

**PARTNERSHIP AND THE LEAKY BUCKET COMMUNITY
DEVELOPMENT PRINCIPLE AS A KEY POINT IN SOCIAL CAPITAL
ACCUMULATION**

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Abstract: The term partnership describes a very wide range of contracts and informal arrangements between firms and communities. A partnership is the relationship existing between two or more persons or entities that join to carry on a trade or business. Each one contributes money, property, labor or skill, and expects to share in the profits and losses of the business. Partnership has also emerged as an increasingly popular approach to privatization and government-nonprofit relations generally. While in principle it offers many advantages, there is no consensus on what it means and its practice varies (Brinkerhoff, 2002, p.1). This paper aims to describe some types of partnerships between governments, communities, new social movements and firms. And also leaky bucket principle as a major importance in partnership for participatory planning process that encompasses early stage of development, shift in system governance, and accumulation of social capital. The aim of this paper is also to review the principle of the leaky bucket in global and international partnerships. And have a closer look at its processes and short comings.

Keywords: leaky bucket principle, global and international partnerships, development, Social Capital

1. Introduction

Community is "the social place used by family, friends, neighbors, neighborhood associations, clubs, civic groups, local enterprises, churches, ethnic associations, temples, local unions, local government, and local media" (McKnight, 1995: p. 164). A community partnership is a collaboration of people, organizations, government and business working together to continually improve their economic, social, cultural and environmental conditions. A community of associations (collaborating organizations) according to McKnight and Kretzmann (1993) is one key to building healthy communities. Healthy communities and healthy families create a self-strengthening bond. The aim of this paper is to review the principle of the leaky bucket in global and international partnerships. The private sector is a relatively new phenomenon in human history. The first corporation, the Dutch East India Company, was launched around the same time that Hans Lippershey invented the first telescope. In the intervening four centuries, the private sector has become more powerful than either the public sector or the civic sector. Economic globalisation let corporations pick and choose countries based on their economic and regulatory profiles, including tax policies, environmental regulations and labour costs. Business went global but the regulation of business did not (Boutilier, 2009). No enterprise can be good enough at everything to succeed in today's dynamic global markets. (Grimsey & Lewis, 2004, p.1) The world in which we live and work is a very big, complex place. We actually have to work with this huge network – It can be called as a "Value Network." The Value Network encompasses the whole world and is a hugely complicated set of interconnected "things." In today's turbulent markets partnerships takes a really significant role (Mariotti, 2001).

2. Partnership and Community Partnership

The communities involved in partnerships range from local to global in scale. Partnerships are relationships and agreements that are actively entered into, on the expectation of benefit, by two or more parties. Partnerships are formed to address issues of collective implications of individuals at local and regional spatial levels, such as governance, quality of life, economic development, social cohesion, employment, etc. Partnerships are a means to share risk between the two parties, and third parties often play important supportive roles (Mayers and Vermeulen, 2002).

3. Government-government partnerships

The unique public-private US-Mexico Partnership for Prosperity initiative was launched in September 2001 with initiatives to target economic development in Mexico in the areas, which generate the most migrants. US-Mexico Partnership for Prosperity delivers the Good Partner Award to recognize the role of the private sector in advancing social and economic development in Mexico. In 2004, the winners were General Motors de México and Comercial Mexicana de Pinturas (Consortio COMEX).

US-Mexico Partnership for Prosperity has as a central program the social security agreement and promotes access to nutrition programs for the Hispanic population.

The Mothers' Union highlights the fact that it pays mere lip-service to the role of civil society, has an exclusive focus on government-government partnerships and overlooks the need for gender equality and human rights to be integral to the development process: "Such gaps are less likely to have been missing if the Commission had included people from the grassroots of Africa and in particular more women"(Daniel, 2006).

4. Government-firms partnerships

Partnerships between governments and private business are necessary in some cases for sustainability and development of micro and small enterprises.

The public-private sector partnership collaboration between the Konkola Copper Mines wealth creation partnership with the government, the World Bank Group through the International Finance Corporation and other organizations and agencies and corporate partners, like British Petroleum have a social development plan,

5. Community Foundations

Community foundations (CFs) are public-private partnerships for grant-making towards community development, which manage resources to create wealth and improve the well-being of the community and society.

Some of the characteristics of community foundations are that they are primarily grant-making foundations. But many also do their own programs; have broad range of donors, diverse portfolio of local and external donors with high stability, geographically defined, community, city, county, district, economy of scale matters. Local board reflecting the community governs some, seek to build permanent endowment, element of perpetuity, broadly defined mission "to improve quality of life in community", "to strengthen social capital of community".

6. Government-communities partnerships

Governments have a role in the promotion of partnerships between firms and communities. Firms across all industry sectors are forging partnerships with local and national economic development agencies.

Government pursuing partnership with community organizations in environmental sustainability

A partnership between the cities of Tijuana and San Diego facilitates the development of relationships and the exchange of important program information on vital civic issues.

Local cooperatives have formed "venture partnerships" with state-owned companies to manage tourism operations and logging services

Canadian government's development policy promotes partnerships between First Nations and established forestry firms to increase the benefits of communities livelihoods. The Canadian Centre for Philanthropy's Imagine gives annually the New Spirit of Community Partnership Award, which recognizes innovative partnerships between firms and communities (www.ccp.ca/imagine).

The Community Health Department of Maine partners with the communities by providing financial assistance, staff expertise and health education, prevention and screening.

7. Partnerships between firms

The "Intel Teach to the Future" partnership with Microsoft, Hewlett-Packard, and other computer software and hardware manufacturers provide equipment, teacher training, and technical support to primary and secondary schools. Intel de México gives a prize, the Premio Intel, to reward Mexican entrepreneurs under the frame of US Partnership for Prosperity.

The Ronald McDonald House Charities of McDonlad's Corporaciona is involved in partnership with suppliers, McDonald's restaurant owner/operators, and customers.

The Harbor Bank of Maryland through the partnership, Stop, Shop and Save can compete effectively with larger chains that offer ATM/banking services in their stores. Based on this partnership the harbor bank is expanding services into other convenience stores.

Gonzalez Design Engineering, The Ideal Group and Uni Boring, Hispanic-owned manufacturers of major parts for the automobile industry, formed a partnership to expand operations.

Salomon Smith Barney in New York City and Wildcat Services Corporation formed Wildcat's Private Industry Partnership a job-training program tailored to the Wall Street firm's needs.

Tesco has a partnership program with AccountAbility's Innovation to explore and document the factors associated with the company's success.

8. Firm-communities partnerships

Partnerships between firms and communities may improve business and livelihood Firm-community partnerships may be a means to expand and improve employment opportunities, reduce costs, enable business diversification, increases market shares, and take advantages of local and governmental financial and logistic support. Flexible development of firm-community partnerships may allow collaboration for mutual gains and benefits to the environment and society. Firm-community partnerships may bring economic pay-offs to partners, benefits to local livelihoods and public common good. Potential for business partnerships comes from communities that are able to register as firms themselves, securing mutual rights and controls. A community within the partnership tends to strengthen over time.

9. Firms and nonprofit organizations partnerships

A strategy of some firms is to establish long-term relationships and partnerships with the nonprofit organizations they fund to develop an identity as being affiliated with a cause, issue or group, or to share information, resources and technological support. Long term firm and nonprofit organizations partnerships related to core business interests bring benefits to both partners.

The Union Bank of California (UBOC) launched a partnership with Operation Hope, Inc., a nonprofit credit counseling organization and Nix Check Cashing to offer banking services to under served neighborhoods in the inner city of San Francisco. UBOC is partnering with local nonprofit organizations, United Way, Neighborhood Housing Services, and the Consumer Credit Counseling Service of Orange County and conducting financial seminars aimed at the Spanish speaking community.

Stonyfield Farm has developed partnerships with several of the nonprofit organizations that it funds, sharing information, resources and technological support.

Firms looking for new solutions in the new economy, invest in innovative partnerships with nonprofit organizations involved with community education and training.

IBM has developed its Reinventing Education grant-investment initiative partnering with the Houston Independent School District to develop Watch-Me!-Read technology to improve the reading and comprehension skills of youngsters.

10. Partnerships between communities

Communities may aim for partnerships. Cornerstone Community Partnerships assist unified communities to preserve historic structures, cultural traditions and heritage in partnership with Hispanic and Native American communities throughout New Mexico and Northern Mexico.

11. Partnerships between non governmental organizations and communities

A partnership Un kilo de ayuda, provides food aid packages to families in the poorest villages throughout Mexico.

12. Partnerships between non governmental organizations

Verizon Foundation promotes and supports partnerships in technology with nonprofit organizations serving disabled the economically and socially disadvantaged communities.

Partnerships Online supports non-profit organizations to develop their own intranets including Community Action Network and also Ruralnet for rural organizations.

The International Community Foundation in San Diego in partnership with FINCOMUN (Fundación Internacional de la Comunidad), in Tijuana, Mexico provides an institutional space for cross-border collaboration to support community development efforts in low-income communities.

The Rural Coalition in partnership with Environmental and Occupational Health Sciences Institute at the University of Medicine and Dentistry in New Jersey is investigating health and environmental problems among Chicano farm workers in the border of Texas-Chihuahua.

13. Multiparty partnerships

There are many forms and types of partnerships among business, government, communities NGOs and aid agencies that can support the implementation of sustainable development. The National Corporate Leadership (NCL) Program is designed to increase funds from the corporate community by increasing partnerships between United Ways, firms and employees.

Investing in Communities (IIC) program emphasizes the role of partnerships between communities, the private sector, the public sector, NGOs and other groups.

Benefits of the public-private-community partnership model include direct benefits, involvement of all stakeholders as a broader base for development, and enhance social responsibility for the private sector. Business in the Community (BITC) is a British non profit organization works with member firms to promote partnerships between the public and the private sector matching business resources with community needs.

Konkola Copper Mines plc (KCM), the largest mining company in Zambia, has a social and community development plan in partnership among the government, the World Bank Group through the International Finance Corporation (IFC), other organizations and agencies and corporate partners, like British Petroleum (BP). Their projects include creation of small and medium enterprises (SME) and provide to the community with incentives and technical assistance for growing cash crops as an economic diversification program.

The Canadian Centre for Philanthropy focuses on building partnerships between foundations and corporations from the private sector and non profit charitable and voluntary organizations.

Toyota Motor Sales, U.S.A., Inc. (TMS) partnered with the Los Angeles Urban League to establish the Los Angeles Urban League Automotive Training Center (ATC), to develop employment partnerships with more than 60 automotive service companies throughout Los Angeles County.

Laufer Green Isaac, an award-winning marketing communications and public relations firm, is leveraging partnerships between corporations, foundations and nonprofits for mutual benefit.

14. Public Private Partnerships (PPP)

Public-private partnerships (PPPs) have recently been adopted by governments across the world as a means to organize activities in the mixed sphere between public and private (Osborne 2000; Rosenau 2000; Wettenhall 2003; Grimsey and Lewis 2004; Hammerschmid and Angerer 2005; Hodge & Greve 2005, 2007; Ysa 2007). Yet, PPPs have led to very different reactions in different countries. In some cases, governments have enacted comprehensive PPP policies and regulations and signed a substantial number of major projects over the course of the last ten to fifteen years. Examples are the UK, Australia, Canada, Portugal, Italy, Spain, and, more recently, Ireland. Other countries have also developed relatively comprehensive regimes but signed a smaller number of actual PPP projects. Included in this group are France, the Netherlands, Germany, Greece, Hungary, and Poland. Finally, a group of countries have reacted with much skepticism towards the PPP concept. These countries include Denmark and the rest of Scandinavia, Austria, Belgium, Luxembourg, and the vast majority of the new EU members. So even though the concept of PPP has spread across the globe endorsed by international organizations such as the Organization for Economic Co-operation and Development (OECD), the International Monetary Foundation (IMF), and the European Union (EU), the actual responses of national governments varies enormously (Petersen, 2009).

15. The leaky bucket principle in community development

According to Cinnéide (2003) partnerships for participatory planning processes in Mexico are:

- Embryonic (early) Stage of Development
- Gradual Shift to System of Governance that is participative as well as representative
- Facilitating the Accumulation of Social Capital
- Several Shortcomings (though understandable)
 - Lacking real influence
 - Partners insufficiently empowered
 - Weak local government
 - Limited discretion regarding spending priorities
- Much done, more to do

Some partnerships programs that happen to provide benefits to the poor are programs that pour more water into the bucket. Thus, it is necessary to focus more on fixing the leaks.

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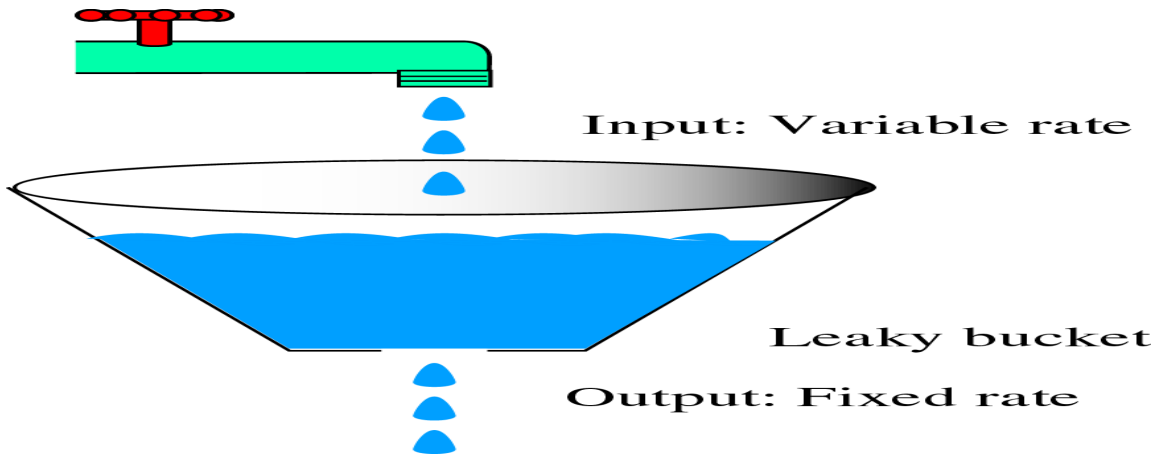
INTELLECTUAL CAPITAL MANAGEMENT

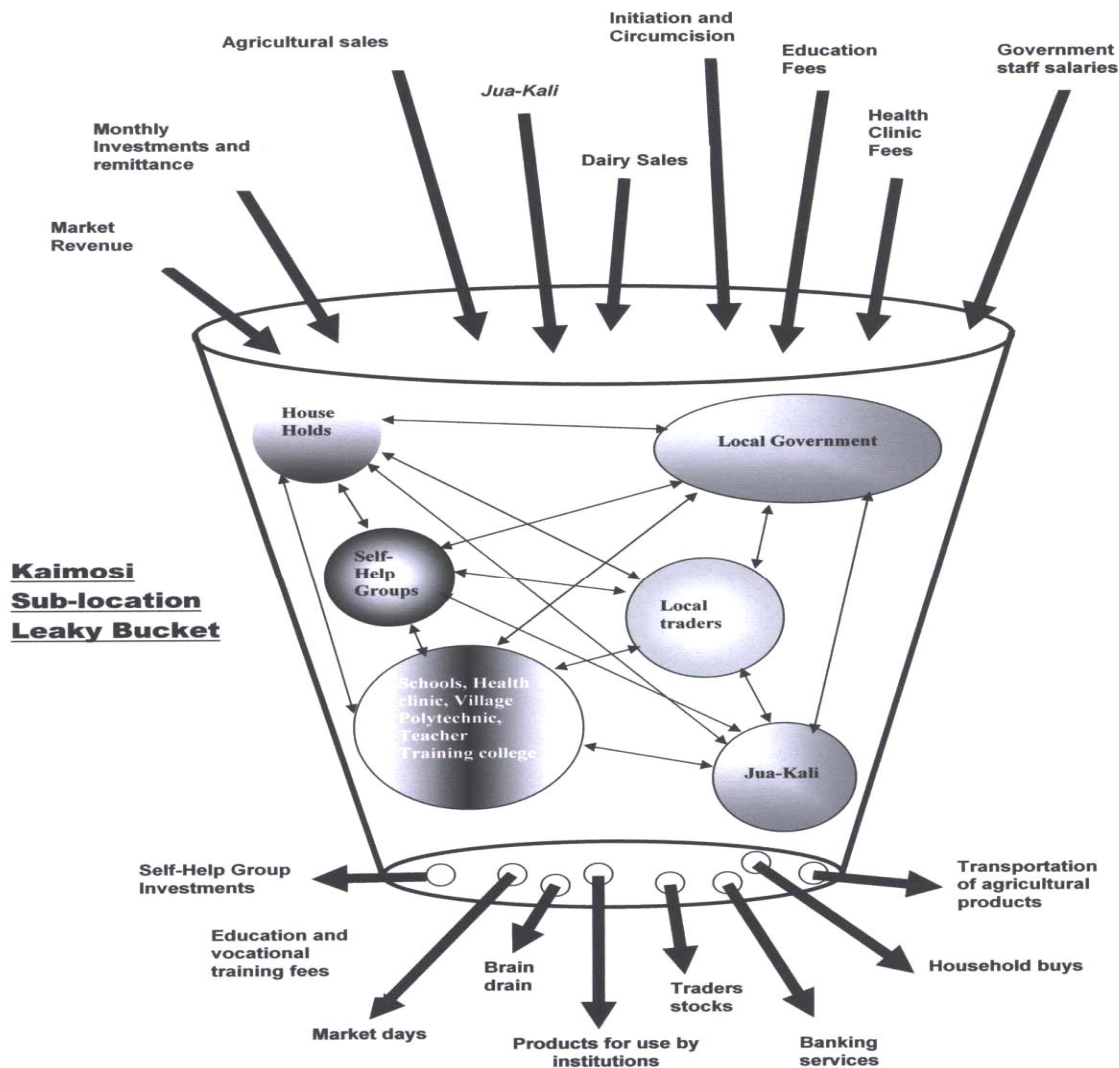
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Figure 1: The leaky bucket principle in community development

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John Kennedy Alumasa, 2001

16. Conclusions

This study indicated that, Communities through the use of effective partnerships must assume the transforming power to make decisions over development styles and strategies. Several factors need to be considered to increase community participation and build consensus to encourage the transformation of power relations among local actors in the community and to achieve successful partnerships between NGOs and grassroots organizations and local governments: Trust, accountability and transparency of local governments and civil society.

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