Global Civil Society
Dimensions of the Nonprofit Sector

Lester M. Salamon
Helmut K. Anheier
Regina List
Stefan Toepler
S. Wojciech Sokolowski
and Associates

The Johns Hopkins Comparative Nonprofit Sector Project
Global Civil Society
Dimensions of the Nonprofit Sector

Lester M. Salamon
Helmut K. Anheier
Regina List
Stefan Toepler
S. Wojciech Sokolowski
and Associates
# Table of Contents

Contributors ................................................................. ix
Preface .............................................................................. xvii

**Part 1: Comparative Overview** ........................................... 1
1. Chapter 1: Civil Society in Comparative Perspective .......... 3
   Lester M. Salamon, Helmut K. Anheier, and Associates

**Part 2: Western Europe** ................................................... 41
2. Chapter 2: Belgium ......................................................... 43
   Sybille Mertens, Sophie Adam, Jacques Defourny,
   Michel Marée, Jozef Pacolet, and Ilse Van de Putte
3. Chapter 3: Finland ......................................................... 63
   Voitto Helander, Harri Laaksonen, Susan Sundback,
   Helmut K. Anheier, and Lester M. Salamon
4. Chapter 4: France ........................................................... 81
   Édith Archambault, Marie Gariazzo, Helmut K.
   Anheier, and Lester M. Salamon
5. Chapter 5: Germany ......................................................... 99
   Eckhard Priller, Annette Zimmer, Helmut K. Anheier,
   Stefan Toepler, and Lester M. Salamon
6. Chapter 6: Ireland .......................................................... 119
   Freda Donoghue, Helmut K. Anheier, and Lester M.
   Salamon
7. Chapter 7: Netherlands .................................................... 145
   Ary Burger, Paul Dekker, Stefan Toepler, Helmut K.
   Anheier, and Lester M. Salamon
8. Chapter 8: Spain ............................................................ 163
   José Ignacio Ruiz Olabuenaga, Antonio Jiménez Lara,
   Helmut K. Anheier, and Lester M. Salamon
9. Chapter 9: United Kingdom ............................................. 179
   Jeremy Kendall and Stephen Almond
### Table of Contents

**Part 3: Other Developed Countries** ................................. 201

Chapter 10: Australia .............................................. 203
  Mark Lyons, Susan Hocking, Les Hems, and
  Lester M. Salamon

Chapter 11: Israel .................................................. 219
  Benjamin Gidron, Hagai Katz, Helmut K. Anheier,
  and Lester M. Salamon

Chapter 12: Japan .................................................. 243
  Naoto Yamauchi, Hiroko Shimizu, S. Wojciech
  Sokolowski, and Lester M. Salamon

Chapter 13: United States ......................................... 261
  S. Wojciech Sokolowski and Lester M. Salamon

**Part 4: Central and Eastern Europe** ............................. 283

Chapter 14: Czech Republic ....................................... 285
  Pavol Frič, Rochdi Goulli, Stefan Toepler, and
  Lester M. Salamon

Chapter 15: Hungary ............................................... 305
  István Sebestény, Éva Kuti, Stefan Toepler, and
  Lester M. Salamon

Chapter 16: Poland ................................................ 325
  Ewa Leś, Sławomir Nalecz, Jan Jakub Wygnarski,
  Stefan Toepler, and Lester M. Salamon

Chapter 17: Romania ............................................... 337
  Daniel Saulean, Dan Stancu, Carmen Epure,
  Stefan Constantinescu, Simona Luca, Adrian Baboi Stroe,
  Oana Tiganescu, Bogdan Berianu, Stefan Toepler, and
  Lester M. Salamon

Chapter 18: Slovakia ............................................ 355
  Helena Woleková, Alexandra Petrášová, Stefan
  Toepler, and Lester M. Salamon

**Part 5: Latin America** .......................................... 371

Chapter 19: Argentina ............................................ 373
  Mário Roitter, Regina List, and Lester M. Salamon

Chapter 20: Brazil ................................................ 393
  Leilah Landim, Neide Beres, Regina List, and
  Lester M. Salamon

Chapter 21: Colombia .......................................... 411
  Rodrigo Villar, Regina List, and Lester M. Salamon
<table>
<thead>
<tr>
<th>Table of Contents</th>
<th>vii</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter 22: Mexico</td>
<td>429</td>
</tr>
<tr>
<td>Gustavo Verduzco, Regina List, and Lester M. Salamon</td>
<td></td>
</tr>
<tr>
<td>Chapter 23: Peru</td>
<td>445</td>
</tr>
<tr>
<td>Cynthia Sanborn, Hanny Cueva, Felipe Portocarrero, Regina List, and Lester M. Salamon</td>
<td></td>
</tr>
<tr>
<td>Appendices</td>
<td>463</td>
</tr>
<tr>
<td>A: Methodology and Approach</td>
<td>463</td>
</tr>
<tr>
<td>B: Comparative Data Tables</td>
<td>477</td>
</tr>
<tr>
<td>C: Data Sources</td>
<td>485</td>
</tr>
<tr>
<td>D: Advisory Committees</td>
<td>501</td>
</tr>
<tr>
<td>E: Local Associates</td>
<td>507</td>
</tr>
<tr>
<td>Project Funders</td>
<td>511</td>
</tr>
</tbody>
</table>
Like many of its counterparts in Western Europe, the Spanish nonprofit sector focuses a significant portion of its human and financial resources in the social welfare fields, especially social services. However, contrary to much of the rest of the Western European region, Spain’s nonprofit organizations rely more heavily on private fees and charges for their income than on government grants and payments. What distinguishes Spain’s nonprofit sector even more is a relatively high level of private giving in the revenue mix.

These findings are the result of pioneer work carried out in Spain by a research team at the Fundación Banco Bilbao Vizcaya (FBBV) in conjunction with the Johns Hopkins Comparative Nonprofit Sector Project. The comparative endeavor thus offered ample opportunities both to capture local Spanish circumstances and peculiarities and to compare and contrast them to those in other countries in Western Europe and elsewhere in a systematic way. The result is the first comprehensive empirical overview of the Spanish nonprofit sector and the first systematic comparison of Spanish nonprofit realities to those elsewhere in Western Europe and the rest of the world.
The present chapter reports on just one set of findings from this project, those relating to the size and structure of the nonprofit sector in Spain and elsewhere. Subsequent publications will fill in the historical, legal, and policy context of this sector and also examine the impact that this set of institutions is having. The principal data sources used were from the Instituto Nacional de Estadística (National Statistics Institute-INE), in addition to data available from various government ministries and sociological surveys, both population and organization-based. Unless otherwise noted, financial data are reported in U.S dollars at the 1995 average exchange rate. (For more information on the sources of data, see Appendix C.)

PRINCIPAL FINDINGS

Five major findings emerge from this work on the scope, structure, financing, and role of the nonprofit sector in Spain:

1. A growing economic force

In the first place, aside from its social and political importance, the nonprofit sector appears to be an important and growing economic force in Spain, accounting for significant shares of national expenditures and employment.

More specifically:

• **A $22.6 billion industry.** Even excluding its religion component, the nonprofit sector in Spain had operating expenditures in 1995 of $22.6 billion (2.8 trillion pesetas), or the equivalent of 4.0 percent of Spain’s gross domestic product, quite a significant amount.3

• **A major employer.** Behind these expenditures lies an important workforce that includes 475,179 full-time equivalent paid workers. This represents 4.5 percent of all nonagricultural workers in Spain, 6.8 percent of service employment, and nearly one-quarter (22.9 percent) as many people as work for government at all levels: national, autonomic (regional), and municipal (see Table 8.1).

• **More employees than in the largest private firm.** Put somewhat differently, nonprofit employment in Spain easily outdistances the employment in the largest private business in Spain, and does so by a factor of almost 7. Thus, compared to the 475,179 paid workers in Spain’s nonprofit organizations, Spain’s largest private corporation, Telefónica, employs only 68,380 workers (see Figure 8.1).

• **Outdistances numerous industries.** Indeed, as shown in Figure 8.2, more people work in the nonprofit sector in Spain than in many en-
tire industries in the country, including transport and communication; food, beverages, and tobacco; metal processing; textiles; and chemical manufacturing industries.

- Volunteer inputs. Even this does not capture the full scope of the nonprofit sector in Spain, for this sector also attracts a considerable amount of volunteer effort. Indeed, an estimated 9.8 percent of the adult Spanish population reports contributing their time to nonprofit organizations. This translates into another 253,599 full-time equivalent employees, which boosts the total number of full-time equivalent employees of nonprofit organizations in Spain to 728,778, or 6.8 percent of total nonagricultural employment in Spain (see Figure 8.3).

2. An average-sized nonprofit sector

Although the Spanish nonprofit sector is large in relation to the Spanish economy, it is slightly below average relative to some of its counterparts elsewhere in Europe.

<table>
<thead>
<tr>
<th>Nonprofits</th>
<th>475,179</th>
</tr>
</thead>
<tbody>
<tr>
<td>Largest Private Company (Telefonica)</td>
<td>68,380</td>
</tr>
</tbody>
</table>

Figure 8.1  Employment in nonprofits vs. largest firm in Spain, 1995
**Figure 8.2** Nonprofit employment in Spain in context, 1995

**Figure 8.3** Nonprofits in Spain, with and without volunteers, 1995, as a % of . . .
• **Slightly below the international average.** As Figure 8.4 shows, the relative size of the nonprofit sector varies greatly among countries, from a high of 12.6 percent of total nonagricultural employment in the Netherlands to a low of less than 1 percent of total employment in Mexico. The overall 22-country average, however, is 4.8 percent. This means that Spain, at 4.5 percent, falls somewhat below the global average.

![Figure 8.4 Nonprofit share of total employment, by country, 1995](image-url)
However, it still exceeds Finland and Austria (although only slightly), and comes close to France and Germany (both 4.9 percent).

- **Considerably below the Western European average.** While it is nearly even with the 22-country average, nonprofit employment as a share of total employment is still considerably lower in Spain than it is elsewhere in Western Europe. Thus, as shown in Figure 8.5, full-time equivalent employment in nonprofit organizations in Spain, at 4.5 percent of total employment, is proportionally 35 percent less than the European Union’s average of 7.0 percent. This is explained in part by the fact that, although the number of organizations is high (253,000), most Spanish nonprofit entities are rather small and generate limited employment.

- **Margin widens with volunteers.** This margin widens slightly, moreover, when volunteers are added. Thus, with volunteer time included, nonprofit organizations account for 6.8 percent of total employment in Spain, well behind the Western European average of 10.3 percent (see Figure 8.5).

### 3. A complex history of nonprofit activity

That the Spanish nonprofit sector is smaller in size than its Western European counterparts is the result of several long-term factors as well as more recent developments. Highlights include:

- The long and complicated history of Spain, with the prominent role of the Catholic Church and the late development of industrialization and modern state administration, all of which left many unresolved tensions between church and state power on the one hand, and emergent civil society on the other.

- The strong corporatist policies of the Franco dictatorship from the late 1930s to the mid-1970s and the suppression of civil liberties that reduced the social and political space potentially available for many types of nonprofit organizations, and at the same time, maintained the social services and educational establishments of the Catholic Church.

- The transition from authoritarianism to democracy that brought with it a boom in associational life, as political space for nonprofit activities was freed up and claimed by emerging social movements and citizen action.

- The rapid economic development of Spain since 1975, which has created many new demands for social services. These are supplied, at least in part, by an expanding nonprofit sector. Thus, in the last quar-
ter of a century, the Spanish nonprofit sector has managed to gain ground.

4. Social services dominance

Similar to other Western European countries, but unlike the all-country average, social services clearly dominates the nonprofit scene in Spain.

- **Nearly 32 percent of nonprofit employment in social services.** Of all the types of nonprofit activity, the one that accounts for the largest share of nonprofit employment in Spain is social services. As shown in Figure 8.6, 31.8 percent of all nonprofit employment in Spain is in this field. This is higher than the Western European average of 27.0 percent, and it greatly exceeds the 22-country average of 18.3 percent. This situation very likely reflects the prominence of three large networks of nonprofit organizations—ONCE (Organización Nacional de Ciegos/ National Organization for the Blind), the Red Cross, and Caritas—that play a major role in service provision and financing throughout Spain. For example, ONCE alone employs nearly 40,000 paid workers (8.4 percent of all nonprofit employment).
Sizable, but smaller shares of nonprofit employment in education, health, and culture and recreation. Compared to the overall 22-country average, education, health, and culture and recreation absorb sizable, but relatively smaller shares of nonprofit employment in Spain. Thus, while these three fields absorb 64.2 percent of nonprofit employment on average for the 22 countries and 60.1 percent for West-
ern Europe, they account for only 49.1 percent of nonprofit employment in Spain. This reflects, in part, the sector’s modest role—relative to the public sector—in the provision of health care services. At the same time, Spain still has a sizable nonprofit presence in these fields, represented most prominently by the education and research field, which accounts for 25.1 percent of nonprofit employment.

- **Unusually large share of employment in development and advocacy.** A relatively large portion of total nonprofit employment in Spain is found in the fields of development and advocacy. Together, these two fields account for 14.6 percent of all nonprofit employment, of which 11.2 percent is in development and 3.4 percent in advocacy. This reflects, in part, the role of nonprofit organizations in the political transition from dictatorship to democracy and their contributions to social and economic development.

- **Limited nonprofit employment in professional organizations and other fields such as environment and international activities.** Compared to the employment in nonprofit social services, education, health, culture, and development, the share of nonprofit employment in professional organizations and in other fields, including environment and international activities, is considerably smaller. Altogether, these fields absorb 4.5 percent of all nonprofit employment in Spain, less than half the 22-country average of 9.9 percent.

- **Pattern shifts with volunteers.** This pattern changes when volunteer inputs are factored in. In particular, as shown in Figure 8.7, with volunteers included, the share of full-time equivalent employment in the culture and sports, civic and advocacy, and “other” fields rises, whereas that in the traditional social welfare fields of education, health, and social services, as well as community development and housing, declines proportionally.

5. **Most revenue from fees and charges, not philanthropy**

Although fees and charges are the principal income source for the Spanish nonprofit sector, private giving accounts for a larger share than in any other European Union country included in this study.

- **Fee income dominant.** The dominant source of income of nonprofit organizations in Spain is fees and charges for services. As reflected in Figure 8.8, this source alone accounts for 49.0 percent of all nonprofit revenue in Spain.

- **Pronounced support from philanthropy.** Private philanthropy provides a much smaller, but still significant, share of total revenues.
Thus, as Figure 8.8 shows, private giving—from individuals, corporations, and foundations combined—accounts for 18.8 percent of nonprofit income in Spain.

- **Limited public sector support.** The public sector share of income (32.1 percent) is significantly less than that of fees and charges, but still greater than private giving.

- **Revenue structure with volunteers.** This pattern of nonprofit revenue changes significantly when volunteers are factored into the picture. In fact, as shown in Figure 8.9, with the value of volunteering included, private philanthropy increases substantially from 18.8 percent to 36.3 percent, thereby surpassing the public sector’s contribution, which decreases from 32.1 percent to 25.2 percent. Although the share of
fee income also declines from 49.0 percent to 38.5 percent with volunteers included, it remains the major revenue source in Spain.

- **Different from other Western European countries.** The pattern of nonprofit finance evident in Spain is quite different from that elsewhere in Europe. Thus, as shown in Figure 8.10, nonprofit organizations in the other Western European countries included in the project derived the overwhelming majority of their revenues on average from the public sector. Thus, compared to Spain’s 32.1 percent, the average

---

**Figure 8.8** Sources of nonprofit revenue in Spain, 1995

**Figure 8.9** Sources of nonprofit revenue in Spain, with volunteers, 1995
The share of total nonprofit income coming from public sector payments stood at 55.6 percent for all nine Western European countries. The fees and charges share of nonprofit revenue was much stronger in Spain than elsewhere in Europe (49 percent vs. 37.2 percent on average) and philanthropy significantly more important (18.8 percent vs. 7.2 percent). The relative strength of private giving in the Spanish nonprofit sector's revenue structure is due at least in part to a unique financing scheme. Under this arrangement, a portion of the proceeds from a lottery run by ONCE is devoted to the ONCE Foundation, which supports an entire network of organizations serving the needs of people with disabilities.

- **Closer to the global average.** While the revenue structure of the Spanish nonprofit sector differs from that elsewhere in Europe, its fee dominance mirrors the global average. Thus, as Figure 8.10 also shows, fees and charges are the dominant element in the financial base of the nonprofit sector both globally and in Spain (about 49 percent of total revenue). However, the similarity stops there. Public sector payments comprise a considerably larger share of nonprofit income in these countries on average (40.1 percent vs. 32.1 percent in Spain), whereas...
philanthropy accounts for a much smaller share globally than in Spain (10.5 percent vs. 18.8 percent). Quite clearly, a different pattern of cooperation has taken shape between nonprofit organizations and the state in the other countries. To some extent, this could be explained by the late development of the welfare state in Spain, and the dominant presence of the Catholic Church in the nonprofit sector throughout Spain’s history.

**Variations by subsector.** Even this does not do full justice to the complexities of nonprofit finance in Spain, however. This is so because important differences exist in the finances of nonprofit organizations by field. In fact, three quite distinct patterns of nonprofit finance are evident among the various fields of nonprofit activity in Spain, as shown in Figure 8.11.

**Fee-dominant fields.** Fee income is the dominant source of income in the fields of development and housing and professional associations (both 70.0 percent).

**Private philanthropy-dominant fields.** While private philanthropy is not the dominant source of nonprofit income in Spain overall, it turns out to be the dominant source of income for environmental groups, civic/advocacy organizations, and philanthropic intermediaries. These three subsectors are rather new and, consequently, they have not yet established strong ties with the public administration.

**Balanced fields.** In five fields, there is no absolutely dominant revenue source, but rather a major source providing between 40 and 60 percent of total income and a minor source providing between 30 and 40 percent. This is the case for health where fees and charges (50.6 percent of revenue) are the senior partner to the public sector (36.7 percent). In the culture and recreation field, likewise, fees are slightly dominant (40.9 percent), but are more in balance with private giving (34.8 percent) and public sector payments (24.3 percent). In the other two traditional welfare fields of education and social services, public sector payments (53.1 percent and 48.6 percent, respectively) take the lead over private payments (40.6 percent and 31.4 percent, respectively). Finally, government funding (56.2 percent of revenue) is the major revenue source for nonprofits in the international activities field, but private philanthropy (35.9 percent) is also significant.

This general picture changes if the input of volunteers to each of the fields is taken into account. Philanthropic resources remain dominant in the same three fields mentioned above, but, with volunteers included, philanthropy becomes the senior partner with state-allocated public funding in both social services (48.0 percent philanthropy vs. Spain 175
31.6 percent public sector) and international activities (63.5 percent philanthropy vs. 32.0 percent public sector). Additionally, philanthropy overtakes private fees to become the major source of income in the field of culture and recreation (51.0 percent philanthropy vs. 30.7 percent private fees).
CONCLUSIONS AND IMPLICATIONS

The evidence presented here shows that the Spanish third sector is a sizable set of institutions, with a social significance never before acknowledged by scholars in Spain or elsewhere. Although the size and composition of the Spanish nonprofit sector is quite similar to that of other Western European countries, its financial structure is quite different. In particular, the nonprofit sector’s reliance on government financial support is much lower in Spain than elsewhere in Europe. However, it is the elevated level of importance of private philanthropy that emerges as a signature element of the Spanish nonprofit sector.

Given these circumstances, no single set of implications will apply equally to Spain and to the rest of the Western European countries studied. While, like much of Western Europe, Spain does face the fundamental challenges outlined in Chapter 1 of constructing a systematic renewal strategy, evaluating and preserving the accountability and effectiveness of the nonprofit sector, and striving toward integration and globalization of the sector, there exists an important difference between the challenges that face Spain and those with which the rest of Western Europe is presented. Because private philanthropy is already a vital resource for the Spanish nonprofit sector, it is not the development of philanthropy, but rather the expansion of volunteering that remains an important goal for the Spanish nonprofit sector.

Important as the development of organizational and leadership capacities are for the future of the nonprofit sector, the expansion of volunteering continues to be vital to ensure a meaningful level of independence from both government and business. Specifically, changes in demographics and the labor force suggest that in Spain, as elsewhere, large reservoirs of potential volunteers remain “untapped” for the expansion of the philanthropic share of nonprofit operations. However, this will require public education efforts by the sector’s leadership, and creative models for combining paid and unpaid work, particularly in countries like Spain with high levels of unemployment.

While much has been achieved in Spain since the democratization process of the mid-1970s opened the way for the development of the modern Spanish nonprofit sector, much remains to be done. Importantly, and in contrast to most other European countries, Spain does not have an established policy of government-nonprofit sector relationships. Indeed, distrust and misunderstanding about how the other sector functions are frequently found among representatives of both government and the nonprofit sector. This lack of awareness of each other’s strengths and weaknesses may well prevent symbiotic relationships from developing. A high-level and broad-based
commission on the role and future of the nonprofit sector in Spain may offer the platform best suited to set in motion an ongoing policy dialogue that is clearly needed—particularly in the light of further European integration. To this end, the next pressing research task is to get a better understanding of the social contribution that the nonprofit sector does and could make to European societies—a task that is in progress and forms an important part of what this study seeks to achieve.

ENDNOTES

1. The work in Spain was coordinated by Dr. José Ignacio Ruiz Olabuénaga, who acted as local associate for the project. Assisting Dr. Olabuénaga were Antonio Jiménez Lara, Demetrio Casado, José Luis Orella, Carmen Labrador, Mikel Mancisador, and María Angeles Oyarzabal. The team was aided, in turn, by a local advisory committee chaired by María Luisa Oyarzabal. The Johns Hopkins project was directed by Dr. Lester M. Salamon and Dr. Helmut K. Anheier, who also oversaw the Western European work.

2. The definitions and approaches used in the project were developed collaboratively with the cooperation of the Spanish researchers and researchers in other countries included in the project. They were designed to be applicable to Spain and the other project countries. For a full description of this definition and the types of organizations included, see Appendix A. For a full list of the other countries involved in the project, see Chapter 1 above and Lester M. Salamon, Helmut K. Anheier and Associates, The Emerging Sector Revisited: A Summary, Revised Estimates (Baltimore, MD: The Johns Hopkins Center for Civil Society Studies, 1999).

3. Technically, the more precise comparison is between nonprofit contribution to “value added” and gross domestic product. For the nonprofit sector, “value added” in economic terms essentially equals the sum of wages and the imputed value of volunteer time. On this basis, the nonprofit sector in Spain accounted for 3.3 percent of total value added, still a quite significant amount.