orientations. Although the ideational action orientation—the commitment to a common purpose—unites the constituent groups, utilitarian action orientations may differ. Board members may be interested in gains in terms of reputation and power as well as in networking as an end in itself rather than strengthening the organization's autonomy through managerial performance. Accordingly, the utilitarian orientation of board members may be incompatible with the action orientation of CSO managers. All this makes CSOs likely candidates for the phenomena of successful failure. Relative failure in the form of underperformance may be tolerated as long as the main stakeholders continue to mobilize resources sufficient for organizational survival. This may be a comparative advantage relative to both private businesses and governmental agencies when it comes to serious societal and political problems that, for various reasons, turn out to be unsolvable but nonetheless need to be addressed somehow without undermining the stability and legitimacy of the institutional core of a democratic polity.

Keywords Successful failure · Nongovernmental organizations (NGOs) · Civil society organizations (CSOs)

W. Seibel (✉)
Department of Politics and Public Administration, University of Konstanz, Konstanz, Germany

The Hertie School, Berlin, Germany
e-mail: wolfgang.seibel@uni-konstanz.de

Konstanzer Online-Publikations-System (KOPS)
URL: http://nbn-resolving.de/urn:nbn:de:bsz:352-2-1l1m8d9t627fb6

5.1 On the Nature of Civil Society Organizations

The notion of civil society organizations (CSOs) refers to the social and organizational sphere between the individual and the constitutional order of the state. Typical examples are voluntary associations, advocacy groups, civic movements, labor unions, charities, consumer organizations, cooperatives, foundations, professional associations, and religious organizations. The role of CSOs is thus not restricted to the political sphere. It is not only about mobilizing and aggregating the will and interests of particular groups in society. Instead, civil society-based organizations such as cooperatives, foundations, charities, or even religious organizations and trade unions also take part in the delivery of goods and services. Many of those goods and services are public in nature in the sense that they are typically not produced by for-profit firms. Cases in point are social services organized by nonprofit charities or private voluntary organizations, education provided by foundations, or cultural institutions in the form of private endowments. The notion of CSOs thus refers to a societal, political, *and* economic sphere of social structure that entails a threefold logic: social integration, mobilization and articulation of political will and interest, and delivery of public goods and services.

Civil society as a *social integrator* is a common phenomenon. We join clubs or voluntary associations not just because of the services they provide but also for the purpose of social bonding. We go to the church or to the mosque not only for the sake of worship but also in order to see or to make friends. We join a sports club not only for health purposes but also for having a chance to chat or to build networks.

Many CSOs have the *mobilization and articulation of political will and interest* as their prime purpose. This holds, for instance, for advocacy groups, issue-specific political initiatives, and movements (e.g., environment protection movements) and for political parties. The richness and density of civil society in terms of mobilization capacity is an important indicator of democratic maturity in a given country. It is primarily this political role of CSOs to which the notion of *nongovernmental organizations* (NGOs) refers.

The *delivery of public goods and services* through CSOs is a common phenomenon in many countries, including well-developed industrialized democracies (cf. Anheier & Seibel, 1990). At the same time, it is here where institutional patterns and cultures differ most in a cross-national perspective. For example, in Scandinavian and many continental European countries, schooling and higher education is the almost exclusive domain of the government, whereas in the United States, the United Kingdom, and countries of the "emerging economies," private schools and private universities are dominant, especially in the elite segment of higher education. Similarly, even in a country like Germany with a strong tradition of a government-controlled welfare state, the core segments of social and health services such as daycare for children and the elderly or hospitals are being provided by CSOs with hundreds and thousands of employees (Anheier & Seibel, 2002). Just as the term "NGOs" has been coined to characterize the political role of CSOs, the term "nonprofit organizations" (NPOs) refers to their service delivery function.

What makes the sphere of CSOs peculiar relative to governmental or private business organizations is that their socially integrative, political, and service delivery roles and functions are almost *inseparably intertwined*. Usually, CSOs have a prime or dominant role that shapes their main purpose and identity. Local initiatives of environmentalists, for example, define themselves primarily as political groups regardless of the social bonding that may take place within their ranks. Nonprofit hospitals, by contrast, define themselves almost exclusively as professional providers of healthcare regardless of the networking that undoubtedly takes place among the members of their board of trustees. Political parties necessarily define themselves as being exclusively committed to the mobilization and articulation of political will and interests but at the same time may be running businesses in the form of publishing companies or even travel agencies.

5.2 Why CSOs at All?

There are two ways of thinking about the "why" of civil society organizations. One is based on the empirical perspective in assessment of why and under what circumstances civil society structures and related organizations emerged historically. The other is based on normative reasoning on the function of civil society, regardless of actual statuses and organizational forms.

5.2.1 The Historical Perspective

In a cross-national perspective, CSOs have a peculiar history in a given country that largely defies generalization. For instance, in many European countries, the emergence of the modern state created a cleavage between the government and the Christian church that had its roots in both power rivalry and competition in the provision of healthcare (hospitals) and education. By contrast, the emergence of civil society in the United States was based on the notion of local democracy and a general mistrust vis-à-vis the government, dating back to the days of colonial rule and the experience of successful mobilization of civic power. However, the struggle for civic freedom and the right of free associational life was also shaping the conflict between the emerging bourgeoisie and the ruling nobility in many European countries. Interestingly enough, France was an exception. There, the revolution of 1789 not only eliminated the political power of the nobility but also suppressed any sort of associations existing between the individual citizen and the state. It was only in 1901 that associations were fully legalized in France.

Although Germany is known for the richness of associational life ranging from local sports clubs to powerful trade unions, donations to charitable organizations and volunteerism are less developed than, for instance, in the United States or the UK. To some extent, this reflects the relative strength of the government as a

provider of public goods and services and the role of the German state as a subsidy giver. After all, German welfare associations such as the Catholic Caritas and the Protestant Diakonie, the social-democratic Arbeiterwohlfahrt, or the German Red Cross (Deutsches Rotes Kreuz, DRK) not only act like state agencies but also are heavily subsidized by the government in various ways. So, ironically, the flipside of a structural strength of civil society in Germany is a certain weakness of civic support. On the other hand, however, the same richness and tradition of CSOs and of cooperative linkages between civil society organizations and governmental agencies enhances the capacity for flexible reaction in terms of increasing demand for public goods and services or effective response to emergencies and crises. The refugee crisis of 2015–2016 is a prominent example. What characterizes the German response to the refugee crisis with an increase of some 500% of refugees and asylum seekers in a single year is a combination of regular governmental activity in cooperation with welfare associations and spontaneous local initiatives.

It comes with the very nature of CSOs—their multiple functions as socially integrating, service-providing, and politically active organizations—that their role in each of the relevant segments remained ambivalent.

- As a socially integrating force, CSOs cannot compete with families or other types of kinship, but they may nonetheless facilitate social bonding as well as informal networking in a manner that neither governmental agencies nor private businesses can organize or stimulate.
- As providers of public goods and services, CSOs may lack professionalism as well as formal standards of control and accountability but may nonetheless fill the gap between individual helplessness and the formality and anonymity of governmental agencies.
- As mobilizers and platforms of political will and interests, CSOs represent an indispensable ingredient of lively democracy, but, as para-constitutional entities, they may also undermine the legitimacy and, thus, the stability of the constitutional democratic polity. As a matter of fact, both communist and fascist movements in the twentieth century gained support and momentum to the extent to which they were able to establish the image of progressive civil society movements as a counter model to the democratic constitutional order that was denounced by communists and fascists alike as being an oppressive system estranged from the life and necessities of ordinary people.

Accordingly, one should refrain from stylizing CSOs as an alternative to democratic government and rule-of-law-based professional administration. Civil society organizations remain a supplement to both private businesses and governmental agencies whose productive impact in terms of civic involvement is dependent on firm linkages to the democratic constitutional order and related requirements of transparency and accountability.

5.2.2 The Normative Perspective

The relevant normative perspectives focus on civil society-based *compensations for government failure* and on *compensations for market or business failure*. Both variants occur again in two versions depending on whether they focus on the *supply side* or on the *demand side* of goods and services or opportunities for social integration and political participation.

Theories of government failure point to the structural disadvantages of the provision of public goods by state agencies such as high costs of decision-making and resource allocation, weak incentives stimulating performance, and lack of sanctions in case of underperformance in public administration, inefficient monopolies, and free-rider risks when it comes to the consumption of public goods and services free of charge.

In quite a similar vein, some theorists focus on the political and administrative dilemmas of democracy. By their very nature, democratic governments have to apply nondemocratic tools to achieve what democratic decision-making imposes. Legislation results from political deliberation and majoritarian decision-making in the parliament, but it is implemented by the hierarchical organization of public administration based on the principle of order and obedience. What results from this, according to some theorists, is a responsiveness gap with respect to the ability to respond to minority demands and actual circumstances. After all, regular public administration is working on the basis of majoritarian decision-making and inelastic standard operating procedures.

In a normative perspective on government failure, therefore, CSOs may compensate for the shortcomings of majoritarian decision-making and rigid implementation through public agencies. According to this strand of the literature, CSOs are prominent candidates for the provision of goods and services that do not enjoy the support of the majority of voters in the democratic process but are in strong demand among minorities.

It is also stated that CSOs, due to their proximity to the individual consumers, which may even include direct participation of consumers in the production and delivery of goods and services, are better equipped than are state agencies to take into account individual needs. Moreover, for-profit businesses also do not take into account direct participation of consumers in the production and delivery of goods and services.

Moreover, nonprofit and/or nongovernmental organizations may mitigate the negative impact of a separation of the consumption and the payment of services (for instance, daycare homes for the elderly where the consumer is not necessarily the one who pays for the service). In this perspective, it is the relative trustworthiness of nonprofit organizations relative to for-profit organizations or participatory structures relative to bureaucratic hierarchy that characterize the advantages of CSOs relative to state agencies.

In contrast to conventional theories on the emergence of a “third sector” between the market and the state, CSOs as providers of quasi-public goods and services have also been characterized as problem nonsolvers and agents of successful failure (Seibel, 1989, 1996). Complex societies in combination with a democratic polity generate more problems than they are able to solve. The resulting risk of losing the legitimacy and stability of the democratic system as such requires institutions that address the relevant problems without actually solving them but, at the same time, are peripheral enough to avoid negative effects that might harm the democratic polity. Successfully failing organizations form a niche in the institutional landscape of rational organizations designed to solve problems as effectively and efficiently as possible, regardless of whether they are governmental or market-driven organizations.

Civil society organizations that satisfy the demand for social integration as well as for political participation are better equipped than are public agencies and private businesses to tolerate low performance. They are thus likely candidates for “successful failure” in the sense that coping with problems rather than solving them is exactly what is required in a situation in which problem pressure exceeds institutional capacities of problem-solving. CSOs may indeed survive not despite but because of permanent failure as long as they create the illusion that “something is being done” in an effort to address problems that can be neither solved nor ignored. In the world of CSOs, successful failure can be tolerated as long as the secondary functions of social integration and political participation remain intact, regardless of the actual performance in terms of service provision and problem-solving.

However, CSO stakeholders have various roles and preferences connected to the very existence and perceived purpose of the organization. In terms of a CSO’s day-to-day operations, four groups typically form the core of responsibility and action: managers, paid staff, board members, and volunteers. Managers have to run the organization, paid staff are supposed to ensure that the service is delivered or action is undertaken, board members are expected to secure access to government funding and to mobilize donations, and volunteers want to support a good cause. Ideally, those purposes and preferences converge. This, however, cannot be taken for granted, which is why the hybrid nature of CSOs and the managerial ambivalence related to it deserve some more attention.

5.3 Hybridity and Managerial Ambivalence of CSOs

In the real world, the boundaries between governmental agencies, private businesses, and CSOs are fluid. This is important in two dimensions, namely, the macro level and the micro level. At the macro level of a given country, the provision of public goods and services is subject to a traditional arrangement or division of labor between the government, private businesses, and CSOs. Scandinavian welfare states, for instance, are more state-centered, and, accordingly, CSOs are less important in the provision of public goods than in Germany or Austria, let alone the

United States. We are, thus, unable to define a particular division of labor between the government, the market, and civil society when it comes to the provision of public goods and services. What we do know, however, is that the existing division of labor between the sectors—governmental, business-like, and civil society-based—has to be taken into account in any attempt to foster and to strengthen CSOs as an important institutional segment in any given society or country.

Moreover, at the micro level, CSOs themselves are subject to overlapping logics and requirements that need to be addressed one way or the other by leading staff and management. To some extent, running a CSO for the sake of effective and efficient service provision is not different from running a private, for-profit business, while in terms of regulation and observance of accountability standards it might not be different from governmental agencies. What makes CSOs peculiar, however, remains their embeddedness in a particular social structure along with a spirit of self-organization and, quite often, political activism. In this sense, CSOs are, by definition, hybrid arrangements whose effective organizational management may be more complex and demanding than running a private business or a public agency precisely because of the variety of overlapping and potentially divergent logics of action.

Dealing with CSOs as a manager, a client, or a partner requires a realistic approach that takes into account their given social and political embeddedness as well as their hybrid nature shaped by various and potentially divergent logics of action (cf. Seibel, 2015). That realism should entail the acknowledgment of the basic structural peculiarities of CSOs and the action orientation of their constituent groups. Those groups themselves belong to the peculiarities since in their particular configuration they do not exist in the public sector or in the private, for-profit sector.

That affects board members, management, staff, and volunteers. The configuration of these groups results from the specific resource dependency of CSOs. Since these organizations are neither part of the state budget (and, thus, not financed by taxpayers' money) nor subject to for-profit entrepreneurial activity, they need to rely not only on management and paid staff but also on board members and volunteers. Board members are instrumental in mobilizing monetary resources through personal networks and personal reputation, whereas volunteers provide their own labor for free. Management and paid staff are obviously two groups that exist in private businesses and public agencies as well. However, in CSOs, it is the management that acts under the necessity to coordinate the various logics of action shaping the existence and identity of a given organization, and staff members may have joined the organization not just because they want to make money but because they are committed to the cause of the organization itself.

This is because board members, management, staff, and volunteers are acting under peculiar conditions known as the not-for-profit principle and the nondistribution constraint. CSOs are not-for-profit businesses and they are subject to state regulation that constrains their ability to set incentives in the form of earnings among individuals such as board members and senior staff who oversee and control the organization. Elevated salaries or bonuses are incompatible with the nonprofit status of a CSO. Therefore, board members, management, staff, and volunteers certainly

have a certain utilitarian orientation—an action orientation based on some sort selfishness—but in the absence of significant monetary incentives, a major motivational force is the ideational orientation connected to the particular purpose of the specific CSO. Most CSOs mobilize their members—board members, management, staff, and volunteers alike—through a spirit based on the notion of "working for the common good" and identification with the organization's charitable or otherwise public-interest purpose.

Accordingly, a realistic approach to the actual management of CSOs has to take into account both the *utilitarian* and the *ideational action orientations* of the organization's constituent groups.

- The *utilitarian* orientation of *board members* is shaped by their interest in reputational gains, building social capital through networking, and maintaining or improving power positions.
- The *utilitarian* orientation of the *managers* running the organization is focused on promoting their individual career and improving their own power position.
- The *utilitarian* orientation of *staff members* focusses on decent payment and work conditions.
- The *utilitarian* orientation of *volunteers* focusses on socializing, bonding, and making sense of idle time.

Those utilitarian orientations notwithstanding, one should take the ideational orientations of those various groups seriously. After all, most of them have alternatives when it comes to functions and jobs, so they do connect some spirit of "working for the common good" or a particular charitable purpose to their specific role within the organization.

- The *ideational* orientation of *board members* otherwise involved in for-profit businesses who become involved in the business of a nonprofit CSO may be connected to the countervailing identity of unselfish altruism.
- The *ideational* orientation of *volunteers* who would otherwise find some other way to spend their time may be connected to enhanced sense-making beyond the boundaries of family life and friendship.
- The *ideational* orientation of *managers* who otherwise would have better career options in either the for-profit world or governmental agencies may be connected to the notion of making organized altruism more effective.
- The *ideational* orientation of rank and file *staff members* may be connected to the feeling of "doing something good" that compensates for the absence of actual career options.

One of the problems faced when actually managing CSOs is that the ideational action orientations of the constituent groups *converge*, whereas the utilitarian action orientations *differ*. The challenge is thus to mobilize the converging ideational action orientations and to prevent or neutralize negative coalitions based on diverging utilitarian action orientations.

Facing this challenge requires a realistic view on both the utilitarian and the ideational action orientations of the various constituent groups, including the orientations of the managers themselves. This realism can be based on a series of premises that follow from the structural peculiarities and presumed action orientations of the constituent groups of CSOs.

The rules that govern CSOs—the nonprofit principle and the nondistribution constraint—strengthen the board members relative to the management. At the same time, they do not affect the divergence of the utilitarian action orientations of those two groups. As an example, board members may be unilaterally interested in gains in terms of reputation and power as well as in networking as an end in itself. By the same token, they may be interested in keeping the nonprofit organization dependent on them rather than strengthening the organization's autonomy. Accordingly, the utilitarian orientation of board members in terms of reputational and power-related gains may be incompatible with the utilitarian orientation of the management in terms of career development and enhancement of power positions.

Staff members and volunteers provide a potential battleground for competing interests of board members and the management since both the utilitarian and the ideational orientations make managers interested in the improvement of organizational performance, if necessary at the expense of all the other constituent groups. If that is the case, both the board and the management will seek allies in an attempt to build winning coalitions in internal power struggles. Board members, in accordance with their own utilitarian orientation, may offer staff members to maintain the status quo. They may do this in reference to the charitable or common-good purpose of the organization even if this is just another attempt to conceal their own utilitarian motives. If board members manage to at least keep the volunteers neutral, they may well win any power competition with the management. By contrast, the management is in control of the most direct positive and negative incentives to staff members, namely, payment and career development. If CSO managers can mobilize the necessary resources for positive utilitarian incentives for staff members in terms of payment and career development, they may be able to form the "winning coalition" that checks the influence of board members.

Given the specific utilitarian and ideational action orientations of the constituent groups of CSOs, an inverted principal–agent relationship could well arise. Conventional principal–agent theory predicts that those in charge of an organization—the "principals"—are interested in high performance of their "agents." Under the condition of a CSO, board members may be defined as "principals," whereas managers are their "agents." It turns out, however, that we have good reasons to assume that the basic assumption of the conventional principal–agent theory does not apply to the conditions under which CSOs work: "principals" (board members) are not necessarily interested in the high performance of their "agents" (managers) since the utilitarian interests of the board members in terms of reputational and power-related gains are satisfied relatively independently from the organization's performance. The interest of the principals in reputational and power-related gains

as well as in networking and social bonding is satisfied through the mere existence of a CSO (as long as the organization is not involved in outright scandals or visible disasters). In fact, high performance of the "agents" (managers) may even be incompatible with the interest of the "principals" (board members) since high managerial performance may make the organization more independent from the principals' influence while strengthening the power of the managers.

An even more differentiated perspective on the role of CSOs and related perceptions and expectations of society as a whole can be achieved when we consider not only board members of the given CSO but also the public at large—in other words, people like you and me—as principals. After all, the public at large has a stake in CSOs as soon as those organizations are the beneficiaries of tax deductions or direct state subsidies at taxpayers' expense. Moreover, we might conceive of a situation in which the overall public is also not interested in CSOs that perform well. One must remember that this might be the case when it comes to definitely or temporarily unsolvable problems that are being dealt with by CSOs without being truly solved. High-performing managers would permanently demonstrate the impossibility of solving those problems, thus confronting society with problems we might rather be inclined to ignore. Standard examples taken from quite stable and prosperous countries with full-fledged welfare states and appropriate infrastructure are mistreatment and abuse of women, persistent substance abuse, and dealing with the mentally ill, among many other problems. Rather than addressing those problems as effectively and efficiently as possible, CSOs may deal with them as permanently failing organizations whose success parameter is the effective insulation of unsolvable problems and the neutralization of their risk to social integration and political legitimacy.

5.4 The Particular Role of International Nongovernmental Organizations (INGOs)

Many CSOs that we spontaneously think of are in fact international nongovernmental organizations (INGOs). Prominent examples are Doctors Without Borders/Médecins Sans Frontières, Amnesty International, Oxfam, Human Rights Watch, World Wildlife Fund, Attac, and Greenpeace. INGOs mushroomed in the course of the last two or three decades; they are today an integral part of what experts and journalists alike call "global governance." It is worth remembering, however, that some INGOs such as the International Committee of the Red Cross (founded 1876) or its equivalent in the Islamic world, the Red Crescent, are much older and play an important role in mitigating conflicts and hardship for millions of people.

INGOs have a consultative status with the United Nations (UN) on the basis of Article 71 of the UN Charter. The UN Committee on Non-Governmental Organizations or the NGO Committee was established as early as 1946 in the framework of the Economic and Social Council (ECOSOC). Back in those days, one of the prime tasks of NGOs was the repatriation of displaced persons in the aftermath

of the Second World War. As a matter of fact, it is today unthinkable to organize humanitarian aid or disaster relief under UN auspices without the massive support of INGOs and the close cooperation between them and both UN bodies and national governments. This is clearly the bright side of INGOs and their activities.

The dim side of INGOs and their role in both international and national politics is the lack of transparency and accountability. Some INGOs are powerful actors able to mobilize not only public opinion but also a large number of activists around the globe without being held accountable for their actions and the consequences of their actions.

When, for instance, the Srebrenica massacre was in the making in early July 1995, Greenpeace had just initiated a worldwide campaign against the resumed nuclear tests of France on the Mururoa atoll in the South Pacific. The Greenpeace campaign dominated front-page news in the print media almost everywhere, especially in Europe (bear in mind that the Internet was virtually nonexistent back then). When the military forces of Serbia and Serbian militias started to massacre the (mostly Muslim) male population of the UN "safe area" (!) Srebrenica on July 12, 1995, media attention in Europe was absorbed by events in the South Pacific, thus largely neglecting a genocide committed in the middle of Europe.

In quite a similar vein, INGOs are rarely challenged when organizing protest rallies that put the physical integrity and even the lives of participants at risk. A sad example is the 27th G8 summit in Genoa, Italy, of 2001, where the INGO Attac called for the deliberate violation of the security perimeter around the conference site, thus provoking the massive (and certainly exaggerated) response of security forces in the course of which dozens of activists were injured and one was shot to death by Italian police forces. Although the question of proportionality of state response to the protests was widely discussed in the critical assessments of the events of Genoa in 2001, the question of responsibility of Attac and other INGOs was virtually never raised.

5.5 Conclusions: Successful Failure of CSOs

In both scholarly and political discourses, CSOs are predominantly portrayed with a positive connotation. There is good reason for this perspective, given the mobilizing effect of civil society that may compensate for the inherent and inevitable deficiencies of state-centered institutions, however democratic their constitutional status. The plurality of interests and values in society is not only and cannot only be organized through political parties and formal political institutions such as the parliament and government. The self-organizing capacity of society is of pivotal importance for the livelihood and richness of actual democracy. Whether or not CSOs are independent from governmental interference, let alone restrictions or repression, remains a key criterion of democracy and its actual quality.

However, the very same independence from the government and the unrestricted spectrum of societal and political values that characterize the world of CSOs may imply that those organizations and initiatives undermine rather than strengthen the democratic political system. This affects three critical dimensions.

- First, hybrid arrangements between CSOs and the state may blur governmental responsibility and thus weaken a fundamental principle of democratic governance. Hybrid arrangements combining civil society-based and governmental organizations may create an opportunity of blame avoidance when it comes to risky decision-making and its consequences. We know from organization studies and investigations into the origins of serious administrative failure that public–private partnerships (PPPs) involving CSOs may dilute clear-cut structures of responsibility and accountability to the detriment of legality and even the protection of physical integrity of citizens.
- Second, CSOs may evolve into powerful contenders of democratic government. Although we may think of positive examples of civil society movements forcing governmental institutions to enhance and improve democratic standards and civil rights (e.g., the civil rights movement in the United States in the 1950s and 1960s or the Solidarność movement in Poland and its trigger effects in Central and Eastern Europe in the 1980s), one should be aware of fateful counterexamples such as the Nazi movement in Germany in the 1920s and early 1930s or present-day right-wing populist movements such as "Pegida" in Germany or neo-fascist groups in Hungary.
- Third, even if the power ambitions of CSOs remain limited, they may preserve nondemocratic values whose relatively isolated and "invisible" nature may emerge as a latent threat of the democratic polity. The racist Ku Klux Klan in the United States, the phenomenon of vigilantism in states with weak security agencies, or "unions" or "societies" with ties to an authoritarian foreign state and its repressive actions are relevant examples.

CSOs cannot replace solid and enduring governmental institutions as the backbone of stable democracy. Their positive impact on the democratic quality of society and government is dependent on cooperative and complementary linkages to the constitutional institutions of government and a commitment to democratic values in the first place.

However, the perspective on CSOs as "problem nonsolvers" as presented above may ironically enough, be helpful and encouraging especially under dire conditions full of unsolvable problems. Rather than paying tribute to a rose-colored vision of civil society and CSOs as a panacea and a compensation for the deficiencies of the market economy and governmental activity, one should acknowledge the enormous variety of organizational logics and performance levels. Whether or not CSOs actually do solve problems or are just dealing with what basically remains an unsolvable problem is an empirical question that defies sound predictions. What is predictable, however, is that CSOs do enhance the institutional coping capacity of society as a whole.

References

Anheier, H. K., & Seibel, W. (Eds.). (1990). *The third sector. Comparative studies of nonprofit-organizations*. Walter de Gruyter.

Anheier, H. K., & Seibel, W. (2002). *The nonprofit sector in Germany: Between state economy and society*. Manchester University Press.

Seibel, W. (1989). The function of mellow weakness. Nonprofit organizations as problem non-solvers. In E. James (Ed.), *The nonprofit sector in international perspective: Studies in comparative culture and policy* (pp. 177–192). Oxford University Press.

Seibel, W. (1996). Successful failure. An alternative view on organizational coping. *American Behavioral Scientist, 39*, 1011–1024.

Seibel, W. (2015). Welfare mixes and hybridity: Analytical and managerial implications. *VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations, 26*, 1759–1768.