



Linking Trust and Civil Society

Réka Zsuzsánna MÁTHÉ

PhD Student, National Public Service University, Budapest

Abstract. Numerous studies show a correlation between social capital and government efficiency, although the direction of causality is still debated. The study attempts to examine the relationship between government and civil society with a special focus on the civil society's role in creating social capital. More precisely, it seeks to reveal (i) the root cause of a deficient collaboration between government and civil society, (ii) the dynamics of the relationship between NGOs and the government and (iii) it is an analysis of the trust between the two actors. On the basis of quantitative and qualitative research, the study concludes that at the basis of a deficient relationship between the government and the civil society lays a fragmentation of the latter and its lack of trust in the central government, emphasizing the governments' crucial role in creating social capital.

Keywords: civil society, government, government efficiency, social capital, trust, contracting out, social services.

Introduction

Social capital plays an important role in building trust, facilitating exchange and creating ties with public institutions. According to Coleman's (1988) definition, social capital is both a private and a public good. It stands for the benefits of an individual or a group of individuals and it is directed by norms of reciprocity, peer pressure and gain or even loss in reputation, thus facilitating collective action.

Woolcock (1998), Putnam (2000), Woolcock and Narayan (2000) have identified three different dimensions of social capital: bonding, bridging and linking. Bonding capital refers to social capital found within groups that are built on similarity, intimacy or informality such as family members or close friends. Bridging capital denotes links among diverse groups of individuals outside the individual's personal network. Linking capital refers to links between individuals and groups with position of power. Linking networks empower individuals to have direct influence on those with formal decision-power. These links connect citizens with members of the parliament, policy makers, businesses or other institutions. It plays a vital role in the effectiveness of institutions by making it possible to

connect directly with elected officials, therefore increasing accountability and transparency (Grootaert et al., 2004: 4).

Because of its influence on a variety of sciences, there are various ways to measure social capital, among which trust and social norm indicators, associational activity of a society, trust in various institutions and individuals but also ethnic diversity or social mobility could be used as an indicator of social capital. In the view of Woolcock (1998), trust is a product of social capital, therefore an indicator of it. Uslaner (2003) has developed a typology to better define trust; he differentiates between generalized, moralistic and social trust. This paper treats social capital with a special focus on linking networks and trust.

While the direction of causality is still debated in literature, there is proof that social capital and government performance are related (Ferguson's et al 2005, Cusak 1999, Pierce, Lovrich and Moon 2002, Knack 2002). Carver et al. (2003) state that the third sector has a major role in creating social capital. Contrastingly, Brehm and Rahn (1997) state that confidence in government creates social capital rather than civil society contributing to the creation of social capital.

The present paper examines the relationship between civil society and government, and the role civil society plays in creating social capital, with a special focus on linking trust. The study starts off with the premise that through their various connections with the community members and other institutions, civil society organizations contribute to the creation of social capital. After a brief presentation of the research questions, hypothesis and the data selection, in the first part, it compares a social service offered by both state institutions and non-profit-organizations examining the services' efficiency. In the second part, using qualitative data, it shows the dimensions of the relationship between government and the NGOs. Finally, using quantitative methods, it compares the level of trust in various institutions, paralleling this data with the values of generalized interpersonal trust. Examining how the level of trust in these institutions has changed over the past five years, gives us a better understanding of the trends and challenges of this field.

Romania's civil society plays an important role in politics, economics and, possibly, in creating social capital. While there is not a universally agreed definition of civil society, according to the legislation, it has three components in Romania: associations and foundations, mutual aid societies and co-operatives. Protected units, another important component of the civil society, exist under the form of associations and foundations. Taking into consideration their economic role, a commonly encountered name used in the literature is social economy.

According to *Atlasul economiei sociale* (2012: 8), the economic impact of the Romanian social economy for the fiscal year of 2010 was quite significant. According to the data, 100,591 individuals were employed and the overall income of the sector was of 1,746,148 euros. At present, over 70% of the registered civil society organizations are associations. Next in line are the foundations with

27%. The remaining 2% is equally divided between federations and unions. Associations and foundations have various activity fields, among which, based on the evolution of their income, charities or NGOs offering social services are the most significant. Therefore, this paper examines the relationships between government and NGOs offering social services.

Research Questions and Hypotheses

The relationship between government and civil society organizations can be examined through various indicators, among which, one of them could be the received public funding. According to FDSC's (Foundation for Development of Civil Society) *Barometrul liderilor ONG 2012*, the majority of non-profit organizations appear to have been receiving public funding. However, it is important to mention that most of these organizations have received important grants through various European financing mechanisms. The value of the public funding received from Romanian local or central government in the percentage of their total income is less than the income generated through the mechanism of 2%,¹ which involves community implication, donation and civic spirit. At the same time, more than half of the non-profit organizations declare that they do not dispose of the revenues needed to maintain their programmes and barely a third of them consider that they have the necessary non-financial assets.

Based on this indicator, we can conclude that the relationship between the government and the NGOs is deficient and there is room to improve it. But what is there at the basis of this poor relationship? Are there insufficient public funds that could be made available to NGOs and to their programmes, or there is a lack of trust between the two actors, and the government prefers to deliver itself the services instead of dealing with a partner that it cannot trust? The first hypothesis can be stated as follows:

(H1) The reason behind a deficient collaboration between the Romanian government and the civil society is the lack of trust from the government's side.

If there is a lack of trust in the NGOs from the government's side, is it because the third sector is considered to deliver services that are of a lower quality or at a higher price than the state can offer them? Considering the very nature of the non-profit organizations, their profit-sharing policies and the used volunteer workforce, we can assume that the NGOs are able to offer services more efficiently than state institutions. Therefore, the next hypothesis is:

(H2) NGOs use their connections and mobilize various resources, and because they reinvest in their services the actors of the third sector are able to offer quality services at a lower cost than the state institutions.

¹ More at: <http://doilasuta.ro/content/>

NGOs are mission driven; they reinvest their profits in their services and mobilize various resources to obtain their goals. They work with the government and various international institutions from which they receive subsidies; they collaborate with companies in order to gain material or financial support for their projects and with various volunteers of different age-groups and social backgrounds. We can assume, therefore, that by engaging various actors in furthering their mission and obtaining their goals, NGOs create social capital. The last hypothesis of this study:

(H3) By having various connections within the society in which they operate, non-profit organizations contribute to creating social capital.

Data Selection

In evaluating the efficiency of the services offered by both the state and the civil society, I chose a particular service that is offered by both actors, namely residential elderly care. In choosing this particular service, the growing importance of residential elderly care services has played a major role.

Similarly to the majority of European countries, Romania's population is aging. The changes in the demographic structure have a great impact on the various economic, social and political processes. Along with the aging of population, certain social benefits, such as pension, medical health care and financial aid systems, have to be granted for a longer period of time. The growing life expectancy, the decreasing mortality and fertility rate cause the aging of Romania's population. While in the past years the number of retired persons has increased, it has been registered a decrease of the working population; therefore, the demographic dependency ratio has grown. Accordingly, from 315.1 retired to 1,000 employees that were registered in 1990, this ratio increased to 1,140.1 retired to 1,000 employees in 2011.² In these conditions, civil society organizations have been impressing in providing social services for the elderly: according to statistics, about 50% of the NGOs deliver social services and more than 58% of older people receive monthly social services from non-governmental organizations.³

Taking into consideration the high number of non-profit organizations involved in offering welfare benefits and social services to the elderly and the urgency of the matter, the paper focuses on examining the working relationship between the NGOs active in this field and public institutions.

Between January and June 2013, I conducted a research using both quantitative and qualitative methods – more precisely, a semi-structured interview. To have a

2 More at: http://economie.hotnews.ro/stiri-finante_banci-13620098-analiza-imbatranirea-romaniei-cateva-date-grafice-cifre.htm.

3 FDSC (2010) Romania, 2010. Sectorul neguvernamental – profil, tendințe, provocări.

representative sample, all accredited institutions providing residential care services for the elderly in Cluj-Napoca were contacted. Out of six contacted institutions five have answered to my request and three of these are operated by NGOs. To outline an overview of the phenomenon, we contacted and interviewed officials of the Local Government, more precisely, representatives of the local government's Social Assistance's Directorate, except the human resource development department and one employee of the County Council. Out of the thirteen contacted public officials four have answered favourably to the interview request. The representatives of the public authorities are aged between 29 and 40 years, with a university master's degree in a social services-related field. Using one particular service as the basis of comparison with the actors being involved in this particular service, the study is not representative for the entire non-profit sector, but it does show certain tendencies.

Comparative Analysis of Social Services

The purpose of this study was to examine the efficiency and the effectiveness of the services offered by NGOs comparing with the ones offered by the state institutions. In order to evaluate the services, I have conducted an interview and visited the sites.

Taking into account the conditions encountered in nursing homes administered by NGOs as well as those under the leadership of public authorities, in the following, I will highlight a number of strengths and weaknesses for each one of them. In this paper, I have addressed issues such as service type, how the organization evaluates its own work, the flexibility of the organization, the main costs, the most important sources of income, the amount that a beneficiary must pay to receive services, challenges that the organizations face, the ratio of employees and beneficiaries as well as matters regarding partnerships with other organizations or institutions.

After the discussions with the authorities, I concluded that the topic of the elderly as well as the provision of services offered to this group are important to the local government, which was also on the public agenda. It is a pressing social problem that there were approximately 200 individuals at any time on the waiting list for the public elderly homes. Depending on the level of disability, dependency and the degree of care the person needs, the individuals are prioritized, after which a decision on acceptance is made. In addressing the urgent social problem, the local government offers services to individuals who do not need constant care in their own homes. In this sense, a caregiver visits the assisted person on a weekly basis.

Regarding the funding of non-governmental organizations which offer social services for the elderly, representatives of public authority stated that 'approximately 50% of social services are provided by NGOs from public funds'.

According to their opinion, providing social services and receiving a subsidy from the local government means ‘contracting out’; and in this sense the social services are already contracted out to non-profit organizations. However, the local government finances mostly organizations that provide services such as hot meals or home-care services.

There are strict regulations for private providers regarding the quality of services, but there is lesser precision in terms of available funding. Private providers are not financially integrated into a solid system in order to receive public funding, aside from grant programmes. The legal basis for this grant scheme is Law 350/2005⁴ on the regime of grants from public funds allocated to non-profit activities of general interest and Law 34/1998⁵ on associations and foundations, which addresses social service units.

Regarding the long-term strategy in the elderly care, authorities have expressed a desire to create a programme similar to the one already existing in the United States, which encourages the legacy system. Based on this mechanism, the elderly will donate their properties to the government in exchange for residential care.

Residential Elderly Care Units of NGOs

Non-governmental organizations excel in collaboration with other similar third-sector organizations or institutions. They have shown interest and willingness to collaborate with organizations having similar profile and activities. Representatives of these NGOs state that collaboration with other institutions having similar interests plays a crucial role in daily activities, even if this collaboration does not have a legal frame.

NGOs mobilize their resources creatively and their capacity to attract material or financial resources is infinitely higher as compared with the public institutions. However, public funding for social services provided by NGOs is still limited. Since 1998, subsidy per beneficiary covers only a small part of the costs, while other operational costs still remain uncovered, and the subsidy given is conditioned to increasing the number of beneficiaries instead of focusing on the quality of the services.

Caring for one beneficiary in a public home costs between 1,700 and 2,700 RON / month, whereas in private homes operated by NGOs this is between 1,500 and 2,000 RON / month. While the main sources of income for public nursing homes comes in 80% from the state budget and in 20% directly from the beneficiary, NGOs receive 200 RON per beneficiary on a monthly basis through the already mentioned public funding. Thus, taking care of one person in an elderly care

4 More at: http://www.ccja.ro/pdf/x_Legea_350_05.pdf.

5 More at: <http://www.legex.ro/Legea-34-1998-14529.aspx>.

home operated by a non-profit organization is more cost-effective compared with those nursing homes run by the public institutions.

The main costs the private homes identified are the costs related to the personnel and food, since none of the visited institutions have their own kitchen. In the public nursing homes, the main costs are as follows: personnel, food, medicines and operational expenses.

Another area where NGOs perform better is the caregiver–beneficiary ratio. NGOs have more employees who are in direct contact with the beneficiaries, and this ratio is also increased by the presence of volunteers who offer periodic services and organize group or individual activities. Furthermore, in assisted home living run by the NGOs, the staff showed a higher interest in customizing services according to the beneficiaries' personal needs. This is linked to a more family-like atmosphere created in the assisted homes run by NGOs. Note that the number of the average private homes' available places is at 20, while in the public home in Cluj-Napoca the capacity is of 110 places. Due to this, public homes lack privacy; even a spacious room seems crowded having 14 beds. NGOs offer the option to their beneficiaries to dispose of single-bed rooms for a somewhat higher contribution, an option that does not exist in public institutions.

Both entities operate with internal regulations and procedures clearly established; however, NGOs have shown increased flexibility when it comes to making changes associated with the programme, activities, food served on demand or caregivers – 'we have one day a week to cook exactly what they like' (private home). Regarding the procedures by which a person can take a place, they are not as complicated as in the nursing homes run by public institutions, and they are less bureaucratic. In comparison, the process of institutionalization in the public system must pass through several stages and is subject to many rigors. On the basis of a verbal and/or a written notification, the procedure begins with the initial evaluation of the case. Based on these data, in conjunction with the information in the dossier prepared (it includes copies of the identification documents of the applicant and his/her family, medical evaluation, documents certifying the status of the person), they determine the placement in a social unit if the requirements are fulfilled, or, on the contrary, the person in case will receive support and guidance towards another service, so as to prevent institutionalization. Adults in need, homeless, without family or income, individuals who are in a situation of dependency and self-care capability is limited or absent have priority.

Due to sponsorship, both NGOs and public nursing homes have managed to obtain the necessary medical equipment (beds, special mattresses, wheelchairs) to carry out the activities under good conditions.

Private homes 'have the right to select their customers'. If there is an institutionalized person who creates problems for the whole group, there is a possibility for that person to be asked to leave. It turned out from discussions with representatives of

private homes that they often faced problems with people having severe mental health issues and they had to refuse them because they were not qualified enough to accommodate their needs: 'We cannot admit people with mental disorders.' On the other hand, public homes accept everyone, with no discrimination.

Some areas that need to be improved can be pointed out. An area of perfection for NGOs is the qualification of their staff members. Since they do not have the most qualified professionals, they are able to offer only limited medical services. All the subjects agreed upon the need for an 'in-house doctor' twenty-four-seven, because all the nursing homes visited have a doctor who comes maybe two times a week or when there is an emergency. One of the homes visited has contractual collaboration with a retired doctor who works voluntarily, but this is not enough taking in consideration the needs of the elderly.

As a conclusion, the third sector relies very much on interpersonal relationships. They seem to understand that people make institutions work together, rather than some strict forms and regulations. On the other hand, public institutions co-operate mostly with public authorities (police, local authorities, hospitals). However, they collaborate with NGOs when it comes to assist the resident people in need. Services offered to beneficiaries are more flexible, the environment is more family-like and there is a certain privacy; the beneficiary-caregiver ratio is better and offering the services costs less.

Residential Elderly Care Units of Public Institutions

In terms of services, public nursing homes have an advantage as they provide comprehensive medical services at a superior quality. All private institutions offer about the same range of services such as housing, personal care, rehabilitation, socialization, recreation, but beside these the public home care offers total medical services. Public sector homes provide more extensive medical services given that they benefit from the presence of a permanent internal doctor. Looking from this perspective, the services they offer are very much like those we encounter mostly in a hospital, which may give the impression of a less comfortable and welcoming environment as opposed to the nursing homes operated by non-profits.

In order to support and carry out their activities and programmes, public homes receive public funding on a normative basis. Eighty percent of their resources come exclusively from the state budget and 20% as contribution from the beneficiaries.

Talking about aspects that support improvements, in Cluj-Napoca there are no nursing homes or care centres but rather a hospital for the elderly. The two nursing homes are not in the town and because of that they are not easily accessible. So, the major problem regards the access to the services but also their quality since friends and relatives find it hard to visit the residents, what leads to social isolation.

The second major downside is considered to be the lack of occupational therapy and leisure programmes, because watching TV cannot be considered an appropriate activity and they do spend most of their free time in front of the TV. A possible explanation could be that in the assisted living homes run by public institutions the ratio between client and caregiver is higher. Because of that, the caregivers do not have enough time to offer a more personalized care. In this sense, a private nursing home has an open partnership with the Faculty of Social Assistance, through which they provide various activities to fill in the beneficiaries' free time in a more interesting and stimulative way.

In the case of the public institutions' collaboration, these are grounded on a rigid legal system, trust not playing any role in their partnerships. Moreover, representatives of public institutions seem to be very reluctant in working with NGOs; they even seem not to recognize the difference between mission-driven organizations and profit-driven companies. It appears that the base of their mistrust is a lack of understanding of how NGOs can run institutions without having a stable, fixed income. 'I cannot understand how an NGO can operate without a fixed and regular income source,' said the administrator of a public nursing home.

Public nursing homes offer a more medically-centred care; however, there is a significant percentage of beneficiaries who do not need more medical care than the ones in the homes operated by non-profits. Even in their case, providing similar services to those offered by NGOs to their beneficiaries has a higher cost. The difference between the lowest costs per beneficiary is 200 RON on a monthly basis for each individual. Not only that non-profits are able to provide housing, provision and leisure time activities at a lower cost, but their services are more flexible, their venues easily accessible, the living conditions are better and they offer a more family-like environment. Furthermore, the beneficiary-caretaker ratio is better than in the case of public homes.

As a conclusion, with all of their limitations, NGOs do offer better services at a lower cost. Hence, they would be well suited to extend the current partnerships and take over more service delivery from the state. This way, the government would be able to address pressing social issues in a more efficient way. Private-public partnership and contracting out might be a solution to improve the government's function.

Relationship between Government and NGOs

As the previous empirical research pointed out, we can conclude that non-profit organizations do offer residential care services for the elderly very efficiently. Would there be a reason behind the lack of spectacular result in the collaboration between public and private institutions other than effectiveness? Is it simply

because public institutions do not trust the civil society? And if the local government does not trust the third sector, what would the reasons be?

In the following section, through a series of semi-structured interviews, I will analyse the various aspects of the collaboration between the third sector and public institutions, remaining within the frames of residential services offered to the elderly.

Public Institutions Considering Their Constituencies

Even though the responses are not consistent, it seems that local officials do not hold thorough public consultations; they do not seek out actively neither their own specialists' nor the NGOs' experience, input or opinion. Contrastingly, the majority of the representatives of public institutions consider that NGOs' ideas and inputs are incorporated into the policies. On the other hand, NGOs are rather disillusioned by this process. '... They would only ask for our opinion before the elections. After that, we do not hear about them a word.' – an NGO representative.

Another person, in this case, an employee of a public institution, states that when elaborating policies, their opinion and expertise is usually not requested. 'In 2010, they did not ask us, the social workers, anything, and they took the decision of solving the situation of the Roma by themselves. And the results? We all are going to work in the next ten years to take them out of the slums.' Since 2010, however, the consulting process has been continuously improving, today's biggest challenge being the underrepresentation of the civil society. With a great number of small NGOs that do not step up united to make their voices heard, the consulting process resumes only to a few very active individuals. 'Not many of them came [representatives of NGOs]. It is always the same persons – they do not represent the whole civil society' (civil servant).

Local Government Communicating with the Civil Society

The majority of the respondents agree that communication is somewhat poor. According to the NGOs, the local government does not communicate well, excepting one single elected official. The basis of this positive response might lay in a shared ethnic background and mother tongue, respectively in the willingness of this person to use it in official matters, too. Contrastingly, the public officials miss the dialogue and the participation in the consultations of more NGOs.

Perception on Local Government Services

Generally, it is agreed that local government services are good and enhance the inhabitants' lives. However, there are some observations regarding poor customer service coming from both sides. According to this, the quality of customer service depends on whether the citizens have a prior personal relationship with the clerks or not. Another remark referring to the poor customer service points out the challenges caused by a modest infrastructure and the lack of timely and efficient internal communication of the public institutions. 'Once we got a phone call asking about the plumbing services. We were wondering whether the local government had started to offer plumbing services and they forgot to tell it to us or this was a simple mistake.'

Collaboration between NGOs and Local Governments

Offering social services for the public creates tremendous possibilities of co-operation between the state and the third sector such as pointing problem areas, finding common solutions and creating a helping and lifting environment. The extent to which this partnership deepens is influenced by factors such as the legal environment, institutional structures, financial mechanism etc. In examining the working relationship between the local government and the charities, I have examined how many times and in what area the institutions have worked together. The financial support received from the state is also an indicator of the relationship's quality; therefore, a set of questions examined the financial aspects of the collaboration.

The three social service providers have tried to collaborate with the local government for several times: mostly, in order to obtain the necessary permits, licences and the much needed funding. Non-profit organizations believe that the collaboration was mutually beneficial although one always has to make compromises. Even though certain organizations have received financial support from the public institutions since the amount was limited and covered a minimal part of their needs, this support is not greatly appreciated. Not surprisingly, these representatives of the civil society have not tried to work with the local authorities in elaborating public policies. They rather see the government more like an institution from where they need certain authorizations necessary to prove their legitimacy and from which they expect exclusively funding for their own projects. There is no mentioning of identification of common interests, goals and means, and this leads to a deficient working relationship between the state and NGOs. From the NGOs' point of view, it is unimaginable to have common projects or common solutions that could answer the communities' needs.

Contracting Out

Throughout the world, governments have been making several reforms in their public services due to the citizens' pressure for improved service quality and efficiency, new demands, fiscal pressure and even globalization. A vital element of this change in public services has been a significant increase in private–public partnerships, more precisely, in the government contracting with non-profit and for-profit organizations to provide the necessary public services. Governments routinely contract out many essential public services: social services, transportation, education and child protection. While in many countries most of the services are contracted out, allowing the government to take its steering role instead of rowing, the Romanian perspective is rather offering subsidies through grants.

In this case, beside the government maintaining its role of monitoring, it delivers itself services side by side with the non-profit organizations, often competing with each other for beneficiaries and state funding. In this climate of competition and perceived government hostility, having a contracted out service seems unimaginable for the representatives of non-profits and hard to accomplish for the majority of the public officials.

On the part of public officials, there is more openness for having the services contracted out, although they point out some deficiencies, mainly the logistical challenges of having to work with many small NGOs instead of dealing with clusters or umbrella organizations. In their opinion, contracting out would solve the issues related to the extreme workload of public officials, on one hand, and to the rising unemployment of the youth, on the other hand, and would increase the efficiency of the public administration. 'It would be much easier to have the NGOs do the job and we could just verify them. It would make much more sense; but no, we like these giant institutions. And at the end of the day, we are surprised that we cannot access the available EU funds – *fata morgana*.'

Political Influence

Contracting between the government and the civil sector has been receiving widespread attention from the state, the civil society, scholars and citizens. Private–public partnerships always raise policy debates on how public money should be spent and whether the partnerships' criteria are fair or whether there is a political implication behind certain contracts. In the following section, I will try to find answers regarding a possible political influence. Non-profit professionals are aware of a certain influence political parties try to exercise on the third sector. According to two responses, the institutions that they represent resist to this pressure, while the third one does not show a sharp delimitation against politics.

‘I think that political parties should represent the will of the citizens – and we are all citizens, aren’t we? We should get involved, go and vote for the party that represents the ideology we believe in. After all, this is the basis of democracy.’

Public servants are more distant regarding an affirmation on the matter of political influence on the third sector, and ultimately the spending of the public money. They consider that it is impossible to have a direct influence on the civil sector firstly because non-profits give a lot of importance to their professional image and secondly because no one really knows if the voting promises in exchange for some extra benefit are honoured or not.

Trusting the Civil Society

Since in Romania the partnership between private and public entities is reduced to giving subsidies and grants, it raises the question whether at the heart of this deficient system is a lack of trust towards the third sector. The following section will examine to what extent public administration’s employees think that NGOs abide by the law or the results communicated by them represent the truth. Since there is a possibility that the government could consider that the third sector’s programmes are not in line with the general objectives or might not respect the privacy or defend the beneficiaries’ rights, the paper will try to give answers to this dilemma too.

An additional source of distrust between government and civil society might be posed by the way the third sector solves its problems and communicates; therefore, this study examines this question too.

Abiding by the Law

All of the asked public servants considered that NGOs predominantly respect the law. If there are some exceptions, these are around some bureaucratic procedures and motivated by a want to use the available funds directly on offering better social services instead of spending it for getting some licences or paying various fees. ‘They cannot allow themselves not to respect the law – it is a matter of professional pride for them.’

The elderly home care representatives unanimously responded with a ‘yes’ to this question; however, there are some cases when they recognize that they bend the rules. These are cases that regard the privacy of their beneficiaries, and they are not willing to report to the state their beneficiaries’ stated income or use of working language in the institution. ‘You cannot take the right from a dying person to speak his or her mother tongue.’

Some other cases when non-profits bend the law involve a perceived sharp inconsistency between the reality of social work and the existing regulations. ‘Many of the regulations were made by individuals who have no clue of social work. They do not look at many things and important things, such as inflation, overhead costs etc., are not taken into consideration. The completed official forms do not reflect the reality; they skip over many important things but ask for things that one cannot accept.’

Abiding by the law certainly appears to be a virtue of the civil society; however, that does not imply that the official data delivered to the authorities always correspond to the reality. The following part will answer the question whether official data delivered by non-profits is truthful. At a closer look, it becomes obvious that some of the data are not exactly what we would call ‘the whole truth and nothing but the truth’. Behind this double-sided reporting lies a deficient system that not only does not encourage recognizing or learning from failures, but it does not even consider realities of life such as death. ‘It is a little bit like in the socialist era: the central authorities have demanded 100 percent all the time. Well, even today, we all write down that we have accomplished the targets and goals in 100 percent and just do our best. Some of the expectations are simply absurd – they do not understand that an elderly will not rise up from the death and die again when it is more appropriate. [...] We receive a monthly subsidy for each person, but in order to obtain it, we have to have all the time the exact same number of beneficiaries. If somebody dies on a Friday evening, there is nobody here in the weekends to take on a new person. That process needs a social worker, it has legal involvements and a lot of paperwork and our social workers do not work on weekends.’

Even civil servants recognize the absurdity of the system’s requirements and point out the impossibility of recognizing failures. In these cases, civil servants act empowered, although in the currently existing legal frames they are not invested with any decision power.

Protecting the Beneficiaries and Representing Their Interests

Both institution types agree that NGOs do protect their beneficiaries, respect their privacy and represent their interest. ‘Non-profit organizations function based on certain accreditations. If they do not respect the mentioned requirement, they will lose their beneficiaries, especially if they receive subsidy form the government. And also, it is a personal character of their employees – they are truly caring and attentive.’

Problem Solving

A possible cause of an imperfect collaboration between state and third sector could be the lack of a constructive way to solve problems. Public officials believe that NGOs solve their problems constructively. At the same time, they seem to leave out of consideration something that they themselves have pointed out as an area of improvement for NGOs. Namely, the fact that getting involved in public consultations, lobbying, initiating programmes or a closer collaboration with public authorities would be also a sign of solving the communities' problems in a more constructive manner.

Communication

Beyond respecting the legal requirements, having mechanisms that encourage straightforward reporting and protecting the beneficiaries, there is also a need for efficient communication in order to build trust. The following section will analyse the way non-profit organizations communicate and how this communication is perceived by the local government.

It results from the interviews that non-profits are viewed as good communicators but generally lack visibility and the know-how of promoting themselves. 'When there is an extraordinary case through which they are all affected, they do get together and voice their opinion, but normally they communicate only in their small, internal circles. One cannot see them or hear them.'

Efficiency and Effectiveness

Due to the volunteers' working hours, various donation programmes and funding mechanisms, non-profit organizations are considered to run services more efficiently, however sometimes struggling with their sustainability. 'Many of them have issues regarding sustainability. For example, ASM has built a large centre, fully armed with state-of-the-art equipment, but it was not sustainable. Today, it functions under the tutelage of the Mayor's Office.'

Selecting Partners

This part of the research tries to find an answer as to whether the process through which the actors of private-public partnership are perceived as fairly selected. According to the data, this is perceived as generally free of corruption but raises

questions of equity: ‘Imagine that you only have X amount of money to divide between all the NGOs. What would you rather finance: a project through which a few students organize a table-tennis championship or a cheerleading competition that takes place downtown? And also, next year will be the European cheerleading championship and they want to organize it here. To whom would you give the public money to?’

As a conclusion, while there are many areas that need improvement in the collaboration between government and civil society, according to the data presented, government officials do trust the civil society. They believe that non-profits protect the interests of their beneficiaries, they are able to offer good services at a lower price, have dedicated and qualified staff members and abide by the law. The majority tends to understand possible small differences between reported financial data and reality; moreover, they do not condemn it because it is perceived to be reinvested in the quality of services.

On the other hand, there are various valid arguments why the outsourcing would not function presently. First of all, the legal mechanisms are not in place and are not precise. Public officials are not given credit and power of liberty to independently judge the individual cases. In addition, the generational gap among the employees results in a significant difference in their values, which causes internal conflicts and a decreased capacity in adopting new working methods. Even if the legal structure and institutional will to adopt methods of contracting out existed, the Romanian public sector would still face several challenges. Firstly, civil society does not have a strong voice, and NGOs are not visible. Secondly – related to the first one –, NGOs’ civic participation is extremely low. Its root cause might be that the mechanisms of public consultation are not properly functioning, or that the civil society does not perceive it as the best way to voice their opinion.

Analysis on Trust

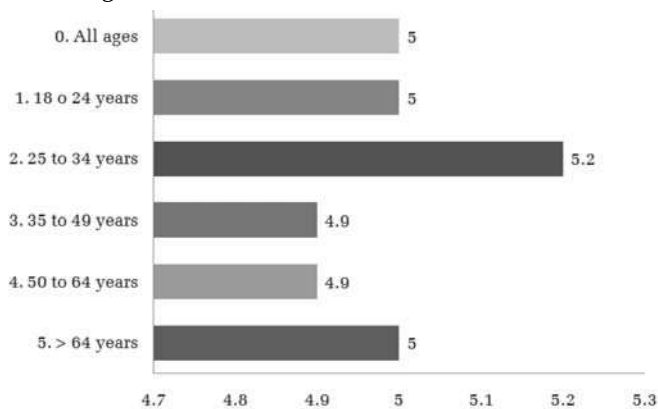
While the study examines the extent to which civil society and local government trust each other, it was important to see how the level of the generalized trust compares to the linking trust. I have examined the evolution of trust in various institutions as well as the linking network’s various dimensions.

The generalized interpersonal trust was measured using four different questions; trust is calculated taking the average of these questions. The first question, the most commonly found in surveys, is: ‘Generally speaking, to what extent do you think that most individuals can be trusted?’ The answers are coded in the following way: 1 = (to a very small extent), 2 = (to some extent), 3 = (neither to a small nor to a great extent), 4 = (to a great extent), 5 = (to a very great extent).

According to this coding scale, the answers show a rather neutral perception since the average score is 3.14.

The second question, ‘Generally speaking, to what extent do you agree that nowadays one cannot trust anybody?’, differentiates between a general lack of trust and a low trust in the majority of individuals. Similarly to the first question, the answers are coded from 1 = (to a very small extent) to 5 = (to a very great extent), and with its average of 1.47 point it supports the idea according to which a neutral response to the first question does not necessarily mean a lack of trust.

The next dimension of the generalized interpersonal trust refers to trusting strangers. The next two questions examine the lack of trust versus caution when dealing with strangers. The third question, ‘To what extent do you trust a stranger?’, has the very same results (3.14) as trusting most individuals. Being cautious when around strangers scored on the same scale as used earlier an average of 3 points, showing that the interviewees demonstrate more trust than restraint around strangers.



Source: European Quality of Life Survey 2012

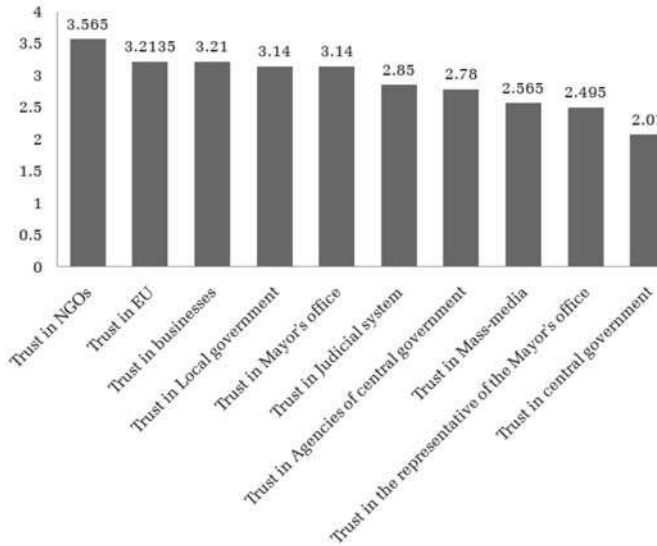
Figure 1. ‘Would you say that most people can be trusted, or that you cannot be too careful in dealing with people?’

The outcomes of the survey are in line with the findings of the European Quality of Life Survey 2012. This survey uses a scale of 1 (lowest) to 10 (highest), and the Romanian generalized interpersonal trust is at the mean.

We have seen that a relatively low level of generalized trust characterizes the subjects of this interview. This context is important to consider when interpreting the data on the topic of trust in various institutions.

Trust in institutions varies over time and depends on several factors; therefore, the survey distinguished two time dimensions through which trust might have varied: we have asked about the trust in a particular institution five years ago, respectively at the present. To the question ‘To what extent do you trust the

following institutions?,' the possible answers given are coded as follows: 1 = (to a very small extent), 2 = (to some extent), 3 = (neither to a small nor to a great extent), 4 = (to a great extent) and 5 = (to a very great extent). Trust in each institution is calculated through the mean of trust in past and trust at present.



Source: own survey data

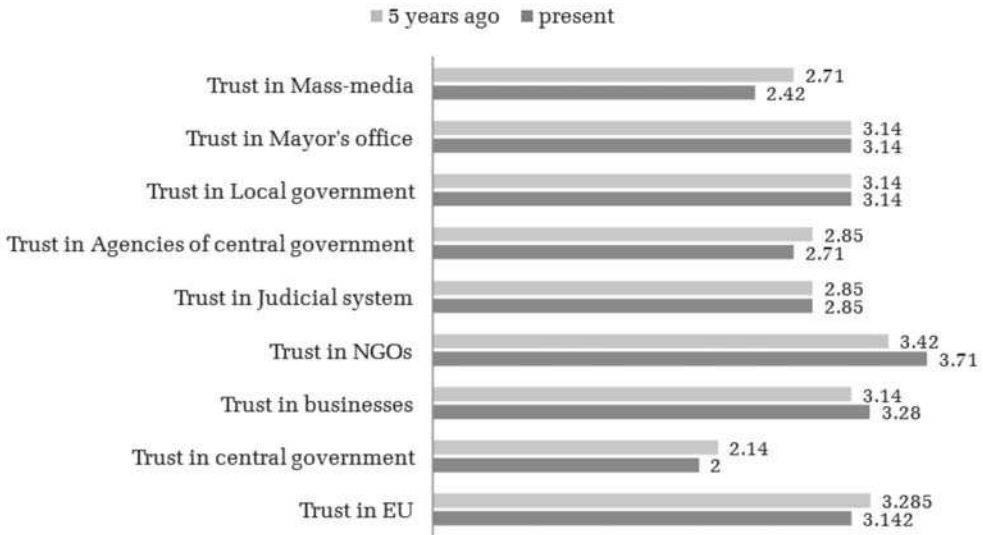
Figure 2. *Trust in institutions*

According to this, the non-profit organizations are ranked as the most trustworthy, followed by the European Union and by the businesses. The least reliable institution in the opinion of the survey's respondents is the central government.

Such a low level of trust in the central government certainly influences the quality of democracy and the public participation. However, if there were a significantly higher level of trust in the local government, decentralization could bring significant improvement both in civic life and in government efficiency. While the answers denote a higher level of trust in the local government and the Mayor's Office, both being coded at 3.14, it does not show a significant trust in the institution since the generalized interpersonal trust was ranked at the very same level. Note that there is a distinction made between the representative of the Mayor's Office and the institution itself.

In other words, we could say that the local government and the Mayor's Office are trusted to the same extent as the majority of people or even strangers, whereas there is a clear distrust towards the central government.

In trying to figure out the areas of necessary and possible improvements regarding trust, I have analysed the evolution of trust in institutions, comparing the results of five years ago to those of the present time.



Source: own survey data

Figure 3. Changing trust

As the data shows, generally, trust has declined in the past five years. While it is argued that subjective well-being and, therefore, economic conditions influence the increase or decrease of trust, I think that it is worth pointing out that trust in businesses has not declined as opposed to public institutions. On the contrary, businesses are among the few institutions in which trust has grown over the past five years. Likewise, trust in civil society has increased over the past few years, mainly because they have started to hire more individuals with professional qualifications.

The level of decrease in most of the institutions remains at the same level, namely at 0.14, excepting mass-media, where there is a steeper fall. This can be explained by individual cases where mass-media was not perceived as objective in some of its reporting.

Apparently, the local government and the Mayor's Office hold steadily the trust of its citizens, which could be a promising sign for all citizens in this case. The local government is considered to have programmes with a positive influence on the majority of the inhabitants, this score being marked as its strongest point. While some individuals did not know how efficiently it operated, the majority believes that this institution uses its resources in a disciplined way.

Public administrators believe that the office does create partnerships with the civil society to solve problems more efficiently; however, they are not so sure about the openness of the dialogue.



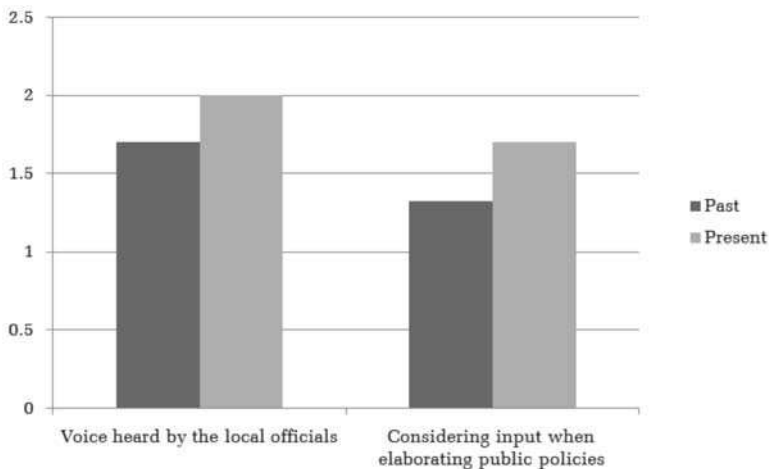
Source: own survey data

Figure 4. Perception of the Mayor's Office

Trust towards the local government and some of its functions and results is highly appreciated, and this could be a starting point to an open dialogue. Unfortunately, in the perceptions of the NGOs, this is the weakest point of the institution; moreover, from the open-ended questions, we find out that regarding the dialogue interviewees have mentioned a single person who is open: a relatively newly elected public official. In this case, it is clear that we can talk about particularized or bounding trust and not the needed linking trust.

The second dimension of the linking networks is the degree to which the civil sector engages in a dialogue with leaders of public institutions. The aspects of engagement were examined asking 'To what extent do you think that your voice is heard by the local officials?,' respectively 'To what extent do you think that your suggestions were taken into consideration when elaborating public policies after public consultations?' The answers are coded in the already used system: 1 = (to a very small extent), 2 = (to some extent), 3 = (neither to a small nor to a great extent), 4 = (to a great extent) and 5 = (to a very great extent).

Interpreting these answers by simply looking at the quantitative data might be misleading since from the open-ended questions we find out that the interviewees see the collaboration with public institutions in a narrow perspective: either obtaining necessary permits and authorizations or receiving funding for their programmes. Trying to collaborate in the matter of various policies has not been an issue for these NGOs.



Source: own survey data

Figure 5. *Engagement in dialogue*

The NGOs' reticence in public consultations and the lack of getting involved in the civil life seems to have various explanations. A first explanation could be that NGOs do not wish to have closer relationships with political parties or elected public officials and wish to stay completely neutral. Starting to work with politicians is perceived as a threat to offering social services to individuals regardless of age, ethnic background and religious or political views. A second reason could be related to the extremely low level of trust in the central government. The majority of public consultations regarding public policies are initiated by the central government or its agencies; therefore, the wish to collaborate in matters of common interest might have been outmatched by the lack of trust. From the open-ended questions, we can also find answers that point out the deficiencies of these public consultations, the main problem being the lack of timely notification about these debates.

Measuring the three dimensions of linking networks, namely, trust, engagement and connections, shows us a lack of trust in the central government and mass-media. NGOs are not engaged in a dialogue with the representatives of public institutions, and when there is a connection it is a personal one, based on similarities. As a conclusion, the linking trust needed in creating reliance between third sector and public sector is extremely weak and because NGOs operate on basis of bounding trust they do not contribute to creating social capital.

Conclusions

The present study started off from the theory that the third sector creates social capital (Carver et al. 2003). In the context of social service delivery, this would practically mean that NGOs play a crucial role in creating cohesive partnerships and linking networks.

The hypothesis regarding the government's lack of trust in civil society proves to be contradicted by the data presented in the paper. Non-profit organizations are considered to be trustworthy; however, there are several reasons behind the unproductive collaborations. One of them is the institutional incapacity to monitor and evaluate services contracted out. Additional reasons are mostly related to historical legacies, infrastructure and communication.

While the study brings substantial evidence regarding the efficiency of the non-profit organizations and to the premise that they are able to mobilize various resources, it also shows that these resources are mobilized almost exclusively due to bounding networks. NGOs do offer a superior quality of service as opposed to the ones offered by the state; however, a tighter collaboration between civil society and state institutions seems unimaginable for the representatives of these non-profit organizations. Public authorities are generally regarded by the NGOs as 'outsiders' from where they have to obtain licences, permits and which occasionally offer grants, rather than becoming lasting and real partners with common interests in offering improved quality services. Links with public authorities are based on personal contacts, and instead of creating linking networks NGOs operate on the basis of personal favours or informal social capital, similarly to other transitioning countries' phenomena.

Operating on the basis of bounding networks could be explained with the fact that public policy elaborations are mainly initiated by the central government, the institution in which respondents have the least amount of trust. This low trust of the civil society in the central government could be one of the main reasons of the poor collaboration between the government and the third sector. This suggests that public institutions influence the creation of social capital and not the NGOs are the ones to contribute to its creation.

Although two hypotheses were disproved by the collected data, the study succeeds in bringing a detailed perspective on the major obstacles of improving government efficiency and creating linking trust. While the paper focuses on a smart niche of the collaboration between civil society and local government, the study offers a detailed overview of the core challenges of improving the Romanian government's performance. The possible solutions that were suggested in the literature, such as contracting out or building social capital, are proven to have major obstacles that are related to the lack of trust in the central government. To be able to extend the present study's conclusions, further research would be

necessary, comparing more services and collecting data from more constituencies on a national level.

As a conclusion, the presented data suggest that the central government plays an important role in influencing social capital as opposed to the idea of civil society building linking networks with the public institutions. In a society with a great economic inequality and a low social capital, the third sector's role remains a rather limited one, restricted to delivering subsidized services.

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