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Abstract: In this paper we explore the ways in which partnerships with the state within state-led developmental programs might effect the autonomy of civic organizations and their readiness to enter in political action. We did not find support for the theses that mixing with the state might undermine the autonomy of COs and lead to their political neutralization. Also, we did not find support for the hypotheses that political action is solely about money or it is the property of non autonomous NGOs. We have identified several mechanisms that allow COs to combine participation in partnership projects with maintained autonomy and political activism.

## The Politics of Civic Combinations

Participation of civic organizations in diverse social and developmental partnership projects is one of the fastest growing and, at the same time, one of the most contested forms of institutional experimentation.<sup>1</sup> Described by some as a source of democratic innovation, it is characterized by others as a new form of depoliticization and domination.

The emergence of the diverse forms of developmental partnerships involving civic actors in collaboration with actors from various other organizational fields – including state and market – originates from previous developmental experimentation at the sub-national level. The rapid growth of these developmental partnerships is largely due to a search by national governments, international financial institutions or multilateral development agencies for a third way, or a new way, in order to address developmental problems after the failure of various market-led and state-led developmental programs (Howell, J. and Pearce, J. 2002, Evans, P., 1997). With the goal to induce economic growth, further the development of market institutions or increase social and economic cohesion, the international developmental agencies played a major role in reviving the search for ways to capitalize on the collective problem solving capacities of combined local stakeholders (UNDP, 1993, 1995; World Bank, 1992, 1996; OECD, 1995).

These collaborative forms, and in the first place, the participation of civic organizations in them is highly contested in the literature. Two diametrically opposing views are represented on the issue of the combination of civic organizations with state and market actors in developmental partnerships. For those who write about it supportively, civic combination with diverse state and non-state actors represents an innovative form of institutional experimentation. In their view it allows diverse actors in local societies to combine and address problems of market and state failure<sup>2</sup>. These combinations represent an alternative way of governing collective action among actors from diverse organizational fields having stakes in local social and economic development. The inclusion of civic organizations (COs) in such developmental programs and policy-making is seen from this perspective as empowerment giving room for COs to represent

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<sup>1</sup> For critical overview of the literature on developmental partnerships see Howell, J. and Pearce, J. 2002 and Kaldor, M., Anheier, H., and Glasius, M. 2003

<sup>2</sup> There are several roots of this approach. In economic sociology and the literature on forms of economic governance, the works of Charles Sabel, Wolfgang Streeck and Philippe C. Schmitter influenced most the thinking about the role played by developmental associations or associative action (Sabel, 1993, 1994 and 1996; Streeck and Schmitter, 1985) On linking local associative action and democratic experimentalism in the framework of the concept of ‘directly deliberative poliarchy’ see Sabel and Cohen (Sabel and Cohen, 2000). Another direction that influenced thinking on different developmental partnerships came from the literature on the non-profit sector linking associative action to the production of diverse types of public goods. See the work of Anheier et al, and Powell and Clemes, 1998. On deliberative association in post-socialist transformation see Stark and Bruszt, 1998.

interests, considerations and values that would otherwise be excluded. From this perspective civic combination with state and market actors is seen as a mechanism that allows for decentralized social experimentation and for accommodating a greater diversity of social goals in developmental programs (Sabel, 1993, 1994, 1996, Gerstenberg and Sabel, 2002; Brown et al. 2001; Bruszt and Stark 2003; Stark, Vedres, Bruszt, 2005).

Many others strongly reject these developmental combinations arguing that they are nothing but merely the cost-effective ways of alleviating some of the social and economic side effects of neo-liberal policies, the down-scaling of the welfare state, or of the top down developmental programs<sup>3</sup>. The combination of COs with diverse state and market actors at the domestic and supra-national levels turns them into service organizations, ‘corporatizes’ and depoliticizes them leading to the loss of autonomy. In this approach partnerships with state and business are contrasted with *civic associationism* of a ‘strong and vibrant civil society’ and with *civic political activism* that is the ‘source of dissent, challenge and innovation, a countervailing force to government and the corporate sector’ (Kaldor, M., Anheier, H., and Glasius, M, 2003). If political participation of COs involved in policy making is mentioned, it is described as a means to ‘provide a semblance of democratic legitimacy’ (Anderson, K., 2000). Instead of empowerment, their participation in partnerships with state and/or business is presented as a mechanism of dis-empowerment, and depoliticization in this part of the literature.

Our task in this paper is to study the relationship between closeness to the state and civic autonomy. To do so, we have conducted a survey of 740 of the largest civic associations in three Hungarian regions, allowing us 1) to document the prevalence of their interactions with the state and other non-civic actors charting the varieties these interactions take, and 2) to document the prevalence of various developmental goals and diverse types of political action undertaken by these organizations and to register changes in their goals and political activities. Most importantly, our data allow us 3) to analyze the relationship between these processes as we investigate whether interactions with the state come at the expense of the autonomy of civic organizations: their depoliticizing or their giving up (some of) their goals. Are Hungarian civic associations losing their autonomy just at the moment when they reach out to participate in collaborative developmental projects or are there mechanisms at work that allow collaborative associations with state and other actors outside the civic sector to co-exists with the reproduction of civic autonomy?

These questions are especially important from the viewpoint of the evolution of fledgling civil societies in the Central European new member countries of the European Union. In these countries, the introduction of new European developmental programs led to the rapid increase in the numbers of diverse local and regional developmental partnership

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<sup>3</sup> E.g. Kaldor, M., Anheier, H., and Glasius, M. in their introductory chapter to *Global Civil Society* 2003 subsume these combinations at the supra-national level under the rubric of *new public management* and talk about the ‘basically neo-liberal role NGOs assume in public management manifestations’. See also Kettle, 2000; Chandhoke, 2002; and Perrow, 2001, 2002. For a more balanced critique of NGO participation in partnerships see Howell, J. and Pearce, J. 2002

projects. In Hungary, for example, more than twenty thousands projects were submitted for consideration over the first year of the National Development Plan with around half of them involving civic organizations<sup>4</sup>. In our survey of the projects of the largest regional COs in Hungary we found that nearly two third of the CO projects involved collaboration with actors from diverse organizational fields (state, business, science, education, media, church etc.). In more than half of the projects the partners of COs included at least one (local, regional or national) state actor.

To make the picture more complex, civic organizations in these countries are drawn into partnership projects within a political framework that provides central state agencies with the right to define developmental goals and the ‘best ways’ to achieve them (Bruszt, 2002). To put it differently, in these countries the increasing inclusion of civic organizations in diverse partnership projects goes hand in hand with attempts at (re)centralization and the technocratic de-politicization of regional development. COs are invited primarily to compete (‘tender’) for the right to participate in the *implementation* of the centrally defined developmental programs. They have only weak formal rights to be consulted by the planning authorities and if they want to influence the formation of the developmental programs they will have to engage in political action. But will they? Or do these societies face the forced choice between civic autonomy and mixing with the state?

We test several of these assumptions below about the relationship between closeness to the state and autonomy of the COs. We proceed in three steps starting with the assumption that proximity to the state goes together with loss of autonomy in civil society. First we analyse how the presence of a state partner in CO projects or ongoing activities affects change of goal mix (the number of goals), loss of a goal, and change in political activism. Here, our assumption was that if mixing with the state would result in loss of civic autonomy, we would find a decreasing mix of goals, loss of a goal and decreasing political activism by COs that partner with the state. As we will see below, these expectations have proven to be unsupported by the data. We do find COs that give up goals and that leave political action. But we can not explain these changes with closeness to the state. Just to the contrary, as we will see, decreasing mix of goals, goal loss or political de-activation goes hand in hand with distancing from the state.

In the second step we test three alternative explanations for the loss of autonomy of COs. None of these tests yields affirmative results. Collaborating with business works the similar way as partnering with the state: it does not seem to hurt civic values and goals. Leaving collaboration with other civic organizations or getting out of public by cutting collaborative ties to media organizations *per se* do not account for loss in autonomy. It seems that civic control is maintained through different channels, not primarily through direct partnering with other NGOs or the media.

Here we are interested in the relationship between closeness to the state and the autonomy of COs. We were unable to find a positive answer to the question about the sources of declining CO autonomy, and we could ‘solely’ establish that using our

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<sup>4</sup> Information based on interview in the Ministry of Economy and Trade

measures for CO autonomy we can reject the idea that closeness to the state goes together with diminishing autonomy. We find that decline in the number and diminishing mix of goals and waning political activism goes together with distancing from the state. But do our indicators really measure autonomy? Is it not possible, for example, that just to the contrary, the presence or increase of political activism indicates the loss or the lack of autonomy? In the third step, we relax the assumption that political activism our most important indicator stands for civic autonomy and we test two hypotheses about political activism being just a sign for lost or absent autonomy. First, the reason for political engagement might be that COs ‘go for the money’: political activism can be predicted by prior funding from the state. The second is that not the autonomous COs but the NGOs created by the (local) state engage in political action. Around one third of regional NGOs in Hungary were created not by civic actors but by the local state and we might find that these state created organizations are primarily behind political activism. We test both of these hypotheses: If loss of autonomy or the absence of it has autonomous explanatory power for political action, we cannot reject the assumption of the representatives of the pessimistic view about the negative relationship between closeness to state and organizational autonomy.

We have no reason to assume that only the loss of autonomy or the absence of it can stand behind political activism. In our model accounting for political activism we controlled for several alternative explanations for political activism drawing freely on organizational theories and theories developed on the basis of the study of the political organization of business interests. We find no support for the thesis that political activity is solely about money or that activism would be the property of state made NGOs. We identify several mechanisms that make COs to combine participation in partnership projects with political action.

## **Data**

To identify the relationship between collaboration with the state and civic autonomy we draw on data from a survey of Hungarian regional civic associations that we conducted in 2003 in three ‘statistical regions’<sup>5</sup>. From among the seven ‘statistical regions’, we choose the following three: Western Hungary, the most developed region in Hungary that received the largest share of the FDI from among the different regions; Northern Plain, the one region most hit by the social and economic dislocations of economic transformation in Hungary, and Southern Plain, a region representing roughly the Hungarian average both in the level of economic development and in the types of problems that it faces. Using the database of the Hungarian Statistical Office (HSO) on NGOs in these three regions we compiled a list that ranked non-profit organizations by the size of their budgets. We excluded organizations in the field of sports (e.g., soccer leagues) and leisure time activities (e.g., stamp collectors) as well as foundations whose sole purpose is to support a single organization (e.g., the fund-raising arm of a museum,

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<sup>5</sup> “Statistical regions’ were created in Hungary during the process of preparation for the reception of EU regional development funds. As the name suggests, these ‘regions’ do not have autonomous political representation.

hospital, school, or church). From the remaining list, one third of the organizations are ‘subsidiary’ of the local state: an NGO created by the local government. These organizations were not excluded from the list; their presence in the sample allows us to compare autonomy and political action by COs and ‘subsidiary’ NGOs. We employed students of the Institute of Social and European Studies (ISES) at Daniel Berzsenyi College in Szombathely that has a center of regional studies with a strong track record of empirical research on regional development to administer our survey instrument in face-to-face interviews, typically with the elected president, chief executive officer of the organization, or their deputies. From an initial list of approximately 900 of the largest civic associations in these three ‘regions’ we were able to successfully contact 740 organizations distributed roughly equally among the three ‘regions’.

We took as a unit of our analysis the projects of these organizations. We have asked the representative of the organization to tell how many projects they had during the last two years. If they had more than three projects we have asked them to identify the three most important ones and then we have asked our questions on these projects. If they had three or less then we have asked our questions on these projects. If they had none, we have asked our questions about their ongoing activity.

We defined closeness to the state as active collaboration with at least one type of state agency in developmental projects and/or in the ongoing activities of a CO. We measure state proximity by the presence of a state partner in projects or ongoing activity. Civil society autonomy, with reference to civic organizations was defined as the power to make the rules that govern the internal affairs of the organization. The most important of these internal affairs is setting the goals of the organization. A CO is autonomous to the degree to which it can uphold its own values while selectively taking into account interests of others, making use of diverse external opportunities. We measure civil society autonomy along the following dimensions: change of goal mix (the number of goals), loss of a goal, and change in political activism.

We defined a project combinatory if it had two or more different types of goals and had two or more collaborative partners. For the identification of goals pursued in the projects we have used a list of 22 developmental goals that we took from the Regional Development Plans of these three regions<sup>6</sup>. For each project we have asked whether the furthering of any of these goals was among the goals pursued by the project. For the identification of the partners we have used a list of 15 actors and for each project we have asked which of them have participated in the project<sup>7</sup>.

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<sup>6</sup> The list consisted of various *social goals* (improving health conditions, improving social conditions, improving education, increasing employment, strengthening higher education) *economic goals* (furthering industrial development, furthering agricultural development, development of tourism, development of firm creation, strengthening economic innovation, furthering capital influx in the region) *environmental goals* (improving the quality of environment, optimal use of environmental resources, environmental education) and *general regional goals* (improve transportation within the region, improve internal cohesion in the region, improve external territorial relations of the region, further cross-territorial communication, improving the administrative, political institutions of the region).

<sup>7</sup> The list of actors used in the questionnaire: donors, central government, county self-government, local self-government, Regional Development Council/Regional Development Agency, political party, other

Political activism in general refers to intentional action to bring about social or political change. Activism might be oriented towards diverse social constituencies or towards various authorities, or it might combine both. In the first case COs might try to attain change by trying to alter the way people see specific issues, might try to move them, make them act and attain their active participation in collective action. In the second case we speak of action by COs directed to altering directly or indirectly regulations, laws and/or policies at the different levels of the state. Direct forms of political action include attempts to alter regulations or laws at different levels of the state or lobbying for a policy goal. We have defined as an indirect form of political action attempts to change balance of forces in the area of the activity of the CO.

For the first dimension of political activism, the one oriented towards diverse social constituencies, we have asked questions about the frequency the given CO tries to change the opinion of people, tries to induce their active participation and/or to increase in general bottom up initiative. For the type of political activism oriented towards diverse types of authorities we have asked how often the organization tries to put issues on the political agenda, tries to change regulation at the level of government or the self-government and tries to alter balance of forces in its own area of activity ('never' 'sometimes' often' 'always'). For the identification of project related political action we have separately asked for each project whether it consisted any of the following activities: organization of a demonstration, petitioning, lobbying the parliament, lobbying the central government, lobbying the county self-government and lobbying the local self-government. We found strong correlation between activism oriented towards social constituencies and activism oriented towards authorities: those engaged in one of the types of activism are significantly more likely to do one of the activities that forms part of the other dimension. Because in this paper we discuss the effects of closeness to the state below we will focus on forms of political activism oriented towards the authorities.

As an alternative explanation for political activity we have used embedding in local society. We defined embedding as relations of formal and informal accountability that ties a CO to diverse actors in the local society. We speak of formal accountability when a local CO has to formally report to various local social actors. We speak of informal accountability when a local CO has to take into account the interests of various local actors when making decisions. Among the local social actors we have included members, clients, other domestic NGOs, media and newspapers, trade unions and general public. Because of their increased local activity in Hungary, we have also added foreign NGOs to this list. We have asked for each of these types of actors how often the CO has to report to them and how often has it to take their interests into account when making decisions ('never', 'sometimes', 'often', or 'always').

### **State proximity and autonomy**

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domestic NGO, foreign NGO, international organization, church, media, a business organization, scientific organization and trade union

The assumption in the literature on civil society is that proximity to the state goes together with loss of autonomy in civil society. To evaluate this hypothesis we need to operationalize two concepts: state proximity and civil society autonomy. We measure state proximity by the presence of a state partner in CO projects or ongoing activity. We measure civil society autonomy along the following dimensions: change of goal mix (the number of goals), loss of a goal, and change in political activism. To address dynamics, we only use COs that had at least one projects (that we can compare to ongoing activities, assuming that ongoing activities precede that one project). Since only about half of the organizations engage in projects, we work with cases ranging between 347 to 383, depending on missing responses to the variable under focus.

After operationalizing state proximity and civil society autonomy, the next step in the simplest form is to create a two-by-two table: proximity to the state or no proximity, by autonomy or no autonomy (table 1). (And then logistic regressions are more sophisticated versions of this simple table including controls.)

#### *State proximity and goals*

In this first test we focus on the goals of the organization. Goals represent a fundamental level of organizational autonomy. Resources, regulations, activism are aspects that are influenced by many contingencies, scarcities, or limitations in organizational capacities. Setting goals is somehow prior to these operational steps. We argue that if we find that state proximity leads to the loss of goals, then we capture a fundamental level of losing autonomy.

Table 1. State proximity and goal mix

		Single goal		Total	
		No	Yes		
State proximity	No	Count	76	84	160
		Row %	47.5	52.5	100.0
		Adj. Res.	-2.5	2.5	
	Yes	Count	114	73	187
		Row %	61.0	39.0	100.0
		Adj. Res.	2.5	-2.5	
Total		Count	190	157	347
		Row %	54.8	45.2	100.0

Chi-squared=6.31, p=.012

Table 1 shows that with this first approach we can reject the hypothesis that state proximity goes together with narrower definition of goals. Those NGOs that are proximate to the state are more likely to have multiple goals (a more diversified goal mix).

Why go any further? With this table we don't know if those NGOs that become proximate to the state were different from the state-less NGOs in terms of their goals *before* they became proximate to the state. There are several mechanisms that one can come up with that would predict that goal diversification can lead to state proximity. For example: more diverse goals means that there is a higher likelihood to meet more diverse partners, and so a higher likelihood to meet state actors. Then, it may be that this state partnership makes some of these diversified organizations to drop their goals.

This simple model leaves many questions open. The first and most important is: does state proximity cause loss of autonomy, or does lack of autonomy cause state proximity? Moreover, state proximity and lack of autonomy can arise at the same moment in the case of state created NGOs. This prompts a dynamic analysis: beyond measuring state proximity we should measure tendencies of state proximity (moving towards the state, or away from the state, or staying close, or staying away). Also we need to measure tendencies of autonomy the same way. This allows establishing temporal ordering.

The basic table in this approach is a four-by-four table (table 2).

Table 2 provides further evidence to reject the hypothesis that state proximity leads to the loss of civil society autonomy. According to this hypothesis, an NGO moving towards the state (from having no state partner to having a state partner) should lose the diversity of goals (the goal mix should become less mixed). This does not happen. Move in the direction of the state goes hand in hand with the declining probability to lose goal diversity.

Another expectation is that those NGOs that stay away from the state should be over-represented among those NGOs that maintain a diverse goal mix. This hypothesis is also not supported: the no state-no state sequence is negatively associated with maintaining a mixed goal portfolio (although the statistical association is not significant: the adjusted standardize Pearson residual is -1.5).

The patterns of this table suggest that different processes are at work. Those NGOs that are repeatedly proximate to the state (the state-state sequence) are the most likely to maintain a mixed goal portfolio (with an adjusted standardized residual of 2.6 this is a statistically significant association). Those NGOs that never partner with the state (no state-no state sequence) are statistically more likely to stay single-issue. Approaching the state (no state-state) is associated with a growing (diversifying) mix of goals (adjusted residual of 1.9). While in the state leaving group (state-no state) the most overrepresented category is a simplifying goal mix.

Changing state proximity is related to changing goal portfolio – but completely in the opposite direction that we expected.

Table 2. State proximity dynamics and goal mix change

			Goal-mix change				Total
			1 stays single issue	2 more mix	3 less mix	4 stays mixed	
State proximity dynamics	1 state->state	Count	26	24	26	59	135
		Row %	19.3	17.8	19.3	43.7	100.0
		Adj. Res.	-2.0	-.6	-.3	2.6	
	2 state->no state	Count	12	14	16	19	61
		Row %	19.7	23.0	26.2	31.1	100.0
		Adj. Res.	-1.1	.8	1.3	-.8	
	3 no state->state	Count	16	15	5	16	52
		Row %	30.8	28.8	9.6	30.8	100.0
		Adj. Res.	1.0	1.9	-2.1	-.8	
	4 no state->no state	Count	33	14	23	29	99
		Row %	33.3	14.1	23.2	29.3	100.0
		Adj. Res.	2.2	-1.5	.9	-1.5	
Total		Count	87	67	70	123	347
	Row %	25.1	19.3	20.2	35.4	100.0	

Chi-squared=19.09, p=.024

We tested other aspects of autonomy as well. The first, still about goals, is whether becoming connected to the state means that an NGO drops goals that it had before. This measure is different from the previous. Goal diversity is more robust than any individual goals. An NGO can stay diversified in its goals yet lose one or more goals that it had before. So now we test this more stringent criterion of losing autonomy.

Table 3. State proximity dynamics and goal loss

			Lost a goal		Total
			No	Yes	
State proximity dynamics	1 state->state	Count	102	33	135
		Row %	75.6	24.4	100.0

	Adj. Res.	.9	-.9	
2 state->no state	Count	44	17	61
	Row %	72.1	27.9	100.0
	Adj. Res.	-.2	.2	
3 no state->state	Count	41	11	52
	Row %	78.8	21.2	100.0
	Adj. Res.	1.0	-1.0	
4 no state->no state	Count	66	33	99
	Row %	66.7	33.3	100.0
	Adj. Res.	-1.7	1.7	
Total	Count	253	94	347
	Row %	72.9	27.1	100.0

Chi-squared=3.38, p=.337

Overall there is no significant relationship between state proximity dynamics and losing goals. The direction of the – weak – statistical association is opposite to what we expected. An NGO that become proximate to the state (no state-state) is a little less likely than average to lose a goal. In the whole sample 27.1 percent of the organizations lost a goal between the last two projects. Among those that become proximate to the state only 21.2 percent lost a goal. Among the NGOs with stable state proximity (state-state) 24.4 percent lost a goal. NGOs that exited state proximity (state-no state) were the most likely category to experience goal loss. Exactly one third, 33.3 percent of these NGOs lost a goal.

#### *State proximity and political activism*

After analyzing goals, the next step is to understand actions. The most important kind of action in the context of autonomy is political activism, some kind of contention. This is a critical capacity of civil society, and contention is seen at the highest risk when NGOs establish contacts with the state. Here again we focus on dynamics, changes in state proximity and changes in political activism.

Table 4 presents the results about political activism and state proximity. Overall the statistical association is not significant. If we focus on standardized adjusted residuals, the highest deviation from expected frequencies is that those NGOs that exit state proximity (state-no state) also become more passive (active-passive sequence). This is contrary to the expectation that state proximity will decrease activism. On the other hand, when an NGO becomes proximate to the state (no state-state) then the sequence of political activation (passive-active) is over-represented. Contact with the state goes together with increasing political activism.

Table 4. State proximity dynamics and political activism change

State	1 state->state	Count	Political activism dynamics				Total
			1 active->active	2 active->passive	3 passive->active	4 passive->passive	
			10	10	15	106	141

proximity dynamics						
	Row %	7.1	7.1	10.6	75.2	100.0
	Adj. Res.	.9	-.4	.5	-.6	
2 state->no state	Count	3	10	3	49	65
	Row %	4.6	15.4	4.6	75.4	100.0
	Adj. Res.	-.4	2.5	-1.5	-.3	
3 no state->state	Count	3	4	9	46	62
	Row %	4.8	6.5	14.5	74.2	100.0
	Adj. Res.	-.3	-.4	1.4	-.5	
4 no state->no state	Count	6	6	10	93	115
	Row %	5.2	5.2	8.7	80.9	100.0
	Adj. Res.	-.3	-1.2	-.4	1.2	
Total	Count	22	30	37	294	383
	Row %	5.7	7.8	9.7	76.8	100.0

Chi-squared=10.57, p=.307

We have also used logistic regression models to test the above hypotheses including controlling variables (results not shown here). They also did not provide support for the hypothesis about the negative relationship between state proximity and autonomy. The models we used were overall not significant. In the model we tested loss of goals the only significant coefficient we found was that approximating the state makes it significantly less likely that an organization loses goals. In the model where political activism was the dependent variable we found that organizations that leave the state are more likely to stop being politically active.

### Loss of autonomy – alternative explanations

We found that the dynamics of state proximity is not associated with political activism change in the hypothesized way. We subjected this negative finding to further scrutiny by assessing three alternative hypotheses. The lack of expected statistical association between state proximity, goal loss, and political activism can be attributed to competing forces that de-activate NGOs in the civic and political fields.

One alternative expectation is that commodification of civil society projects lead to de-politicization. According to this expectation as NGOs engage in partnerships with business organizations, they adopt the market regime of worth and think about their activities as marketable services. This framing might be incompatible with their previous goals, and especially political activism, so we expect NGOs to lose their political activism as they start collaborating with business organizations.

A second alternative expectation is about the effects of losing civic control. NGOs often collaborate with other NGOs in their projects. These collaborations can be thought of as

vehicles of collective monitoring, where sanctioning divergence from civic values becomes possible. Once NGOs leave such collaborative projects with other NGOs and engage in projects alone, they might lose civic control, and hence might be more likely to abandon previous goals, and less likely to engage in political activism.

A third alternative explanation for the loss of political activism is about getting out of public – cutting collaborative ties to media organizations. Reputation is an important currency in the NGO world. NGOs that collaborate with media organizations are probably more cautious not to abandon civic goals. We expect that NGOs that move to projects without the participation of media organizations after projects with media partnerships will be more likely to abandon their original goals, and their political activism.

To test these alternative expectations we constructed contingency tables following the same logic that we used in testing the hypothesis about the dynamics of state proximity and change in political activism and the change in goals. Based on the Chi-square tests and Pearson standardized residuals we can reject all three alternative hypotheses.

As NGOs pick up project partnerships with businesses they become significantly more likely to pick up new goals, and thus follow more diverse goals. This is contrary to our expectations. NGOs do not lose their goals when they partner with a business, they do however lose goals when they exit such partnerships. Partnering with businesses does not seem to hurt civic values and goals. We found no statistical association between business partnership and political activism.

NGOs do not lose goals, or become de-politicized as they leave projects with other NGOs and engage in solo projects. It seems that civic control is maintained through different channels, not primarily through co-organized projects.

The presence of media partners in NGO projects does not seem to be associated with goal loss or political de-activation. Again, we need to re-think the nature of publics where civic projects are embedded. The absence of direct media attention does not result in NGO opportunism.

### **Factors of political action**

We found no support for hypotheses about autonomy loss connected to state proximity. Declining number of goals, diminishing mix of goals and waning political activism goes together with distancing from the state. But do our indicators really measure autonomy? Is it not possible, for example, that just to the contrary, the presence or increase of political activism indicates the loss or the lack of autonomy?

We stated that the most important kind of action in the context of autonomy is political activism, some kind of contention. This is a critical capacity of civil society, and contention is seen at the highest risk when NGOs establish contacts with the state. In the

previous analyses we assumed that political action is automatically the sign of civic autonomy. Here we relax this assumption and consider alternative explanations for political action. It might be that political activism is not about autonomy, just to the contrary, it is a sign of the lost, or non-existent autonomy of these organizations.

One possibility that we have considered was that political action was primarily about money: political action might have not much to do with the desire to represent local interests or increase room for decentralized experimentation. By engaging in political action COs ‘go for money’. COs that have applied successfully for central government or local government funds might have strong incentive to try again and they are accordingly more likely to enter in political action – e.g. into lobbying the (local, regional or national) state to frame developmental programs in the ‘right way’. To control for the effect of this factor, we used two variables: whether the CO applied successfully for central government money and (“Money from government”) and whether the CO applied successfully for local state money (Money from local gov.).

A second possibility that we have considered was that it is not the autonomous COs that engage in political action but the NGOs created by the local state. Such ‘subsidiary NGOs’ might be the convenient lobbying arms of the local governments giving a ‘civic’ voice to local alliances trying to influence the central state. To control for this effect we have used questions about the founders of the NGOs and the membership of (local) state actors in the leading bodies of the NGOs. If the (local) state was among the founders of the organizations and/or it was represented on the leading body of the organization we counted the organization as “subsidiary NGO” (“Founded by Local gov.”).

We have tested several alternative explanations for political activism drawing freely on organizational theories and theories developed on the basis of the study of the political organization of business.

One alternative might be that political activism is the effect of local accountability relations: COs deeply embedded in the local society will not lose their autonomy while combining with the state and they are actually pushed into politics. The extensive networks of accountability to local actors (members, clients, other COs, the local public etc.) while preventing regional COs from losing their autonomy, they also push them to pursue their goals both by participating in partnerships and by politicizing the goals and values they represent. This hypothesis draws on and extends the ‘logic of membership’ argument of Schmitter and Streeck: organizational behavior is the function of local roots (characteristics of the accountability to members). To the members we add local organizational embedding standing for characteristics of the accountability to other NGOs and local non-state organizations (Schmitter and Streeck, 1999).

Informal and formal accountability to local social actors means that COs have to take into account the interests of diverse local actors when making decisions and/or they have to report to them. To assess the role of informal and formal accountability we used the following variables in the equations below:

1/the CO has to take into account the interests of members, clients, other domestic NGOs, foreign NGOs, the media/newspapers, the general public and the trade unions

2/ the CO has to formally report to members, clients, other domestic NGOs, foreign NGOs, the media/newspapers, the general public and the trade unions.

We take our second alternative explanation from another co-authored paper of Streeck and Schmitter: a specific pattern of state-NGO relationship pulls NGOs into policy networks and makes them to combine participation in collaborative projects with political action (Streeck and Schmitter, 1985). State actors, according to Streeck and Schmitter might have little incentive to work with non-autonomous COs just to the contrary, they might be in need for contextualized information and guarantees for both responsive policies and smooth implementation. Joint projects with COs are normal political exchanges: state actors have strong incentives to find autonomous partners and local COs are in need for opportunities to pursue their goals. The stronger and more encompassing is the collaboration between state actors and COs the higher is the likelihood that the COs become part of policy networks. It is not closeness to the state *per se* but a specific pattern of interactions between the state and COs that accounts for political activism. Or, to put it simply: political action by COs is the effect of deep integration with state. We test this hypothesis based on the results of a cluster analysis of the different types of interactions between the central state and the local COs (results not shown here). In the equations below we use the cluster of ‘Deep integration’ with gov.’. This is a pattern of interaction with government that combines direct participation of a state actor in the projects of the CO with formal and informal accountability relationships and monetary contribution to the project.

A third explanation might be the size of the CO: larger, more resourceful COs and COs that are not dependent on a small number of sources for money might better afford to engage in political action. In the equations below we used the logarithm of the size of the budget of the CO and the diversity of the sources of CO revenue (Types of monetary sources) to control for their effect.

A fourth explanation might be that goal combination might push COs in political action: COs learn by combining. Pursuing more diverse goals they meet with bigger likelihood more diverse partners and are more likely to discover new combinations of developmental goals and face the limitations of the framing of the developmental programs by the state. This ‘learning through combining’ might push COs to try to alter definitions of developmental goals and/or framing programs and policies more inclusive<sup>8</sup>. We have used Goal mix” standing for COs that combine all three types of goals in their projects to test this hypothesis.

Finally, COs in one region might have different opportunities to enter in political action than in the other. We include variables for Southern Plain and Western Hungary omitting the Northern Plain as the reference category.

Since political activism and partnering happens at the level of projects and ongoing activities, in this part of the analysis we use projects and activities as units of analysis. The number of cases ranges between 1243 and 1279 in the three models.

*Political action: attempt to change regulations*

In the first equation below we used the undertaking of attempts to change regulation at the level of government or self-government as the dependent variable in a logistic regression analysis.

Table 5. Logistic Regression, dependent variable: Try to change regulation at the level of government or self-government

	B	Exp(B)	S. E.	Wald	Sig.
Goal mix	.599**	1.820	.152	15.557	.000
Taking into account:					
Members	.407*	1.502	.206	3.919	.048
Clients	-.091	.913	.182	.251	.616
Domestic NGOs	.161	1.175	.183	.773	.379
Foreign NGOs	.453*	1.574	.205	4.872	.027
Media organizations	.189	1.208	.183	1.068	.301
General public	.350	1.419	.199	3.079	.079
Trade unions	.383	1.467	.316	1.472	.225
Reporting to:					
Members	.397*	1.488	.168	5.619	.018
Clients	.232	1.261	.203	1.298	.254
Domestic NGOs	.013	1.013	.191	.005	.946
Foreign NGOs	.038	1.038	.267	.020	.888
Media organizations	-.154	.858	.215	.509	.476
General public	.267	1.306	.200	1.790	.181
Trade unions	-.369	.691	.402	.845	.358
Logarithm of budget	.590**	1.804	.102	33.125	.000
Types of monetary sources	-.040	.961	.039	1.018	.313
Money from government	.108	1.114	.157	.478	.489
Money from local gov.	.056	1.058	.166	.114	.736
Founded by local gov.	.175	1.191	.171	1.047	.306
Dependent on local gov.	.043	1.044	.176	.059	.807
Deep integration with gov.	.781**	2.184	.218	12.828	.000
Southern Plain	-.167	.846	.163	1.047	.306
Western Hungary	-.482**	.618	.162	8.898	.003
Constant	-3.006**	.049	.466	41.638	.000

N=1243, Nagelkerke R Square .253

This model does not support the hypothesis that political action is about money. The fact that a CO has applied successfully for central government money or for local state money does not predict attempt to change regulation. We also have to reject the hypothesis that subsidiary NGOs are likely to enter in political action.

Goal combination has a significant effect on political action: highly combinatory COs are 1,8 times more likely to try to change regulations of the government or the self-government. Accountability to local actors is another significant and autonomous predictor of political action: COs that have to take into account the interests of their members are 1,5 times more likely to enter in this type of political action. Similar is the effect of the requirement of formal reporting to members. Taking into account the interests of foreign NGOs and of the general public has the same effect.

The effect of the size of budget is also significant. COs with a budget one order of the magnitude greater (we used ten-base logarithm here) are 1,8 times more likely to engage in this type of political action.

COs that are deeply integrated in their interactions with the central government are 2 times more likely to enter in political action. Finally, COs in Western Hungary are significantly less likely to get engaged in political action.

*Political action: Trying to change balance of forces*

In the second equation below we used the undertaking of attempts to try to change balance of forces (in the area of activity of the given CO) as the dependent variable. (Table 6)

As in the equation above, local social relations of accountability matter significantly. COs that have to take into account the interests of their members are 1,8 times more likely to try to alter balance of forces. Similar is the effect of the need to take into account the interests of general public, the interests of trade unions and the requirement to formally report to the general public. Goal combination, on the other hand is not a predictor of this type of political action. COs complaining about excessive dependency on local self-governments are 1.8 times more likely to enter in this type of political action.

This model does not support either the hypothesis that political action is about money. The fact that a CO has applied successfully for central government money or for local state money does not predict attempts to undertake this type of political action. We also have to reject the hypothesis that subsidiary NGOs are likely to enter in this type of political action.

Resources matter significantly: COs with larger budget are 1,2 time more likely to try to alter balance of forces. As above, the COs from Western Hungary are less likely to act.

Table 6. Logistic Regression, dependent variable: Try to alter balance of forces

	B	Exp(B)	S. E.	Wald	Sig.
Goal mix	.216	1.242	.144	2.246	.134
Taking into account:					
Members	.597**	1.817	.198	9.066	.003
Clients	.025	1.025	.177	.020	.889
Domestic NGOs	.203	1.225	.181	1.258	.262
Foreign NGOs	.203	1.225	.199	1.044	.307
Media organizations	-.328	.720	.181	3.294	.070
General public	.539**	1.715	.195	7.626	.006
Trade unions	.669*	1.952	.294	5.181	.023
Reporting to:					
Members	.088	1.092	.162	.293	.588
Clients	.093	1.098	.190	.241	.624
Domestic NGOs	-.087	.917	.183	.226	.635
Foreign NGOs	.179	1.196	.252	.504	.478
Media organizations	-.099	.906	.207	.228	.633
General public	.553**	1.739	.192	8.289	.004
Trade unions	.548	1.730	.428	1.639	.200
Logarithm of budget	.194*	1.214	.098	3.878	.049
Types of monetary sources	-.009	.991	.038	.056	.812
Money from government	.249	1.283	.155	2.578	.108
Money from local gov.	.200	1.221	.161	1.544	.214
Founded by local gov.	-.229	.796	.166	1.897	.168
Dependent on local gov.	.632**	1.882	.179	12.536	.000
Deep integration with gov.	.126	1.134	.198	.405	.525
Southern Plain	.143	1.154	.159	.805	.369
Western Hungary	-.327*	.721	.155	4.430	.035
Constant	-1.850**	.157	.446	17.207	.000

N=1266, Nagelkerke R Square: .212

*Political action: lobbying the central government*

Finally, in the third equation below we used lobbying the central government as the dependent variable. (Table 7.)

It is in this equation that we find autonomous effect for getting money from the government and the local state. Both matter but dramatically differently. Successful application for central government money increases, successful application for local state money significantly decreases the probability of lobbying the central government.

This is, however, not the full picture. High goal combination doubles the probability of lobbying the government. Also, as in the equations above, relations of local accountability are independent predictors of political action: the need to take into account the interests of members, the need to take into account the interests of trade unions and the requirement to report to other domestic NGOs significantly increase the probability of lobbying the government.

Resources also matter: more resourceful COs, or COs that have more diverse portfolio of resources are somewhat more likely to lobby the government.

Finally, deep collaboration of COs with the central government nearly doubles the probability of this type of political action.

Table 7. Logistic Regression, dependent variable: Lobby Government

	B	Exp(B)	S. E.	Wald	Sig.
Goal mix	.718**	2.050	.143	25.274	.000
Taking into account:					
Members	.451*	1.570	.231	3.829	.050
Clients	-.211	.810	.200	1.107	.293
Domestic NGOs	-.031	.970	.195	.025	.874
Foreign NGOs	-.105	.900	.199	.281	.596
Media organizations	-.174	.840	.186	.874	.350
General public	.173	1.188	.213	.658	.417
Trade unions	.592*	1.808	.260	5.205	.023
Reporting to:					
Members	.063	1.065	.178	.125	.724
Clients	-.012	.988	.196	.004	.953
Domestic NGOs	.374*	1.453	.188	3.950	.047
Foreign NGOs	.201	1.223	.234	.740	.390
Media organizations	-.048	.953	.200	.059	.808
General public	-.012	.988	.201	.004	.951
Trade unions	.090	1.095	.341	.070	.791
Logarithm of budget	.245*	1.277	.105	5.468	.019
Types of monetary sources	.089	1.093	.040	4.974	.026
Money from government	.574**	1.775	.170	11.457	.001
Money from local gov.	-.530**	.589	.174	9.311	.002
Founded by local gov.	-.251	.778	.177	2.012	.156
Dependent on local gov.	-.346	.708	.186	3.436	.064
Deep integration with gov.	.679**	1.973	.185	13.528	.000
Southern Plain	-.098	.907	.162	.368	.544
Western Hungary	-.468**	.626	.167	7.869	.005
Constant	-2.954**	.052	.488	36.626	.000

N=1279, Nagelkerke R Square .164

## Conclusions

In this paper we have explored the ways in which partnerships with the state within state-led developmental programs might effect the autonomy of civic organizations and their readiness to enter in political action. We did not find support for the theses that mixing with the state might undermine the autonomy of COs and lead to their political neutralization. Also, we did not find support for the hypotheses that political action is solely about money or it is the property of subsidiary NGOs. We have identified several mechanisms that allow COs to combine participation in partnership projects with maintained political activism.

Based on the work of Schmitter and Streeck, we expected that the ‘logic of local embedding’ will be one of the factors of pushing COs towards political action. We found that participatory COs that are accountable to their members and COs that are integrated in the local societies are significantly more likely to engage in political action: to try to change regulations, lobby or try to change the balance of forces in their field of action. Also, we tested the ‘learning by combining’ hypothesis. We found that intense combining with actors from other organizational fields including the state, instead of reducing political activism is itself one of the autonomous factors of civic political activity. Finally, we tested the ‘political exchange’ hypothesis and we found that deeper forms of collaboration with the state are significantly increasing the likelihood of civic political action. Using the language of the social movement studies, we can say that the changed structure of opportunities (the growing possibility of combining with the state in developmental projects) alters the action repertoire of COs, but it does not transform activist organizations into mere service organizations<sup>9</sup>. The growth in collaborative developmental projects does not endanger the autonomy of integrated civil societies.

Based on our findings we can also say that it is misleading to underestimate the transformative potential of associative civic action that involves collaboration with actors from diverse other organizational fields<sup>10</sup>. In forging various developmental associations, civic organizations that work together with actors from other organizational domains (business, national and local government, education, church, etc.) can contribute to the coming about of local and regional publics allowing for the formulation and implementation of more inclusive policies and programs. While making alliances across groupings and integrating what had formerly been disjoined, the projects of civic organizations are drawing connections between interests that had perhaps not been seen as compatible and they are producing new frames in which dissimilar notions of the public good can be redefined and associated. In that sense the combination of associating diversity in ever-changing developmental projects with political action might be the way to the coming about of what Frase called ‘strong publics’, arenas for assembling diverse ideas, metrics of valuation and interests for joint policy formulation and not just implementation (Frase, 1994).

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<sup>9</sup> See Tarrow, 1998 for the discussion of opportunity structures, and form and types of organizing

<sup>10</sup> See our paper co-authored with David Stark for further discussion of civic associative action (Stark, Vedres, Bruszt, 2005)

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## **The Politics of Civic Combinations**

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