## Commentary

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## **Review Symposium Response**

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We are very grateful to the editors of the *Nonprofit Policy Forum* for organizing the Review Symposium of our book, *The Changing Dynamics of Government-Nonprofit Relationships: Advancing the Field(s)* (Elements in Public and Nonprofit Administration Series. Cambridge University Press, 2021). We are particularly grateful to Stefan Toepler for his lucid introduction and summary of our key arguments, and for giving us an opportunity to respond to the four thoughtful and helpful reviewers. All four have taken our framework seriously and applied it productively and thoughtfully to their specific field.

Melissa Stone notes particular strengths of our framework, e.g., our emphasis that distinctive policy environments surround nonprofit fields and reflect a much broader array of policy tools than those related to government funding. That argument, along with our attention to how distinctive policy environments affect nonprofit interactions with both the market and informal sectors, are indeed key elements of our framework. Stone takes our analysis a step further by more explicitly identifying several interesting research questions that flow directly from our analysis. We agree that our framework has important implications for the development of institutional logics, hybrid organizational forms, and the organizational structure of fields.

Moreover, our framework suggests that the likelihood of hybrid organizations (such as different types of social enterprises) will vary depending on the policy field, in part because government policies – which vary across fields – can greatly influence the prevalence and sustainability of hybrid organizations. Our framework also suggests that the field culture at the local level will depend upon and vary by government policy. For example, short-term contracts and a highly competitive environment for resources, with high prevalence of for-profit providers, will create a

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substantially different local field culture than a climate of long-term funding and little effective competition among service-providers for government funding.

In her review, Mirae Kim makes a very important point about the extent to which performers and other artists work in multiple types of settings. We discuss sector market-nonprofit sector dynamics, but Kim is correct that the shift of workers from one sector to the other contributes to sector blurring in this field. Indeed, such shifts may be particularly prevalent in the arts and culture field. Thus Woronkowicz and Noonan (2017) find that artists disproportionately freelance and switch in and out of self-employment compared to all other professional workers.

Kim's argument is also consistent with analysis of paid employment in the arts, entertainment and recreation (AER) industry, which find high rates of seasonal employment in AER (Grønbjerg et al. 2012) and very low average annual wages in both nonprofit and for-profit performing arts companies (about \$25,000 in 2019, Grønbjerg and Bhatt 2021). As Kim notes, sector switching may contribute to a convergence in the programming and revenue sources of many nonprofit and for-profit arts organizations. Our framework informs these types of organizational changes.

Our framework also calls attention to the ways in which government funding and regulatory policy can reshape the arts and cultural organizational landscape. Many national, regional and local public arts funding agencies are prioritizing programming support that promotes equity and inclusion, especially of underrepresented groups. Nonprofit arts and culture organizations are doing so as well, responding at least in part to these shifts in funding priorities. While for-profit arts organizations may not face the same pressure for change from funding sources, many are nonetheless changing their programming as well in response to changing political and social norms.

Rhys H. Williams focuses his review in part on the special constitutional status of religion in the U.S. compared to other nonprofit fields. This feature of the US is indeed an important element shaping the nonprofit sector, and, as we note, one of the distinguishing features of the U.S. compared to other societies. He also emphasizes how religion permeates other fields, emphasizing the religious origins of many nonprofit education, health and social services organizations and how religion shapes policy debates in those fields, such as what kinds of services to provide and who to employ. We agree that field boundaries are indeed very blurred, presenting some major challenges to researchers, although we would extend the argument to how religion permeates arts and culture. Religion has inspired arts and culture for thousands of years and many people experience arts and culture directly when they attend church or religious services.

We also agree that religion has played very significant roles in shaping policy debates, in part because religion is very effective in motivating aspirations and mobilizing actions. We particularly appreciate Williams' argument that a notably stronger infusion of market activities and political ideology in religion exists than we had articulated so we appreciate this important expansion of our argument.

Our framework, however, also highlights the similarities between religious organizations and nonprofits in other fields. Congregations for example are membership organizations like many nonprofits; they are of course also tax exempt. Like other nonprofits, congregations also need to create a sustainable business plan. Unlike other types of nonprofits though, congregations cannot receive direct government funding (at least not for sectarian activities, although this issues remains contentious). As public charities, they are also prohibited from engaging in partisan political activity, although many do so. Thus we would suggest that these field characteristics of congregations, especially their relationship with government, substantially shapes the behavior of congregations.

Aseem Prakash offers a very incisive, important set of comments on our book and its framework, especially his argument that the fields are permeable and that there are important variations among subfields. The two latter points are well taken; in our book, we do address the emergence of hybridity and the blurring of field boundaries in social services and health, but we recognize that this part of our argument needs greater explanation and detail.

Prakash also calls attention to the potential of advocacy by nonprofits to change public policy in ways that advantage particular constituencies and nonprofit organizations. Indeed, we plan to build upon his insights as we move forward with our own research. For instance, Prakash notes that the Nature Conservancy has emerged in the last 30 years as a central player in the preservation of public recreational lands in the US and abroad through various types of public–private partnerships. The latter are in turn profoundly shaped by federal tax laws and local grant programs. The Conservancy and other types of land trusts particularly benefit from tax policies favoring certain types of planned giving instruments, such as donations of appreciated real estate and Retained Life Interest. As a result, these types of nonprofits rely on ongoing donations and fees rather than extensive government contracts.

Our framework suggests that such government policies will influence the governance, strategic priorities and business plans of land trusts, as well as their mix of revenue sources. In many ways, the proliferation in land trusts and other environmental service organizations, such as "friends of the local municipal park," reflects governmental failure to adequately fund recreational opportunities to keep pace with rising citizen demand for recreation. As Prakash implies though, these land trusts will act quite differently than the nonprofit environmental education organizations that may receive grants and contracts from the local school system.

In sum, we are very appreciative of the thoughtful, serious, and helpful feedback on our book and overall framework. Our ongoing and future research will certainly benefit.

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