Book Review Symposium

Kirsten A. Grønbjerg and Steven Rathgeb Smith. 2021. *The Changing Dynamic of Government–Nonprofit Relationships: Advancing the Field(s)*. Elements in Public and Nonprofit Administration Series. Cambridge: Cambridge University Press.

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1 Introduction (Stefan Toepler)

Outside the foundational economic theories on the existence of the nonprofit sector, few topics have shaped the early evolution of nonprofit studies as much as the relationships between government and nonprofits. Although a “driving force” for nonprofits that receive it, public funding is far from unproblematic as it absorbs managerial attention and creates uncertainties, among other issues (Grønbjerg 1993). Moreover, the embrace of nonprofits as service deliverers by government was early on understood to come at some cost to their civic functions (Smith and Lipsky 1993). Nevertheless, a benign view of sectoral relations conceived as a mutually beneficial and interdependent partnership based on a division of labor between financing and the provision of collective services came to prevail as a normative guidepost for the evolution of the field, in what effectively constituted a ‘partnership paradigm’ (Salamon 1995). Young (2000) introduced a measure of complexity by presenting a typology of sector relations that allowed for different relationship pattern—supplemental and even adversarial—in addition to the complementary nature of the partnership paradigm.

In their short book in the Cambridge Elements series, Kirsten Grønbjerg and Steven R. Smith, two dons of nonprofit studies, present a new framework for contextualizing the dynamics of government/nonprofit relations more broadly than earlier perspectives and typologies do. While prior analyses of sector relations

tended to focus on prevailing national-level patterns, Grønbjerg and Smith place policy field analysis at the center of their argument, which foregrounds differences in rules, norms, isomorphic pressures, power relations and prevailing networks among fields that influence the contours of the relationships between nonprofits and government and other sectors (p. 5). Divided into six dimensions, the first half of the framework discusses dimensions of policy fields that help elucidate both differences among fields and among government-nonprofit relations within them. The second half then focuses on the variables that determine the specific nature of the relations between nonprofits and government, and then the market, and informal sectors as subsidiary influences on the overall relationship. In particular, the framework's six dimensions are:

1. **Field Size:** The overall economic size of a field is an indication of its relative public salience and political importance. Larger fields receive levels of public investment that positions the government's role very differently than in smaller fields without such investments.
2. **Share of (Field) Economy:** This dimension considers the relative position of the three sectors, or their market share, within a given field. Some fields, like education, have a strong direct government presence in them, while in others either nonprofits or forprofits dominate the provision of services. Market shares are not static and in some fields at least, nonprofits are increasingly losing out to forprofits, leaving them in a weaker position vis-à-vis the government.
3. **Functional Division of Labor:** Fields vary in the way core functions are distributed among the sectors ranging from direct service provision and funding contributions to regulation and the pursuit of change and innovation.
4. **Nonprofit Political Economy:** This dimension reflects further on the three key pillars of the government/nonprofit relationship, pointing to differences among fields in the level and types of public funding for service provision; the government's role in regulating the activities of nonprofits, including fiscal regulation through tax policy; and conversely, the ability (and willingness) of nonprofits to engage in policy advocacy to seek change in government policies and programs.
5. **Market/Nonprofit Relations:** In mixed industry fields, nonprofits and forprofits directly compete with each other for customers or government support. In other fields, both sectors inhabit more or less distinct market niches with less direct competition for clients and resources. In either case, both sectors exchange, and supply each other with, resources.
6. **Relations with the Informal Sector:** the final dimension recognizes the input and importance of contributions from the informal sector and individuals and households to the operations of nonprofits. This includes the donations of both time and money as well as general civic engagement.

To illustrate their argument Grønbjerg and Smith present evidence along the six dimensions from both service and expressive fields in the USA (health, education, human services, arts and recreation, and religion); and discuss its applicability for comparative purposes.

“Understanding the nature of government–nonprofit relations,” Grønbjerg and Smith hold early on, is “a fundamental quest for nonprofit researchers, policymakers, and practitioners alike” (p. 1), which corresponds closely to *Nonprofit Policy Forum’s* editorial credo. Given the nature and importance of the argument and its centrality to *NPF’s* scope (as discussed in our recent editorial statement in vol. 12:3), we decided to commission four prominent scholars with subject matter expertise in various policy fields to share their assessment of Grønbjerg and Smith’s framework rather than having a simple, traditional review. Three of the fields—arts, social services, religion—are covered broadly in the book and a fourth, the environment, is not.

2 Assessing a Policy Fields Framework to Understand Government-Nonprofit Relationships in the Social Services Field in the USA (Melissa M. Stone)

In this short book, Grønbjerg and Smith propose a policy fields framework to advance understanding of nonprofit-government relationships. They extend to the sector level a previous framework of policy fields that highlights authority relationships, legal and regulatory mechanisms, funding flows, and social relationships that affect implementation of particular policy programs in specific geographic locales (Stone and Sandfort 2009). Grønbjerg and Smith broaden the application of the framework to examine systematic variations in the structure of field relationships among four sectors – nonprofit, public, for-profit, and informal – in this country and globally, using the six dimensions described in the Editor’s introductory remarks. Their intended audiences include researchers, policymakers, and practitioners. The purpose of this short review is to offer some general comments on their framework and then to assess more specifically its application to the field of social services in the USA.

There are considerable strengths of their extended framework. First, it underscores the critical importance of the policy environment surrounding various nonprofit fields, regardless of whether these fields rely on substantial amounts of government funding or not. Research on government-nonprofit relationships has

historically emphasized the effects of government funding and different policy tools on many aspects of nonprofit organizations. These are, to be sure, very salient aspects of their interrelationship. However, as Grønbjerg and Smith make clear, other structural components, such as legal and regulatory mechanisms at various levels of government, often exert important influences over nonprofit fields of activities with little direct public funding. For example, tax policies concerning charitable giving substantively affect nonprofits in the arts and culture and religion fields although public funding per se is relatively minimal.

Second, by including in their expanded framework explicit attention to relationships between the nonprofit sector and other sectors (for-profit and informal), Grønbjerg and Smith are able to examine ripple effects from the policy environment and the potential blending of institutional logics across sectors. For example, market-oriented government policies that have emerged during recent decades in the social services field (and elsewhere) have influenced the extent to which these kinds of nonprofits have trended toward greater professionalization with emphases on efficiency and performance measures (a point underscored by Mosley 2020). As a result, we see nonprofits that have become increasingly similar to their for-profit counterparts (and competitors) in some social service sub-fields and hybrid organizational forms in others.

Third, its clear assessment of existing data sources is a strength, especially for researchers and policy makers. The assessment provides a welcome overview of the sources, types, and robustness of existing data sources. For example, they address data issues concerning how to determine basic boundaries around fields of activities and the reliability of data for several of the framework's dimensions. This assessment is especially critical when it comes to the question of whether the framework can be used for cross-national and global comparisons.

The strengths of this piece are considerable, yet I am left feeling that it could have been taken further in order to serve its purposes. At the most general level, how would Grønbjerg and Smith present the overall structural characteristics of the five nonprofit policy fields they compare relative to nonprofit-government relationships? The Field Chart of Appendix 1 provides a useful, at-a-glance summary of each field across the framework's dimensions, but what should one make of these characteristics if considered in total for a particular field? More specifically, what kinds of hypotheses and/or research questions could be generated? What important issues for policy makers lurk within these structural characteristics? And, after considering these structural characteristics, how does one incorporate the perspective that policy fields are, in essence, social systems and, therefore, dynamic and emergent—a point that Stone and Sandfort (2009) emphasized and that was expanded upon considerably by Sandfort and Moulton

(2015)? Below I will briefly explore these questions with reference to the field of social services in particular.

Generally, as Grønbjerg and Smith state, the social services policy field in the USA can be characterized as less institutionalized than, for example, the health and education fields. Their assessment suggests that it is less institutionalized because of complex funding and authorizing environments across levels of government and the addition of dynamic competitive environments from for-profit entrants in some subfields. More specifically, while nonprofits in this field are still highly dependent on public funding because of ongoing service implementation roles, financial resources flow through multiple and diverse channels, including funding from both state and local governments as well as some federal funding. Importantly and as mentioned above, the various tools and criteria that accompany these revenues have trended toward more market-like mechanisms, such as performance contracts and consumer subsidies, which have opened the door to substantial for-profit competition in some social services subfields. The influence of regulatory authority is also considerable and complex – it is exerted at multiple levels of government, influences the ability of individuals and organizations to provide services to client populations, and differs depending on subfield. Within this field, social service nonprofits primarily play a complementary role to government (Young 2000) with “muted” policy advocacy activities. As Mosley (2020) suggests, social service nonprofits seem more likely to engage in advocacy directed at sustaining their government funding and relationships than advocacy which addresses issues and needs of their beneficiaries.

From this characterization of the social services policy field, one could pose general hypotheses to be tested with further research – for example, “compared to other nonprofit policy fields in the USA, nonprofit-government relationships in the social services field are less institutionalized and more complex and dynamic.” Perhaps more interesting, however, are questions for researchers, policy makers and practitioners that are often implied by the Grønbjerg and Smith piece but need further illumination. For example,

1. Given a complex and dynamic policy field, what institutional logics have developed within the social services policy field?
 - a. Do these logics vary systematically depending on, for example, particular subfields, the influence of local policy environments, and, importantly, the extent to which social service nonprofits are exposed to competition from for-profit providers of services?
 - b. Within these logics, what norms of practice have developed or changed, where these norms express legitimized ways of organizations working together with a recognized set of beliefs and values? Have these norms

coalesced into what one could describe as a “field culture” as described by Sandfort and Moulton (2015)?

2. To what extent has the structure of the social services policy field given rise to an increase in hybrid organizational forms, especially hybrid forms that encompass for-profit and nonprofit characteristics? How does the rise in hybrid forms in social services compare to the use of these forms in other policy fields?
3. In comparison to other nonprofit fields, have social service nonprofits responded to the structure of their policy environments through consolidation where larger nonprofits are growing in scale and scope and smaller nonprofits are declining or being marginalized?
 - a. To the extent that consolidation is occurring, what are its effects on policy advocacy and civic engagement activities aimed at addressing the needs of and issues facing beneficiaries, as suggested by Mosley (2020)?

These are but a few of the questions that one could generate from Grønbjerg and Smith’s policy fields framework. I chose questions that explored policy fields as a social system and one that is both dynamic and emergent (Sandfort and Moulton 2015). While those policy field qualities may not dominate the Grønbjerg and Smith framework, they can easily be derived from it, aided by insightful comments throughout the text.

3 Nonprofit-Government Relations in the Arts and Cultural Policy Field (Mirae Kim)

In their Cambridge Elements volume, Kirsten A. Grønbjerg and Steven Rathgeb Smith explore one of the fundamental, and perhaps the most discussed, questions in understanding the nonprofit sector—the various relationships that nonprofits form with governments. Their framework, as briefly described in the introduction, advances nonprofit scholarship to better understand multifaceted government-nonprofit relationships across the wide range of fields that nonprofits are engaged in. The nonprofit arts and culture subsector alone covers diverse types of cultural activities. As such, one of the strengths in their framework is to acknowledge the surroundings that create different conditions for various fields, and therefore it sets the stage for future research in other subfields of the nonprofit sector where the relationships to government are still less studied. Further, their framework goes beyond the narrowly defined nonprofit-government relationship as it covers how

the nonprofit sector relates to all other sectors, which then influences how the nonprofit sector relates to the public sector.

Despite the high volume of research on why nonprofit organizations are formed and what they do, and especially their complicated relationships with governments,¹ only a handful of nonprofit organizational studies focused on the arts and culture field around this particular issue (Kim 2015). Grønbjerg and Smith's framework can be particularly useful to expand our understanding of arts and cultural nonprofits in the USA. Like the nonprofit sector as a whole, the cultural sector is also diverse in size and type, ranging from volunteer-based community organizations with no revenue to multi-billion-dollar institutions managed by professional staff members. Grønbjerg and Smith's discussion encompasses the arts as well as broader cultural activities and sports and recreation. My review focuses on museums, historical sites, and performing arts companies with professional staff—a subset of the arts, entertainment, recreation field that presents arts programs and cultural experiences to the public. The key elements in Grønbjerg and Smith's framework involve drawing lines between sectors. Given the increasingly blurring lines among sectors, the framework can help advance nonprofit scholarship in exploring how we can re-evaluate the way we think about the role of nonprofit institutions in the creative field.

The second dimension of Grønbjerg and Smith's framework suggests examining the size of paid employment to analyze the share of the economic pie, which represents the relative influence of each sector in a given field. Examining the size of employment can make the presence of nonprofit museums, historical sites, and performing arts companies appear to be dwarfed by that of commercial entertainment and sports; it could be misleading to conclude that such nonprofit arts presenting organizations generate more or less impact on communities than for-profit ones because three sectors are increasingly economically intertwined. Artists build their careers across commercial, nonprofit, and community sectors (Markusen, Gilmore, and Johnson 2006), and the same can be said for those who manage cultural institutions. Such a trend has only accelerated since Markusen's report came out 15 years ago. Musicians who perform at nonprofit symphony orchestras perform at commercial studies, corporate events, holiday parties, weddings, and other private celebrations (Markusen, Gilmore, and Johnson 2006). Actors perform at both nonprofit and commercial theaters. Arts administrators who work for museums or historical sites also work across sectors (Krieger and Mauldin 2021). It is also worth noting that artists generally work more hours for less in the nonprofit sector as compared to the time spent and earnings in the

1 Searching the term “government-nonprofit relationships” on Google scholar (in August 2021) resulted in more than 10,000 articles published thus far.

commercial sector (Markusen, Gilmore, and Johnson 2006). As such, future research could explore, using Grønbjerg and Smith's framework, how the increasing crossover career development of artists and arts administrators would reshape the public understanding of the role of nonprofit arts organizations, which work closely with for-profit cultural institutions. A related research question could be how cultural policy should support the arts industry given the blurring lines between the two sectors.

The discussion above also requires future research to explore the changing functional division of labor in the arts and culture, the third dimension of the framework, and how that would reshape the nonprofit-government relations in this field. Nonprofits have increasingly incorporated media and other technology to broaden their audience bases. Then, we have commercial organizations that perform similar roles to nonprofit theaters and museums. Broadway musical theaters, which are for-profits, present award-winning, high-quality artistic programs. Private galleries present the work of modern and contemporary artists. In short, the functional division of labor in this subfield is becoming unclear, if it has not been already, and future research can explore how such change would reshape the unique role of nonprofit arts and cultural institutions especially in the areas where the government sector is nearly absent.

This brings my attention to the first dimension in Grønbjerg and Smith's framework—the size of the field, which determines the level of public interest that would influence getting legislators' attention. When measuring the impact of the arts and culture sector, simply looking at the production economy can be misleading. According to the "Arts & Economic Prosperity 5" study (2015), nonprofit arts and cultural organizations generated \$166.3 billion of economic activity during 2015. Of these, only about 38% are spending by arts and cultural organizations directly and other estimates include event-related spending by individuals and the revenue that governments have generated out of it. Although there are controversial issues related to estimating the impact that go beyond direct production costs (Sterngold 2004), this approach suggests that the first dimension should include more than direct economic outputs. Recognizing the relatively larger role of nonprofits, as compared to their economic presence, could be the first step to facilitate more discussion about how the public should support cultural infrastructure.

The fourth dimension of their framework suggests that the amount of public support represents the level of public and political attention devoted to each sector. Generally, only nonprofit arts organizations are eligible for grant funding although some local and state governments subsidize commercial cultural activities. It raises the question of who determines which type of cultural activities should be supported by public funds and which should not. While the varying levels of economic size would not necessarily reflect their respective "importance,"

the amount of public support can be useful to analyze which subfields receive more or less “political” attention. If for-profit cultural activities produce spillover effects like other nonprofit arts institutions do, we may need to reframe the way we value public support of arts and cultural activities. The growing attention on cultivating and funding cultural districts (Noonan 2013) and creative placemaking initiatives (Levine Daniel and Kim 2020) suggests a significant shift in arts policy, that is, from funding individual organizations to the districts that support them. One remaining concern would be how such shifts would influence funding allocation to support nonprofit arts organizations.

The framework offered by Grønbjerg and Smith comes at the time when we see the ways, in which nonprofit and for-profit cultural institutions present arts experience, become more and more similar to one another due to the pandemic. Now theaters stream their plays, and orchestras meet their audiences via zoom. Nonprofit arts institutions are said to pursue different organizational goals, especially to fill the gaps left by the commercial and public sector, to advocate and promote underrepresented artists, and to cater to different cultural tastes (Weisbrod 1977). The advancement in technology coupled with the pandemic will change the way arts and cultural experiences can be offered by commercial, nonprofit, and public institutions, and the six dimensions offered in this framework can provide the tools to discuss the changing role of direct and indirect public support for the arts and culture in a changing environment.

4 Religion (Rhys H. Williams)

In *The Changing Dynamic of Government-Nonprofit Relationships*, Kristen Grønbjerg and Steven Rathgeb Smith provide a conceptual framework through which scholars of nonprofit organizations can understand policy and changing institutional dynamics. They do so by focusing on five nonprofit ‘fields’ – healthcare, education, human services, arts and culture, and religion. Beyond what is implied in the title, they proceed by examining four sectors of institutional activity, including other nonprofits, the market, and ‘informal’ civil society efforts along with government. They do this systematically, and yet parsimoniously, given that the published text is only 75 pages long, including an excellent bibliography. Every scholar of nonprofits will benefit from the work done here. But the monograph will also be useful to non-specialists, who seek to understand what is a large and relationally complex swath of life in modern societies. Simple binaries such as ‘public versus private,’ or ‘for profit versus nonprofit,’ or ‘state versus civil society,’ don’t begin to capture the complexity of living in what sociologist Charles Perrow called our “organizational society.”

As someone who has done research on religious organizations explicitly as nonprofit organizations, I endorse the effort to recognize the commonalities that religious organizations have with other nonprofit institutional fields. Too often religion scholars do not recognize the ways in which governmental policies, or the metrics and practices of market-based organizations, influence the sector space in which religious organizations must function. Sociologist Rodney Stark (1987) once suggested that the USA Internal Revenue Service was the functional equivalent of the Holy Inquisition in terms of enforcing religious conformity; more than a bit of hyperbole, but Stark was rightly making a point about the extent to which religion in the USA is institutionally regulated by the state, even with our vaunted ‘separation of Church and state.’ In a study I published with John Massad of DePaul University’s Center for Church-State Studies, we demonstrated how uniform the official, legal organizational structures are of religion denominations, despite vast differences in theology, including in their theologies of Church polity. The tax code relevant to nonprofit organizations pushed religious groups to adopt particular features of organizational structure, resulting in an “institutional isomorphism” whatever their widely varying theological, cultural, or political preferences (Williams and Massad 2006).

So, I applaud the purpose at the heart of this monograph. Scholars of religion will learn from it, and scholars of other nonprofit fields will probably see connections to religion that they had not previously considered. That said, I wonder if it doesn’t underestimate the differences between religious organizations and institutions that operate in the other nonprofit fields. And much of this stems directly from the fact that of these fields, only religion has a mention in the USA Constitution, exposing it to politics in ways the other fields are not – there is a ‘constitutional’ framework governing religion’s relations to government that does not apply elsewhere. While “healthcare is a human right” is an effective political claim, it has no Constitutional pedigree. Religion is liberated from some of the constraints and relationships the other nonprofit fields discussed here experience because of this specific legal status, but it has other challenges.

One way in which this distinct status is revealed is in Grønbjerg and Smith’s decision to take the healthcare, education, and human services that many religions provide and consider them as part of those latter institutional fields, rather than as part of ‘religion’ (p. 15). This makes sense empirically; when a religious institution organizes a school for which it seeks accreditation, or runs a hospital, or provides social services such as adoptions or job training, those efforts become subject to governmental regulation in a whole host of ways. Standards for employment, health, safety, buildings, and on and on are set and enforced by multiple branches of local, state, and federal government (and some non-governmental regulatory agencies, such as college accrediting boards). In the establishment and

enforcement of such standards, there are manifestly ‘secular’ criteria involved and demands needing to be met. Healthcare, education, and human services fields of nonprofit work are vastly more regulated, by secular standards and personnel, than are religious denominations and congregations.

However, these organizations – especially healthcare and human services organizations right now – are clearly flashpoints of political contention. The very existence of a plausible (if not always logically coherent) legal defense of “religious freedom” in order to avoid the regulation by the state – particularly those offices of the state that seek to minimize or eliminate prejudice and discrimination – gives these organizations a status that other private institutions in their field do not have. The religious right not to provide certain types of legal healthcare, not to employ people due to identities separate from their technical abilities to do the job, or even to provide services at all (for example, adoption agencies that will not work with same-sex married people or schools that do not permit cross-gender or cross-race classrooms in education), is a much debated legal and political point. These very places reveal the complexity of trying to build a framework for the entire nonprofit world.

I recognize that scholars have to make choices, particularly when trying to construct categories and conceptual frameworks that will organize research efforts. I hope that I have pointed out that the choices Grønberg and Smith made are as plausible as the alternative options, but still produce some blurry edges in the categories. But this messiness nonetheless confirms my sense that counting ‘religion’ in with the fields of other types of nonprofit activity poses some distinct challenges.

Where Grønberg and Smith do consider religion, they focus on organizations that directly provide what could be called ‘religious goods’ – local congregations, denominational organizations, and other organizations that work directly to bring communities of faith together. As they note, religious institutions account for the largest share of total philanthropic contributions and volunteers in the USA (p. 20). Moreover, congregations, in particular, have low ‘barriers to entry’ in terms of joining the organizational field. A group of people can simply decide to begin to meet together, and can do so in most any location, including private homes or public parks, and exist in an almost completely unregulated space. That option diminishes with success, if success is defined by increasing numbers of members, but the ‘ground up’ dynamic of institutional logic for religious organizations is quite pervasive. Art and culture could also function in this way, but in the USA they do not do so on the scale that religion does. As the authors note (p. 24) public spending on religious institutions is quite small compared to other fields, but then again, this is true after religious educational, healthcare, and social services are removed from this category. I might also comment that there is some history of

religious organizations running for-profit businesses, as a means of supporting their group(s). However, this has generally been most true of small, more socially marginal groups. They often do not have enough members to sustain themselves on member-donations alone; further, many do not incorporate as non-profit organizations which give them tax advantage – either they do not have the organizational wherewithal to do it or they lack the desire to institutionalize in that way. Often such groups are organized into a communal, collectivist form of religious life. In sum, they have Constitutional protections as religious groups, but no status as nonprofit organizations. The ‘religious’ status of these types of for-profit businesses has been a matter of legal contention and court cases, but the authors are correct that the overall numbers – of institutions, members, or money – are small.

Finally, Grønbjerg and Smith rightly call attention to the extent to which nonprofit institutions do engage in policy advocacy, either directly or through promoting certain values and ethics that help shape policy fields (e.g., p. 33). As this is an effort at a conceptual scaffolding to guide future research, that point alone is important. I would call attention, however, to the extent to which conservative religious groups in the past few decades have helped promote the free-market, anti-state-ism that so pervades American political culture right now. This ethos has pervaded many religious organizations, leading them to think and act more like market actors than nonprofits in many ways. That they often do so, while still claiming exceptionalism and exemptions from many of the implications of such an ideology, is an area ripe for research that will be enriched by the work done in this book.

In sum, Kirsten A. Grønbjerg and Steven Rathgeb Smith have done the scholarly community a service – and I would guess that this could extend to many practitioners in nonprofit fields who want a broader understanding of the institutional worlds they inhabit. As a scholar of religion, I gained some important context and learned a lot of empirical material. I trust my efforts to point out how religion does and does not always fit easily in such analyses shows the extent of my engagement with their thinking.

5 Nonprofit-Government Relations in the Environmental Policy Field (Aseem Prakash)

Kirsten A. Grønbjerg and Steven Rathgeb Smith’s recent Cambridge Elements book, *The Changing Dynamic of Government-Nonprofit Relationships*, explores a fundamental issue in nonprofit studies: how nonprofits relate to governments. With policy fields as units of analysis, the book conceptualizes nonprofit-

government relationships in terms of specific dimensions: public spending, tax policies, regulatory policies, and the policy role of nonprofits. The book's central claim is that variations in these relationships (the dependent variables) across policy fields are driven by two factors (the independent variables): the economic share of nonprofits in the policy field and the functional role (division of labor among nonprofits, governments, firms, and the informal sector) nonprofits play in it.

Political scientists debate the definition of civil society (or the voluntary sector) and the extent to which its non-governmental character constitutes a fundamental feature (hence the term, non-governmental organizations, NGOs in short). The insistence on the non-governmental character is probably an outcome of the "third-way" literature that saw the civil society sector as independent of both the state and market. Moreover, it suggested that civil society could undertake many governance and collective good provision functions that states or market actors traditionally performed.

Grønbjerg and Smith (correctly) reject the "third-way" insistence that nonprofits are autonomous of the government. They note that nonprofits are creatures of public policy and voluntary action. Once the autonomy claim is dropped, scholars can fruitfully explore how nonprofits relate to governments. This raises the question of the unit of analysis. The book suggests that policy fields should be the units of analysis, although they also examine variations across countries in a given field. Their approach resonates with the political science scholarship that notes that policy fields have distinctive politics depending on the distribution of benefits and costs (Lowi 1964; Wilson 1980).

My marching orders are to examine Grønbjerg-Smith's framework in the context of the environmental policy field. Since the book focused on nonprofits as service providers and not advocacy organizations (though the book also explores policy advocacy as a dimension of nonprofit-government relations), I will focus on environmental nonprofits that are primarily engaged in service provision.

I ask two questions. First, what collective environmental goods should be included in the environmental policy field? Second, what roles do nonprofits play in supplying these goods (to assess their market share and identify their functional roles)?

The contemporary state wears three hats: coercive, welfare, and regulatory. Until the 1980s, the governments tended to finance (provision) as well as produce (though their own organization) many public services (Ostrom and Ostrom, 1973). Starting 1980s, governments began shedding their responsibilities as welfare service producers, and in some cases, provisioners as well. They outsourced the production of welfare products to non-government actors, especially nonprofits.

The state has also outsourced some coercive functions, as revealed in the growth of private prisons, private security services, and overseas defense contractors.

What about the regulatory functions, which seek to correct market failures? While governments have deregulated and privatized some sectors, environmental regulations have not been scaled back, notwithstanding the claims made in the “race-to-the-bottom” literature (Prakash and Potoski 2006a). The governance problem is the state did not keep pace with an increasing demand for new federal regulations, especially in climate change. In part, this was due to the gridlock in the USA Congress (here, inter-country comparisons can be meaningful).

Did nonprofits correct this regulatory failure, as Weisbrod (1977) had anticipated? By some accounts, subnational governments have taken a more assertive regulatory role on climate issues. Alongside, nonprofits – environmental nonprofits and trade associations – have established private or self-regulatory regimes (Prakash and Potoski 2006b). Examples include Responsible Care in the chemical industry, Forest Stewardship Council and Sustainable Forestry Initiative in forestry, Marine Stewardship Council in seafood, ISO 14001 environmental management standards across all sectors, and CDP (formerly, the Carbon Disclosure Project) in climate change. Thus, government failure has facilitated the emergence of voluntary environmental regulations where nonprofits (sometimes in hybrid arrangements with firms) serve as sponsoring actors.

But what about non-regulatory products? Here subfield analysis can be helpful. Across the world, environmental nonprofits provide environmental products such as garbage collection (Dolšák 2017) and environmental conservation (Gazley et al. 2015). While in the USA, governmental efforts towards conservation are significant, some citizens view them to be insufficient. To fulfill this unmet demand, nonprofits such as the Nature Conservancy purchase land or development rights instead of lobbying the government to do so. Yet, nonprofit spending could influence government spending as well. In his analysis of 149 major cities, Cheng (2019) finds that total expenses of park-supporting charities has a decreasing effect on public spending on parks. Further, nonprofit provision might have unintended consequence. For example, nonprofits supporting urban greening projects might facilitate environmental gentrification due to rise in property values due to new green spaces (Rigolon and Németh 2018).

Nonprofits have been active in other environmental policy subsectors. For example, they supply carbon offsets (historically, nonprofits have also been active in reforestation efforts). Why? Governments are failing to enact new climate regulations and are almost completely absent from the offset market. This creates opportunities for nonprofits to meet the unmet demand. Further, for-profit actors are also less visible in this subsector, perhaps, as Hansmann (1980) had anticipated, given the significant information asymmetry between offset buyers and

sellers as to how much emissions will be offset, where, and over what period of time. Nonprofits have a high salience because they are not expected to exploit their informational advantage and supply low-quality offsets. Yet, offset's efficacy remains disputed, which raises the question about Hansmann's claim about the trustworthiness of nonprofits.

How does the environmental policy field fit with Grønbjerg and Smith's framework? I agree with their focus on disaggregating the unit of analysis because there is substantial variation in how nonprofit-government relations are structured across sectors within a country. But do policy fields mask enormous intra-field variation, as Grønbjerg and Smith acknowledge? The reason is that even within a field, products supplied by nonprofits have different analytic characteristics that shape (or reflect?) nonprofit-government relations in different ways.

Policy fields also tend to overlap, and so do the activities of the nonprofits working these fields. For example, climate policy now involves nonprofits working on environmental policy, public health, social justice, and indigenous rights. This makes it difficult to conceptualize the relationship between governments and nonprofits in a given field because there is tremendous heterogeneity within nonprofits that play multiple roles. Arguably, instead of seeking a country-, field- or subfield-level narrative to describe nonprofit-government relationships, scholars should probably develop policy-specific models based on collective good characteristics.

Grønbjerg and Smith's framework lays out a rich agenda for future research. In terms of the next steps, the more statistically oriented reader should explore the direction of causality. For example, public spending (a dependent variable in the framework) might create interest groups that capture the governmental budgetary process, which would change nonprofits' structural salience in the field (an independent variable). Thus, future work could test if the market share drives public spending or vice-versa and with what sorts of lag structures.

Finally, this book comes at a propitious time because ARNOVA scholars have established the Climate Change and Voluntary Action Common Interest Group. Beth Gazley and I recently organized an online conference on Climate Change and Voluntary Action. A subset of these papers will be considered for an NVSQ symposium on this subject which Beth and I will guest edit. Thus, there is a growing interest among nonprofit scholars on climate issues. This is important because the climate policy debates focus on governmental or market-based solutions to climate mitigation and adaptation. The role of the voluntary sector as providers of "climate products" (as opposed to policy advocates) is neglected, notwithstanding the important contributions of Elinor Ostrom and her associates (Ostrom et al. 2002). Grønbjerg and Smith's book could provide a much-needed impetus to integrate environmental and climate policy fields in nonprofit research.

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