

Foreword (2013)

In my Foreword to the first printing of Dennis Young's splendid book, thirty years ago, I wrote that, although "[t]his country has, since its early days, relied on voluntary nonprofit institutions to carry out a wide range of important social and economic tasks," the nonprofit sector "faces new and more urgent demands for services that "have become more difficult to provide in the face of inflationary pressures, reduced...endowment returns, and...dramatic government retrenchment." Both parts of this dichotomy have escalated in recent decades. The demands on the nonprofit sector have increased in a society that seeks to provide a larger and more complicated set of services to its citizenry, and the difficulty of providing these services has increased in the face of fiscal retrenchment and of reduced charitable giving capacity for much of the donor base. Accordingly, it is more important than ever to address the central questions that Professor Young's book tackled. These questions – to quote from my earlier introduction – include: "What functions should the nonprofit sector take on, expand, reduce or abandon – in other words, what is an efficient, equitable and otherwise appropriate division of labor among the nonprofit, governmental and for-profit sectors of our society?" And: "What avenues lead to increased financial and programmatic effectiveness for nonprofit organizations, and how can such effectiveness be measured in the absence of a conventional market or ballot bottom line?" Indeed, these questions have to be expanded and reformulated in the face of the more complicated sectoral picture today, where the nonprofit sector increasingly takes on for-profit activities and/or works in concert – sometimes in organizational combination – with for-profits and government bodies of various kinds.

That does not mean that Professor Young has to play catch-up. Indeed, he has already more than caught up! For his 1983 book tackled a large and complicated array of issues that transcended the simple two-part dichotomy I offered in the introduction to the earlier edition. Looking over the wide and complicated array of behavioral questions that Professor Young has presented, and so thoroughly addressed, in the body of this book – the 11 analytically detailed and rigorous chapters – one realizes that Professor Young has tackled an astonishingly broad (and complex) set of questions and data that reach every conceivable dimension of entrepreneurship in the nonprofit sector – and, indeed, entrepreneurship across all sectoral boundaries. At the same time, he has helped us to think about the difficult policy dilemmas we continue to face – e.g., should regulatory and tax policies encourage organizations such as funeral homes, nursing homes, and hospitals to organize as non-profits – or as for-profits – or as some combined organizational form?

It is this set of explorations that in 1983 made – and still makes – Professor Young himself an enormously important entrepreneur – an entrepreneur of inquiry and analysis and scholarship about a hugely important – and internationally unique – sector of American economic and social life.

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