Renewing viability, improving livelihood
Unveiling innovation in the third sector: Evidence from Southeast Asia

Yanuar Nugroho
Manchester Institute of Innovation Research, University of Manchester
Contact: yanuar.nugroho@manchester.ac.uk

Introduction
Third sector (civil society/ voluntary) organisations (CSOs) have attracted much research attention of late, as they have become pivotal in social as well as economic and political dynamics in less developed countries, challenging and shaping the work of the state/public (first sector) and of the market (second sector). Despite this importance, little work has explored innovation and innovation processes in third sector organisations; innovation studies have focused on the business sector and – more limited and more recently – the public sector. Innovation has indeed been understood to be not only important in its own right, but critical to trigger innovative activity in the market and offer best-practice examples for the public and civil society sectors. These observations provide context for this research. It is therefore very important for innovative processes in third sector organisations to be explored and understood on a wider scale both conceptually and empirically, to garner lessons learned that will inform both innovation studies as well as on-the-ground change in all sectors. Innovation research can no longer afford to ignore the third sector. This study falls into the political economy domain and is particularly relevant to studies of business and public organisations, whereby one can anticipate the existence of unexplored innovative processes similar to those in the third sector.

This research explores innovation in the third sector by empirically examining the case of Southeast Asia (SEA). In the SEA context, one crucial issue is how far the pervasive changes in the Asian environment during the last decade will allow socio-economic development to displace security as the main concern. This is where the role of the third sector is crucial. Civil society groups have always been major actors; and the rapid integration of local and regional civil society groups in SEA into the global civil society has created an impetus for CSOs to play different, and potentially more important, roles in social transformation in the region, particularly through collaborations which can help facilitate and maintain informed and interactive politics and development.

Research Questions
1. What are the innovative processes present in third sector organisations and how do they contribute to organisation and sustainability?
2. What are the implications of this to the construction of civil society, in the Southeast Asia region and more generally?
3. How, and how far, do innovation processes characterise the ways in which groups and organisations in the third sector perform and address their goals, as well as engage in collaborative networking?

Conceptual framework
We use a political economy of civil society perspective (Cohen and Arato, 1992), and frame the investigation along the lines of structuration theory (Giddens, 1984), i.e. that the relationship between actor’s interaction (action) and structure is a duality; they are recursive and produce and reproduce each other in an ongoing, routinised cycle.

Methods and approach
This study is exploratory, multi-faceted, and employs a combination of methods.

Fieldworks undertaken
Following the initial profiling of CSOs in SEA, during April – June 2012, interviews and observations were carried out in four countries: Thailand, Vietnam, Cambodia, and Indonesia as part of the Phase II of the study.

Thailand
Despite being one of the most attractive emerging economies in SEA, Thailand has been suffering from a number of various crises in the past decade, from natural disaster to political instability, to social unrest. Various civil society groups, developmentalist and advocacy-based alike, have been working hard to improve the condition of living. Among many CSOs, this includes the King-initiated charity Chaipattana Foundation which works through research to help the vulnerable, to the cooperative Try-Arm which was established by the workers laid-off by the world-famous Triumph factory after an industrial dispute.

Indonesia
CSOs have played crucial roles in the social, economic and political landscape in Indonesia, one of the most strategic developing economies in SEA. Both as development and advocacy organisations, Indonesian CSOs empower the society and assist them to improve their livelihood and reclaim their civic, political, as well as economic and cultural rights. During the latest series of natural disasters, for example, civil society worked hard hand-in-hand with the public to exercise their rights and to restore their life.

Vietnam
Civil society has been actively involved in the societal changes in the country, particularly in promoting citizens participation. Vietnamese CSOs have been innovating in the way they expand civic space in social, political, economic and cultural life – including in addressing major problems like corruption and freedom of expression. Rooted in the socialist tradition, many civil society groups undertake their work using the principle of ‘community-driven change’. This way, they involve the wider society in addressing other problems such as poverty, environment sustainability, capacity building, among many others. Some CSOs focus their work on research like CECCODES (Center for Community Support Development Studies) and established VUSTA (Vietnam Union of Science & Technology Association).

Cambodia
Like other developing countries in SEA, Cambodia is working hard to improve its socio-economic performance. Capacity building is central in its development policy and this is also the case with its civil society. One well established and influential organisation which has been building capacity of many Cambodian civil society groups, since 1994, is SILAKA. The organisation supports, develops, and implements projects and activities with other CSOs to bring about gender equity, accountability, and effective management.

Key readings

Figure 2: Methods and phases of the study

Figure 3: Various capacity building trainings conducted by SILAKA

Figure 4: Try-Arm labour cooperative, owned and run by the workers themselves.

Figure 5: Erautor, invented by the King, and developed by Chaipattana Foundation

Figure 6: Doctor's hand on a patient

Figure 7: Top: Bercut village aftermath the Mt. Merapi eruption (Oct 2010) – Bottom: Widely-adapted home-farming in Bercut now to help the society recover their life.