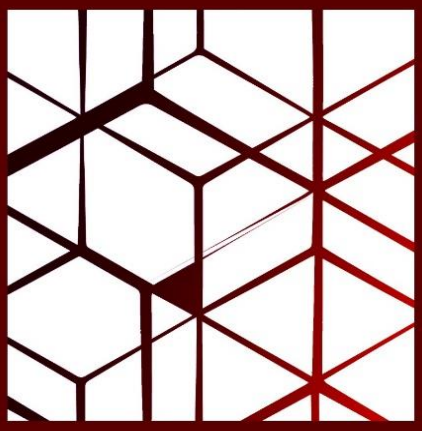
"Do not fear to be eccentric in opinion, for every opinion now accepted was once eccentric."

Bertrand Russell



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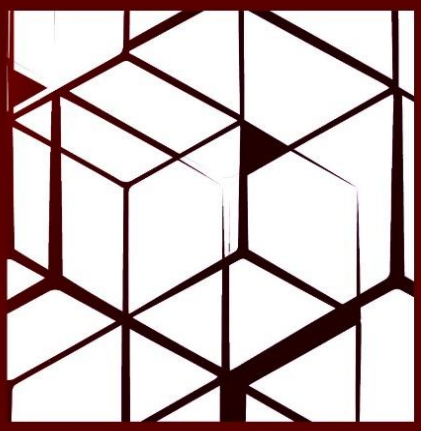

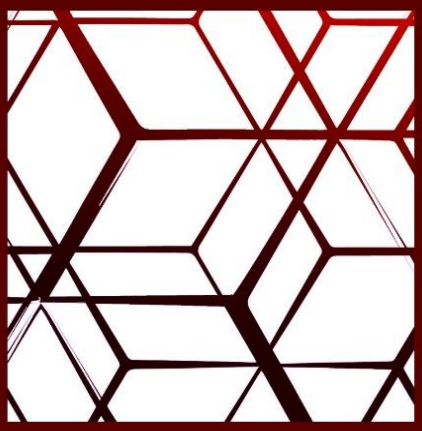

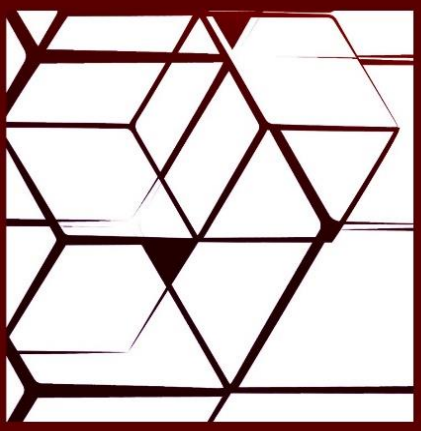

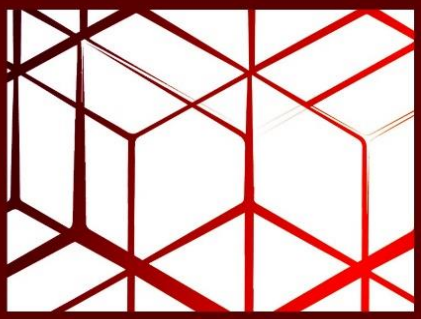

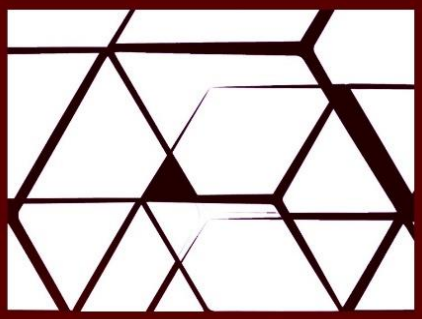

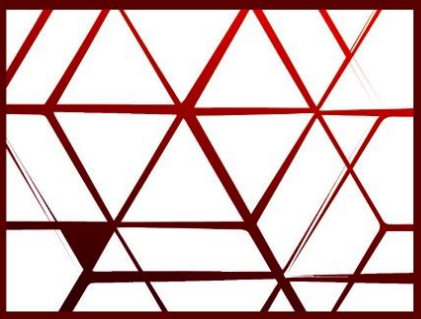

Review of Applied Socio-Economic Research

Volume 18, Issue 2 / 2019

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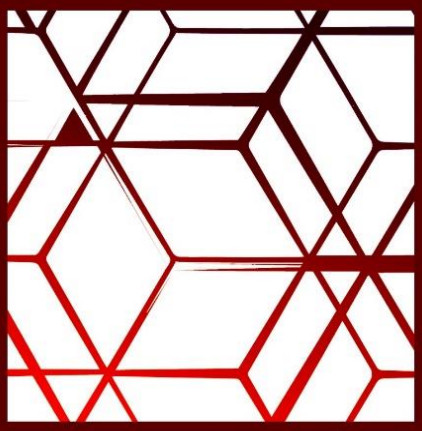
Social and Solidarity Economy and Local Sustainable Development



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ISSN: 2247-6172; ISSN-L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2 / 2019), pp. 2
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

ISSN: 2247-6172; ISSN-L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2 / 2019), pp. 3
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

Table of content

1. Barna, Cristina, **Editorial Forward**……4

2. Danciu, Alina Monica; Păcurariu, Roxana – Lavinia; Lakatos, Simina – Elena; Greenlay, Matthew; Ciomoș, Alina – Oana; Bacali, Laura, **The road towards a social circular economy in Romania** ……5 - 18

3. Fujiwara, Naoki, **International City Network and Public-Private Cooperation for Urban Water-Environment Management: A Study of Japanese Public Water Services' Overseas Expansion**……...19 - 29

4. Gajac, Olivier; Pelek, Selin, **Solidarity Economy Initiatives in Turkey: From Reciprocity to Local Development?**.....30 - 42

5. Guttmann, Alexandre, **The Social Solidarity Economy: Discerning its Theory to Accommodate the Commons** ……43-57

6. Mandrysz, Witold**;** Wódz, Kazimiera, **Social economy entities and their eco-system in different European countries**…….... 58 -72

7. Nafil, Youssef; Bouazza, Abdellatif, **Role of Social Innovation in Socioeconomic Development in Morocco. Case Studies of Socially Innovative Associations** ……...73 -92

8. Nicolae, Florina- Valentina, **Social Economy Enterprise Type Honeycomb Network, Motor of Economic Growth in Local Romanian Communities**……93-103

9. Salustri, Andrea, **The UN 2030 Agenda and Social and Solidarity Economy: toward a structural change?**.....104-117

10. Schinnerl, Melanie; Greiling, Dorothea, **Urban Poverty in Europe – Poverty Reduction Policies and Measures**…….118-128

11. Vallet, Nathalie; Bylemans, Michelle; Somers, Inge; Michels, Marjan, **Challenges for SSE-networks supporting local sustainability: lessons-learned of an IEP Site experiment in Mechelen (Belgium)**……129-145

12. Wijers, Gea D.M., **A comparison of cooperative ecosystems: what institutions can bring transformation?**……..146-159

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 4
URL: http://www.reaser.eu
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Editorial Foreword

Dear Readers,

Welcome to a new exciting issue of our scientific journal ***Review of Applied Socio-Economic Research – Volume 18 / issue 2 / 2019***. This is a **Special Issue** on the topic of **"Social and Solidarity Economy and Local Sustainable Development**." As it is already known, the Social and Solidarity Economy (SEE) has proven to have a high potential for job creation and maintaining, even during times of crisis. SSE organizations and enterprises play a crucial role in inclusive and sustainable local economic development strategies, making a significant contribution to the use of local resources. Embedded in the communities they serve, SEE organizations are centered on people, rather than the maximization of profit, employ democratic and participatory models of governance, and they are not relocated as they meet the needs of the communities they serve.

This Special Issue provides a venue for high-quality research works of academics and researchers members of **CIRIEC (International Centre of Research and Information on the Public, Social and Cooperative Economy)** network, in the topic above. Many of the articles have been discussed in the workshops of the **7th CIRIEC International Research Conference on Social Economy "Social and Solidarity Economy - moving towards a new economic system"**, in June 2019, Romania. Special thanks to Professor Marie J. Bouchard (University of Quebec in Montreal, Canada), President of CIRIEC International Scientific Commission Social and Cooperative Economy, for her active involvement in organizing the 7th CIRIEC International Research Conference on Social Economy in Romania together with the Organizing Committee (Christine Dussart, Barbara Sak, Ancuța Vameșu, Mihaela Lambru, Irina Sînziana Opincaru, Alexandra Zbuchea, Marian Zulean), besides her outstanding scientific contribution to the conference!

This Special Issue highlights the importance of SSE for achieving Local Sustainable Development, reflecting, at an international level, various dimensions in this research area, such as: commons as a new transformative phase for the economy, the role of SEE in reducing urban poverty, different patterns of SEE, cooperative ecosystems for local development, the consolidation of the circular economy principles in the SEE, the role of social innovation for local development, new conceptual models of social enterprises, lessons learned from an Inclusive Economy Participation Site experiment etc. The scientific discourse covers SEE realities and challenges from Western and Central Europe (France, Netherlands, Belgium, Austria, Italy, Poland), from Eastern Europe (Romania), from Turkey, Japan, and Morocco, but including also interesting case studies from India, Thailand, and Indonesia. All the papers show that SSE has a clear value-added in terms of social and economic benefits for local development. More than that, SSE can play a crucial role in the realization of the 2030 Agenda and the SDGs by promoting inclusive and sustainable development.

We want to thank our authors who found in our review a suitable forum of academic and research debate in SEE, and to all those who contributed to this Special Issue!

Enjoy your reading!

Cristina Barna
Managing Editor

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 5- 18
URL: http://www.reaser.eu
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The road towards a social circular economy in Romania

Alina-Monica Danciu [1,2], Roxana-Lavinia Păcurariu[1,2], Simina-Elena Lakatos [1,2+], Matthew Greenley [2], Alina-Oana Ciomoș [2] and Laura Bacali [1,2]

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[2] Institute for Research in Circular Economy and Environment "Ernest Lupan"

Abstract. *The present research is focused on the identification of the main needs of social organizations and the consolidation of circular economy principles in the sector of social enterprises. Also, it approaches the interest to contribute to removing the obstacles which prevent the transition towards a circular economy of the social enterprises, as well as the evaluation of understanding circular economy practices by the social enterprises in Romania. The research method used is the survey with a questionnaire as a research instrument. The questionnaire consists of eighteen questions, and it is drawn up to serve at achieving the above-mentioned objectives. The results show us the decisive role that plays the non-refundable funds in the emergence of social enterprise. The most preferred environmental practices to apply in social enterprises are recycling, the use of renewable energy and selective waste collection, being aware of the opportunities that bring us the circular economy. Special courses in fields related to the social economy like "Financing sources of social enterprises," "Project management," and "The structure and development of a business plan" are needed in order to facilitate the emergence of new social organizations.*

Keywords: Circular Economy, Social Circular Economy, Social Economy

JEL Codes: L31, Q56, A13

1. Introduction

A European social economy is very important both in social and economic terms, and it equals about 6.3% of the working population of the European Union (EU). A Romanian social economy, like other recent EU member states, measures less than 2% of the total employment. For a long time, the concepts of social economy and social enterprise were not defined in legal or policy terms leading to confusion among Romania's general population and making it difficult to be measured (European Commission, 2014). The recent adoption of the Law of Social Economy (2015) and Methodological Norms for applying the Law of the Social Economy (2016) established the legal framework of social economy and the methodology to be recognized as a social enterprise or social enterprise for insertion (The Romanian Parliament, 2015).

Activity within the limits of the 17 principles of sustainable development supposes maximum implication towards the diminishing ecological footprint, both regarding the extraction of raw materials, as making clean and sustainable energy and also remanufacturing the products for enlarging their life cycles and diminishing waste. This concept has implications in the long term, facilitating the transition towards a more friendly approach regarding the reintegration of vulnerable groups in the circular system; thus, environment protection and economic benefits would show a more prosperous facet (European Union, 2016).

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ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 5- 18
URL: http://www.reaser.eu
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"Social economy businesses are situated at the intersection of the social economy and the private sector. These organizations earn either all or a sizable portion of their revenues from the marketplace and may compete with private sector businesses, but they are driven by social objectives. Although a private sector business might argue that it meets a social need and contributes to the community in various ways, such as through charitable donations, it is still primarily guided by a profit motive. Thus, a defining criterion for social economy businesses, as distinctive from private sector businesses, is that the prerogatives of capital (e.g., return on investment, capital valuation) do not dominate over the social objectives in the organization's decision making" (Mook, Whitman, Quarter, & Armstrong, 2015).

"Over the past thirty years, the social economy has increasingly come to the forefront of discussions about job creation and work insertion, decentralization of social services, sustainable development, etc. Its size and scope have been growing in recent decades as it is playing an important role in responding to emerging social and economic needs as well as to new collective aspirations. Social economy organizations are increasingly involved in areas where the market or the public sectors seem to fail. The social economy is no longer a residual phenomenon but a veritable institutional pole of the economy" (Bercea & Bacali, 2016; Bouchard, 2009).

The notion of sustainable development (Harrisson, Széll, & Bourque, 2009) seems to emerge as a common reference, specific to the 21st century. Two terms are to be considered when we think of sustainable development. First, the notion of biocapacity: this refers to the capacity of ecosystems to produce biomass and to absorb the waste generated by human activity, indicating the limits of what the environment can provide to the development. The other notion is that of ecological footprint, measuring the pressure that human activity exerts on nature. The ecological footprint assesses the productive surface needed for a population to respond to its resource consumption and to its needs for waste absorption. Stated differently, it refers to the resources humans use for their development. These two measurements are expressed in the number of hectares per person. According to analyses, the earth's biocapacity may be evaluated at 1.8 hectares per person, whereas humanity's overall footprint reached in 2009, 2.2 hectares per person. So, despite the fact that a majority of the world's people cannot properly meet their basic needs, the current model of production and consumption already exceeds its capacity to reproduce itself for future generations (Lin et al., 2018; Toderoiu, 2010).

Too often, the economy is reduced merely to buying and selling. However, turning to etymology, we see that the Greek notion of economy, namely *oïkos* or *oïkonomia* refers to "the art of supplying a home with the goods needed for life." Despite the fact that the study of economics has turned it into a science of market efficiency, the economy still remains, in actual fact, a social activity focused on satisfying needs and on ways of doing this through the production, exchange, and consumption of goods and services.

In this context, the market economy remains one among many forms of organization and exchange that societies can use to coordinate economic activity. But seeking to make the market the sole mechanism for coordinating economic activities, or worse yet, the dominant mode of social relations shows total irresponsibility. In the area of general interest, such as money, labor, food, or the environment, the operation of the market is flawed. This is why we need to rethink the economy, turning to a model based on a plural economy, in which the market economy must fit within a set of rules and strengthen social standards to ensure its sustainability (Harrisson et al., 2009). The new economic paradigm is the social economy and circular economy.

All definitions given to the social economy can be divided into two groups: the Anglo-Saxon approach of non-profit organizations emphasizes the non-distribution of benefits, and the European and Québécois approach emphasizes the governance and democratic functioning of a "family" of organizations, including cooperatives, mutual societies and non-profit organizations that carry out an economic activity. The difference between these approaches is not profit-oriented versus nonprofit orientation, but rather the difference between capitalist and a-capitalist or "socio-economic" organizations that emphasize the generation of consolidated collective wealth rather than the profitability of the investment (Bouchard, Filho, & Zerdani, 2015).

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 5- 18
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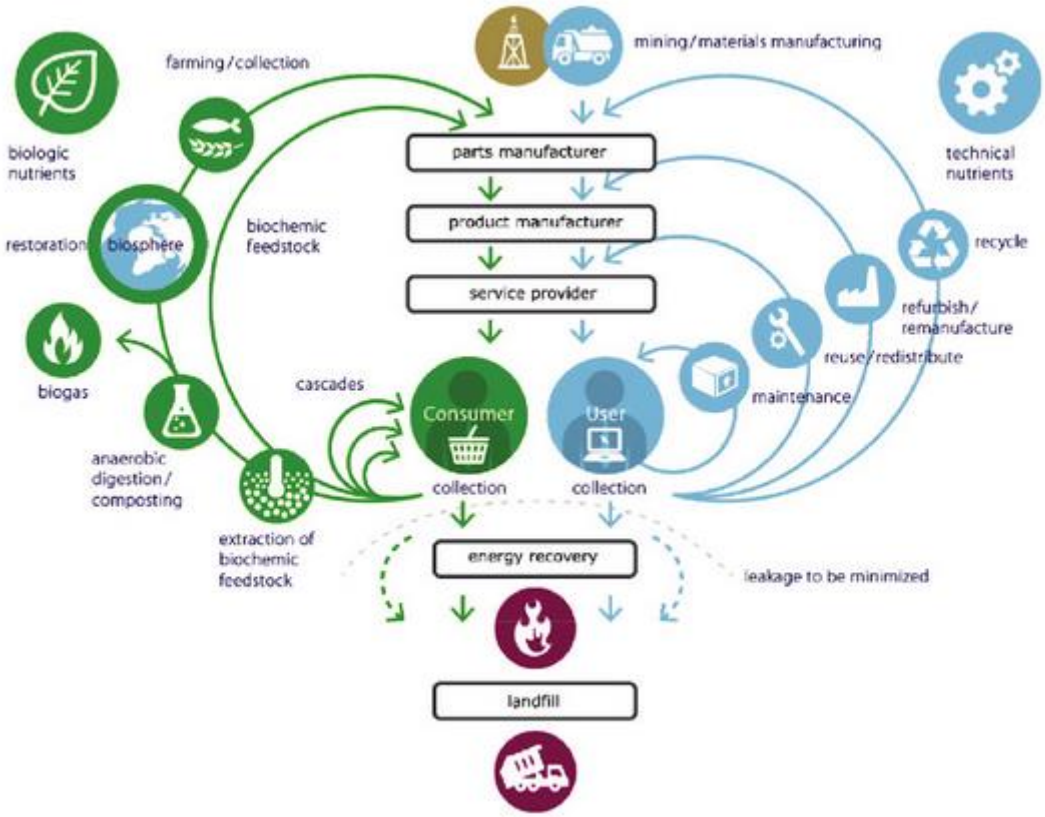
"Circular economy is considered as a new industrial model which is opposed to the linear model of resource consumption based on the "take-make-dispose" triptych. Its objective is to eliminate waste that is harmful to the environment. It promotes the use of goods with natural components called "nutriments" which can be reabsorbed into the biosphere without damage, as well as the repurposing (via reuse, repair and recycling) of technical components not suited for the biosphere The final consumption of goods must, in a circular economy, be based on a "functional service economy"; that is, the rental of goods and no longer on the sale of goods which generates waste" (E.S Lakatos, O.A. Crișan, D.G. Lakatos, 2017; Gallaud & Laperche, 2016).

FIGURE 1. Circular economy according to the MacArthur Foundation (Ellen MacArthur Foundation, 2019)



The 2030 agenda for sustainable development - the transition to a circular economy will work together to meet the goals of the UN 2030 Agenda on 17 Global Sustainable Development Objectives. Global Goals guide us towards creating the future we want. A future where new models replace the old ones, leading to positive results for society, economy, and the environment. From the outset, the circular economy has been conceived as an economy not in its own right but in close connection with human activity in society and the environment. It is an economy that benefits people and the planet (Miola & Schiltz, 2019).

The Agenda consists of 17 Sustainable Development Goals and 169 targets, which must be fulfilled by 2030. The objectives have a broad scope as they will address the interconnected elements of sustainable development: economic growth, social inclusion, and environmental protection, they are addressed local first, aiming the development from the local, regional to global level (Bodini, R., Cicciarelli, L., Di Meglio, R., Franchini, B., Salvatori, 2017; United Nations Development Programme, 2018).

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 5- 18
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FIGURE 2. UN Sustainable Development Goals (United Nations, 2018)

As we can see, the social economy and circular economy both are contouring around the three main pillars of sustainable development: economic, social, and environmental, and have more intersection points. Until recently, economic growth was the company's aim, implicitly maximizing profit. It was recently understood the importance of society and the environment, so studies show that sustainable economic growth is not possible without the development of human capital and without including the protection of natural capital. Thus, appears the concept of social and solidarity economy, through which the economic growth determines social and community development (Bodini, R., Cicciarelli, L., Di Meglio, R., Franchini, B., Salvatori, 2017; European Economic Social Committee, 2018). UNSSE presents this concept as an umbrella concept, referring to the production and exchange of goods and services by a broad range of organizations and enterprises that pursue explicit social and often environmental objectives" (ILO – COOP Unit, 2017; Utting, 2019).

2. Research Elaboration

The research identifies individual interest in setting up or participating in a social enterprise by accessing funds for sustainable development and converting them into a circular economy in order to streamline resource consumption, reduce pollution, and adopt sustainable business strategies in line with the European Commission's policies on the circular economy.

This research focuses on identifying the main needs of individuals in order to set up a social enterprise and for strengthening the principles of the circular economy in the social sector. Identifying principles related to the circular economy and / or the interest in helping to remove the obstacles that hamper the transition to a circular economy of social enterprises, are aspects that will be detailed in this research, as well as the assessment of the understanding of circular economy practices by social organizations in Romania.

The overall objective of this research is to evaluate the understanding of the social economy and circular economy practices by social organizations in Romania. Therefore, the secondary objectives of the report aim to identify:

• OS1. The interest of social enterprises in accessing funds for sustainable development and their conversion to a circular economy, with a view to streamlining resource consumption.
• OS2. The interest of social enterprises in accessing funds for sustainable development and their conversion to a circular economy to reduce pollution.
• OS3. The interest of social enterprises in accessing funds for sustainable development and their conversion to a circular economy in order to adopt sustainable business strategies in line with the European Commission's policies on the circular economy.

As research method was used the survey, which is a quantitative method that helps us to confirm or infirm the fixed hypotheses. The research started with a number of eleven assumptions that are presented in the next section as the instrument was designed in the form of a questionnaire with eighteen questions that are relevant to the research purpose. The questionnaire was implemented on-line, through social networks,

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 5- 18
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but also via email, and sampling is convenient. The target group consists of persons residing in Romania, especially in the North-West region, but the possibility of participation of persons residing in other regions of Romania has not been restricted. A number of 143 responses were obtained.

3. Results and Discussion

The first hypothesis is related to the matter of respondents' interest in starting a business, or how many of them are already involved in a business. The results showed us that this assumption is accepted, given the positive response of 23.78% of the respondents.

The second hypothesis is about opening a business in an urban area. In the Nord West region of Romania, there is interest in obtaining a grant for the establishment of a social enterprise in an urban area because the majority (50.35%) of the respondents answered positively and so the assumption is accepted.

The third assumption supposes that most respondents that would set up a social enterprise, would start a business as an association or foundation; this hypothesis is rejected because most respondents would open a limited liability company (44.76%) and then an association or foundation (35.66%).

The fourth hypothesis supposes that most of those who would set up a social business would make a production company, an assumption confirmed by results. Most of them, 16.08% of the respondents, would open a production business, 13.99% in education and training, leisure activities 9.79%, environmental protection 8.39%, and other fields.

The fifth assumption is about the environmental practices that would be used in the new business and set as the most frequent the selective collection. The hypothesis is rejected, with 25.87% use of renewable energies, 23.78% recycling, and only then selective collection by 18.88% of the respondents.

The sixth assumption supposes that most respondents would hire people from a vulnerable population, confirmed by a result of 72.03% of respondents hiring people from a vulnerable population.

The seventh suppose that at least 30% of the respondents have practical experience/skills in the field in which they want to open the business and is accepted, the respondents having average skills and/or experience: 33.57%, respondents having skills in a large extent: 14.69% and respondents having skills to a very large extent: 6.99% of the respondents.

The eighth hypothesis stated that more than 30% of respondents have theoretical studies/training in the field they would like to set up in the social enterprise. - the assumption is accepted, with 42.66% of respondents who have theoretical studies/training in the field where they would like to set up the social enterprise.

The ninth hypothesis is about the main obstacle to the opening of a business, fixing the lack of funding sources as the first obstacle. The results confirmed it, 84.62% of the respondents consider that there is a lack of sources of financing on the market, followed by the lack of a business plan, 44.06% of the respondents, the lack of training courses - 41.96%, the lack of a working space - 26.57% and lack of qualified staff - 22.38%.

The next assumption, the tenth, is related to that more than 30% of respondents believe it would be useful to participate in an entrepreneurial training program specific to the social economy sector for setting up a social enterprise; the assumption is accepted, with 48.25% of the respondents who consider it very necessary and 25.87% of respondents who consider it necessary.

The eleventh and the last hypothesis is about the areas where respondents believe it would be useful to develop skills and abilities to set up a social enterprise are, considering the online marketing and funding sources for at least 30% of respondents, considerations confirmed by results. 50.35% of the respondents say that they need more skills regarding the sources of financing, 46.85% need project management courses, 45.45% need courses for developing a business plan, 33.57% need courses on circular economy practices, 35.66% need training in marketing and online promotion, and 33.57% practice with the circular economy.

Socio-demographic data:

1. Gender

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 5- 18
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The distribution of genders within the respondents is approximately 60% are females, and 40% are males.

TABLE 1. Distribution of gender among respondents

Gender	% of total
Female	60.14%
Male	39.86%

2. Age

The most part of the respondents is under 25 years old, followed by people between 25 and 54 years old.

TABLE 2. Distribution of age among respondents

Age interval	% of the total
Under 25	55.80%
25-54 years	43.48%
Over 54 years	0.72%

3. Level of education

The majority of respondents have high education (57%), and 27% have ongoing studies.

TABLE 3. Distribution of education among respondents

Completed studies	% of the total
High school studies (without BAC diploma)	3.62%
Medium studies (completed with BAC diploma)	12.32%
Higher education	57.25%
Ongoing studies	26.81%

4. Status of respondents in the labor market – the majority of respondents are employed (29%), 10% are inactive persons, and 6.5% are self-employed.

TABLE 4. Distribution of type of employment among respondents

Type of employment	% of the total
Employee	59.42%

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Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 5- 18
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Self-employed	6.52%
Unemployed	3.62%
Long-term unemployed	0.72%
An inactive person	10.14%
Another category	19.57%

5. Geographical location

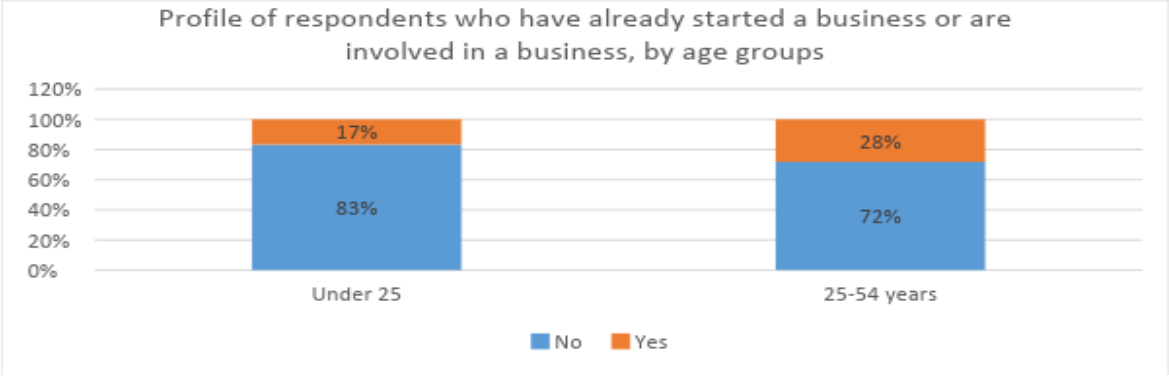
40% of the respondents would start an enterprise in Cluj county and 29% in Bistrita-Nasaud.

TABLE 5. Distribution of geographical area of the enterprises among respondents

County	% of the total
Cluj	39.20%
Bistrita-Nasaud	28.67%
Another location	28%

A. Profile of respondents who have already started a business or are involved in a business, by age groups. 17% of respondents up to 25 years already have a business or are involved in a business. 28% of respondents between 25 and 54 years of age started a business or are involved in a business.

FIGURE 3. Profile of respondents who have already started a business or who are involved in a business, by age groups



B. Regarding the profile of respondents who would be interested in hiring people from vulnerable groups, by gender, it is noticed that three-quarters of women would hire people from vulnerable groups, while only two-thirds of men would hire people from vulnerable groups.

FIGURE 4. Profile of respondents who would be interested in hiring people from vulnerable groups, by gender

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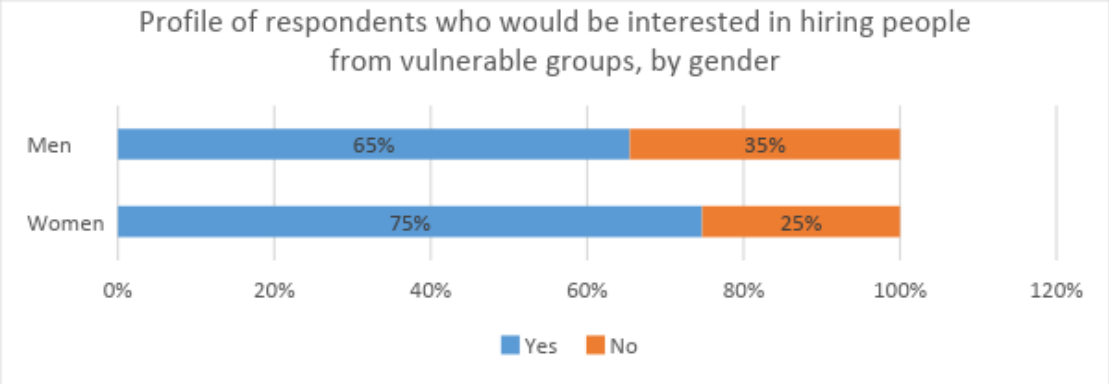
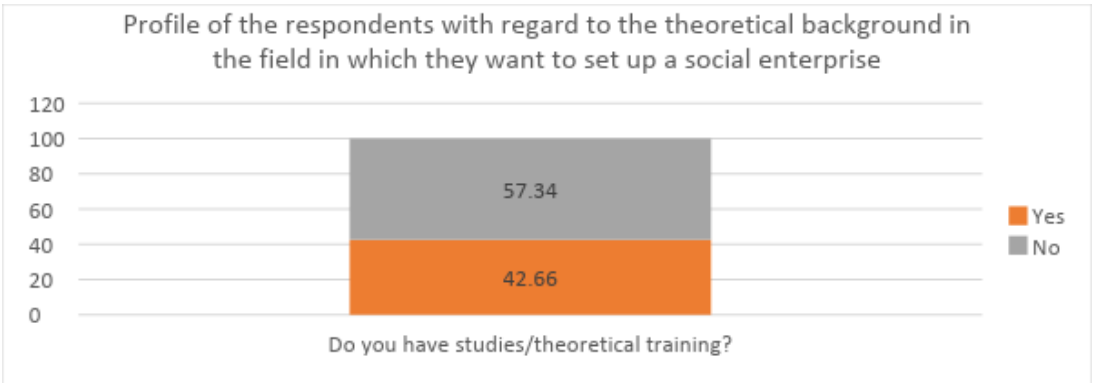


C. Respondents' profile in terms of studies / theoretical training in the field where they would like to set up a social enterprise. About 43% of the respondents affirm that they have a theoretical background in the field in which they would set up a social enterprise.

FIGURE 5. Profile of respondents with regard to the studies and theoretical background



D. Respondents' profile regarding what extent they have skills / practical abilities in the field in which they want to open a social enterprise. From the respondents who have a theoretical background in the field in which they want to open a social enterprise, 41% also have practical abilities to a medium extent, 20% have skills to a great extent, and 5% have skills to a very great extent.

ISSN: 2247-6172, ISSN - L: 2247-6172
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(Volume 18, Issue 2/ 2019), pp. 5- 18
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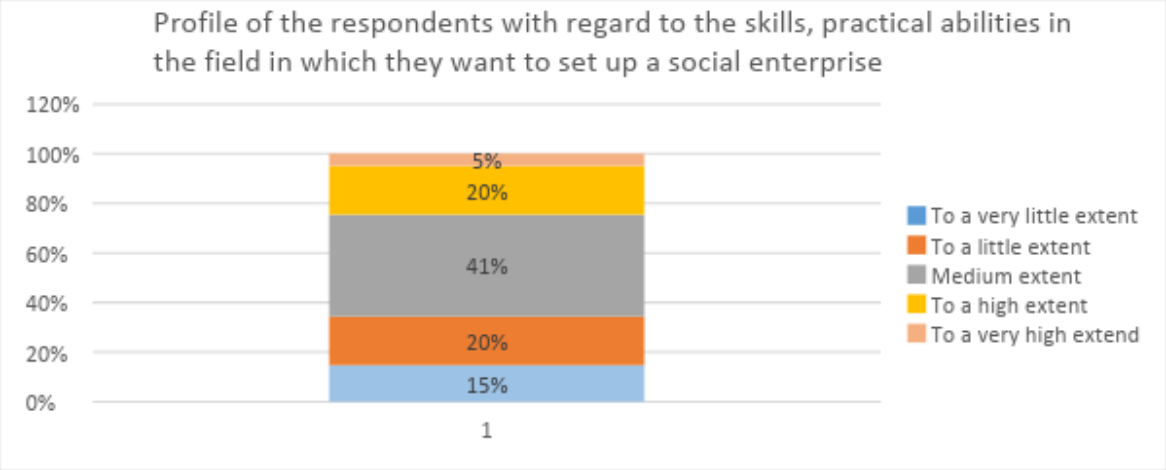
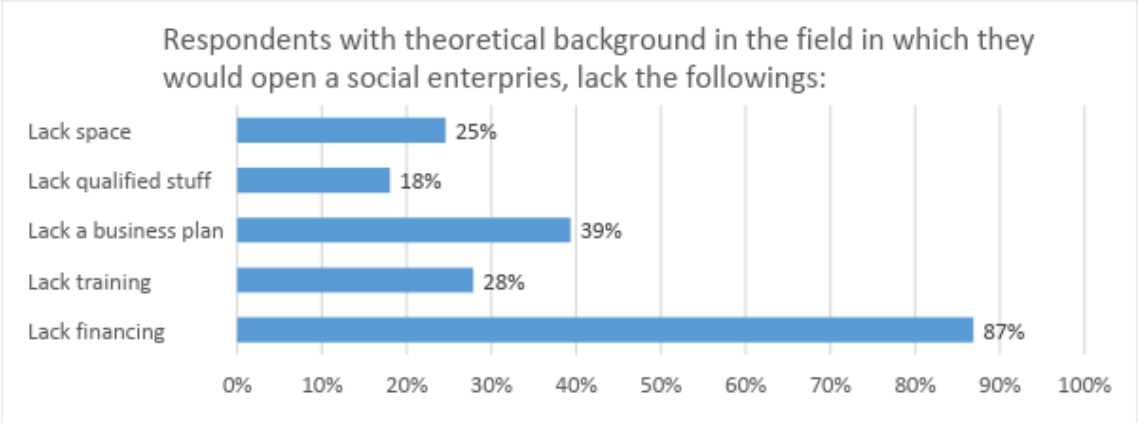
FIGURE 6. Profile of respondents with regard to theoretical background and abilities



Respondents who have theoretical background are prevented from setting up a social enterprise from the following gaps, in percentages: 87% lack funding, 39% lack business plans, 28% lack training, 25% do not have a workspace, and 18% say they have a lack of qualified staff.

FIGURE 7. Profile of respondents with the theoretical background with regard to shortcomings



Respondents who stated that they have the theoretical skills needed to set up a social enterprise are of the opinion that it would be welcome to develop their abilities in the following areas to help them set up a social enterprise:

- Sources of financing of social enterprises - 51% of respondents with theoretical abilities
- Project Management - 48%
- Developing a business plan - 43%
- Marketing and online promotion - 39%
- Circular Economy Practices - 38%
- Partnerships in the circular economy - 25%
- The procedure for attesting social enterprises - 13%.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 5- 18
URL: http://www.reaser.eu
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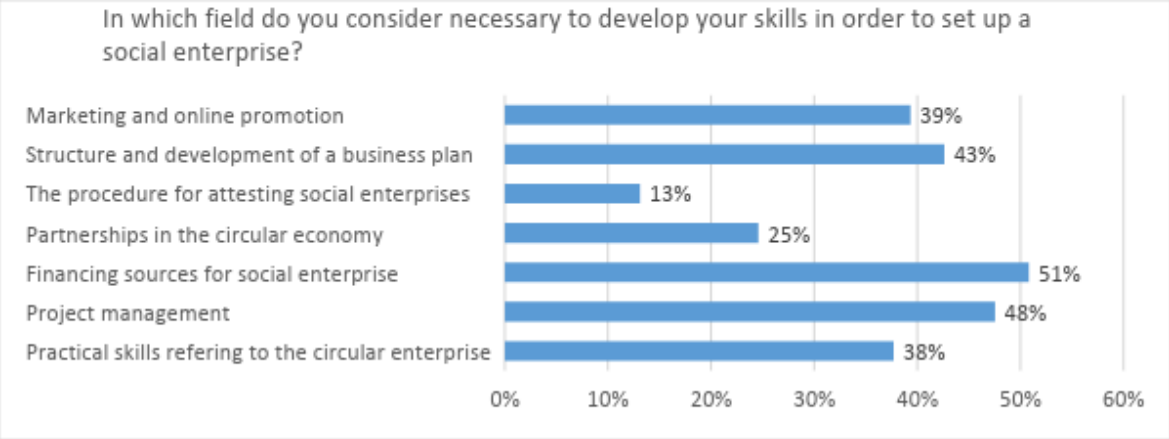
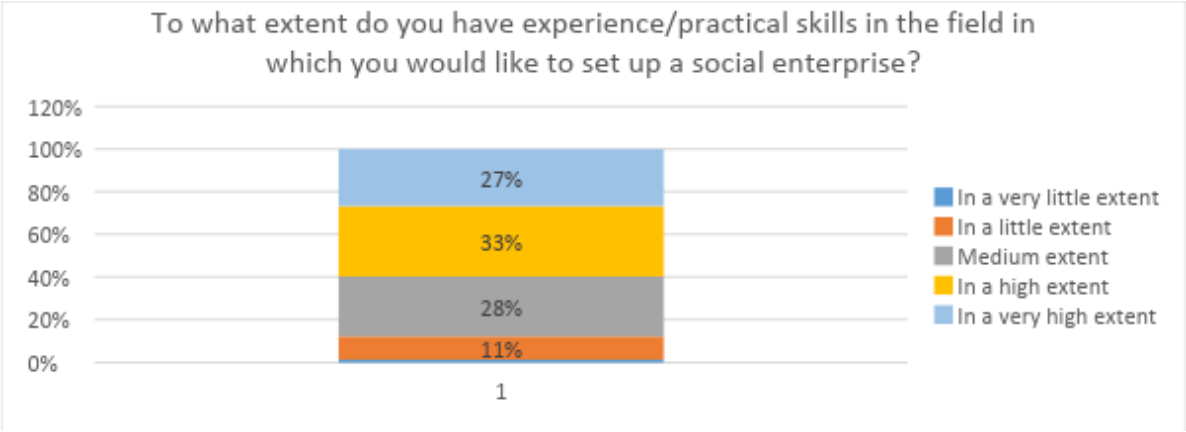
FIGURE 8. Profile of respondents with the theoretical background with regard to developing new skills



E. Respondents' profile by experience / practical skills in the field where they would like to set up the social enterprise and don't have a theoretical background. 27% of the respondents say they have very good experience/skills in the field; 33 % say they have these skills to a great extent, and 28% have such skills to a medium extent.

FIGURE 9. Profile of respondents without theoretical background with regard to practical skills in the field



F. Profile of respondents who say they don't have studies / theoretical background in the field they would like to set up the social enterprise with regard to other shortcomings. Apart from the theoretical and practical skills, the shortcomings that prevent from opening a social business by respondents without theoretical abilities are as follows:

- Lack of sources of funding - 83% of these respondents
- Lack of training courses - 52% of these respondents
- Lack of a business plan - 48% of respondents
- Lack of workspace - 28% of respondents
- Lack of qualified staff - affects 26% of the respondents with theoretical abilities

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 5- 18
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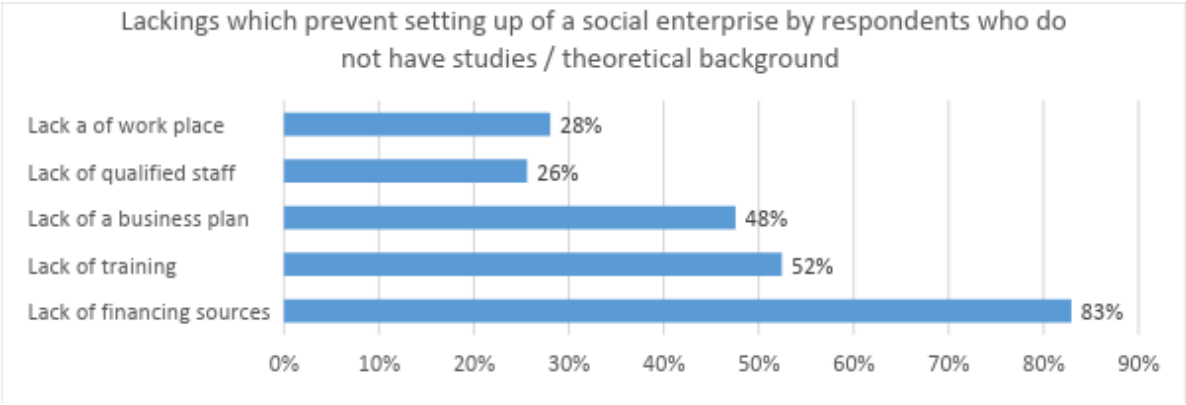
FIGURE 10. Profile of respondents without theoretical background with regard to the shortcomings to set up a social enterprise

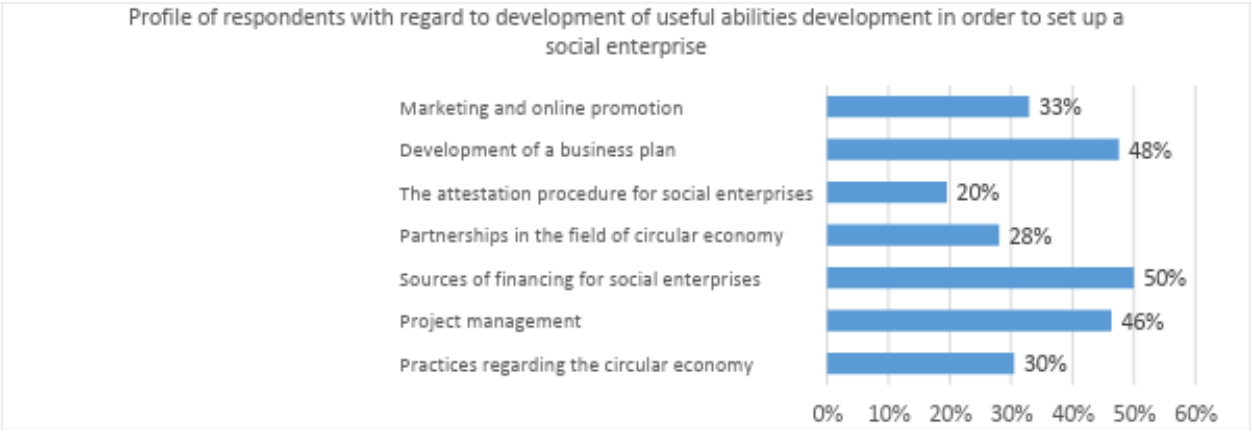


All the above deficiencies affect more of the respondents who do not have the theoretical knowledge in the field in which they would like to start a business that those who have theoretical training in the respective field except for the sources of financing, which affects more respondents with theoretical abilities in the field.

Respondents who stated that they do not have the theoretical skills needed to set up a social enterprise are of the opinion that it would be welcome to develop their skills in the following areas to help them set up a social enterprise:

- Source of funding for social enterprises - 50%
- Developing a business plan - 48%
- Project Management - 46%
- Marketing and online promotion - 33%
- Circular economy practices - 30%
- Attestation procedure for social enterprises - 20%.

FIGURE 11. Profile of respondents without theoretical background with regard to the need for developing new skills for setting up a social enterprise



G. Profile of respondents interested in opening a social business, by gender and residence area of the headquarters. It is noted that both genders prefer to open a business in an urban area (48% of the women

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Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 5- 18
URL: http://www.reaser.eu
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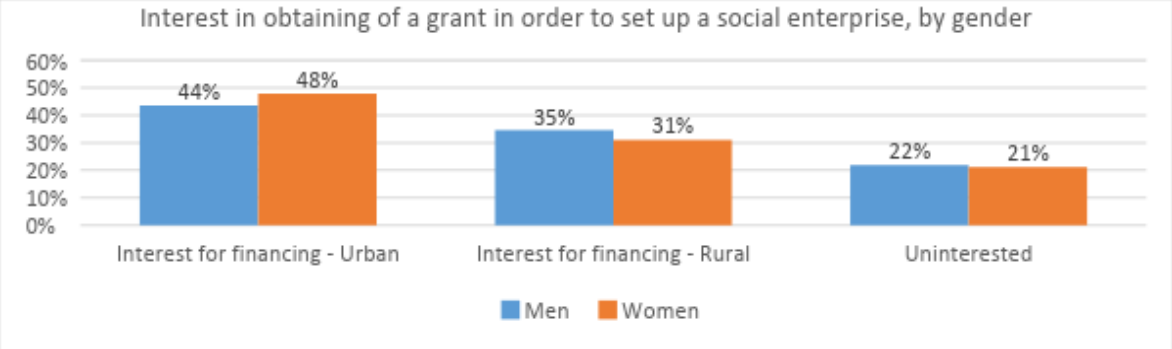
respondents), but a rural environment is found to be appealing by also (31% of the women respondents). 44% of men would prefer to open a business in an urban area and 35% in a rural area.

FIGURE 12. Profile of respondents interested in obtaining a grant for setting up a social enterprise, by gender and by the environment



H. Profile of organizations to be set up by county. If respondents set up social enterprises, there will be: 29% in Bistrita-Nasaud county and 34% in Cluj county, so over 60% of the firms would be set up in these counties by the respondents. From the firms that there could be set up in Bistrita Nasaud, 27% would be an association or foundation, and 54% of them would be a Limited Liability Company. 15% would work in the field of production and 12% in education and training. From the firms that would be opened in Cluj, 33% would have the form of a foundation or association, and 45% of them would have the form of an LLC; 14% would be active in the production and 16% in education and training.

4. Conclusions

Only a quarter of respondents have already started a business or are involved in a business. Most of them are interested in obtaining grant funds for setting up a social business; at least 50% of respondents want to open a business in an urban area and one third in the rural area.

Most of those who would set up a social business would make a production company. Most respondents would hire people from a vulnerable population. At least 30% of the respondents have practical experience/skills in the field in which they want to open the business. More than 30% of respondents have theoretical studies/training in the field they would like to set up a social enterprise. Areas, where respondents believe it would be useful to develop skills and abilities to set up a social enterprise, are online marketing and funding sources for at least 30% of respondents.

Undertaking a social activity within the 17 principles of sustainable development requires maximum commitment and dedication to reducing the environmental footprint, both in virgin raw materials extraction, in the production of clean and sustainable energy, in redesigning products to lengthen their life span and diminish waste disposal. This concept has long-term implications, both from the economic and environmental points of view.

It should also be stressed that such a project is a slow process that invests in the community without waiting for immediate benefits, but with some time limits as required by the Circular Economy Legislative Package drafted in May 2018.

In addition, an activity based on the principles of the circular economy is much more credible when it takes place in all its stages involving the employees of the respective company, making them responsible and thus disseminating the idea of circularity at the level of an individual, regardless of his social status.

As we can see, there is a big interest in setting up a social enterprise, but most of the respondents miss the funds. Another reason for what they don't do it is because they don't have a business plan. An

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 5- 18
URL: http://www.reaser.eu
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entrepreneurial training program specific to the social economy sector for setting up a social enterprise would be useful to participate in; this may be a future direction derived from this study. We recommend being implemented special training in this sector in the North-West Region of the country because it already exists the target group and interest. This would help the region to develop and bring benefits to the community.

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ISSN: 2247-6172, ISSN - L: 2247-6172
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Manuscript received: 13.09.2019

Manuscript received in revised form: 15.10.2019

Manuscript accepted: 17.10.2019

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 19 - 29
URL: http://www.reaser.eu
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International City Network and Public-Private Cooperation for Urban Water-Environment Management: A Study of Japanese Public Water Services' Overseas Expansion

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Otemon Gakuin University, Japan

Abstract. *Urbanization has progressed in parallel with rapid economic development in Asia, and people living in the region's megacities face severe urban environmental problems, with the water-environment problem being especially serious. Meanwhile, water-supply and sewerage services in Japan are conducted by municipalities as a public service, but their revenues are shrinking in response to a decreasing birthrate, an aging population, and the water-conservation movement. In this study, we investigated the overseas expansion of Japanese public water services as an effort to improve the living environment in developing Asian countries and to advance the sustainability of public water services. The research methods included scrutinizing preliminary research, conducting case studies through text analysis of materials issued by national and local governments, and conducting interviews with municipalities. As a result of the research, we first identified the overseas expansion of public water services as a collaborative model—based on an international inter-city network—for solving urban problems. With national governmental support, major municipal water services in Japan have aimed to expand their business abroad to achieve regional economic development, relying on trust based on the solidarity and cooperation of the international cities to reduce the transaction cost of international water-related project development. Second, we clarify that the public-private cooperative platform established by the leadership of municipalities enhances the accountability and transparency of the overseas expansion projects of public water services. Third, we find that the international city networks that municipalities build are evolving from one-to-one mutual networks to multilateral networks.*

Keywords: Accountability, Multilateral network, Municipal Water Service, Overseas Expansion, Public-Private Cooperative platform

JEL Codes: L32, R11, R58

1. Introduction

Urbanization has progressed in parallel with rapid economic development in Asia. As such, people living in the region's megacities face severe urban environmental problems, especially with their water environment. These cities must develop the infrastructure to provide clean water and process sewage in densely populated areas. Since the mid-1980s, liberalization has led to numerous water supply reforms, allowing for more privatized and commercialized services, thus initiating the economic globalization process (Bakker 2003; 2007; Swyngedouw et al. 2002). Municipalities are compelled to make trade-offs between environmental and social sustainability and economic sustainability. So that utilities may circumvent contradictions, they need to find creative solutions with regulations, service delivery models, and municipalities (Furlong and Bakker 2010; Furlong 2012). The potential to realize economies of scale is greater when water utilities are aggregated and regionalized, as the size and efficiency of new investments

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ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 19 - 29
URL: http://www.reaser.eu
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increase with shared infrastructure projects and access to international funding (Frone 2008). The territorial expansion of municipally owned water companies in some countries can be observed as a form of urban entrepreneurialism (Furlong 2015). Firms and governments have a strategic interest in export because it presents opportunities while potentially contributing to environmental improvements (Kanda 2014). In the smart city regionalism, growth-oriented "competitiveness" and "sustainability" are pursued (Herrschel 2013). This allows developing countries to gain access to internationally recognized best practices and contractual innovations developed by other governments (Trebilcock and Rosenstock 2015). By becoming part of an international city network, cities can share resources, knowledge, and experiences; facilitate learning about a particular topic; gain legitimacy; create milieus in which they can contribute solutions and offer important benchmarking opportunities (Mejía-Dugand et al. 2016). These municipally owned companies are largely motivated by external factors such as customer requests and opportunities to contribute to environmental sustainability. Their export experiences are influenced by their municipal ownership, technology, and the institutional contexts within which they operate (Kanda et al. 2016).

Japan's water supply and sewerage services are managed by municipalities as a public service. However, their revenues are shrinking in response to a decreasing birth-rate, an aging population, and the water-conservation movement. Therefore, the Japanese government is focused on municipal water services as a new export industry. Expanding municipal water services abroad contributes to solving Asian cities' urban environmental problems through international cooperation and sustainable management of their public water services. The New Growth Strategy decided by the Cabinet in December 2009 indicated that Japan would package its technology and experience as an engine for sustainable growth in Asia. It would facilitate the development of environmentally symbiotic cities by promoting business opportunities for Japanese companies with advanced civil engineering and construction technologies. In May 2010, the Ministry of Internal Affairs and Communications released the municipal water service overseas expansion team's interim report. From the perspective of international contributions and Japan's economic growth, this report underscored the importance of public and private sector partnerships that utilize technology and expertise to work towards international development.

In this study, we investigated the plan to expand Japanese public water services overseas as an effort to improve the living environment in developing Asian countries and to advance the sustainability of public water services. The remainder of the paper presents the research methodology and analysis, followed by a discussion on the results and a conclusion.

2. Research Elaboration

The research methods included scrutinizing preliminary research, conducting case studies through text analysis of materials issued by national and local governments, and conducting interviews with municipalities. We examined urban municipal water services in four cities: Tokyo, Yokohama, Osaka, and Kitakyushu (see Figure1). Tokyo, Yokohama, and Osaka were selected because they represent the areas with the highest populations in Japan. As an industrial city, Kitakyushu has a long history of development, and from preliminary surveys, it is recognized as one of the Japanese cities most actively engaged in the overseas development of environmental technology.

3. Results and Discussions

3.1. Case study 1: Tokyo Metropolitan Government

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Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 19 - 29
URL: http://www.reaser.eu
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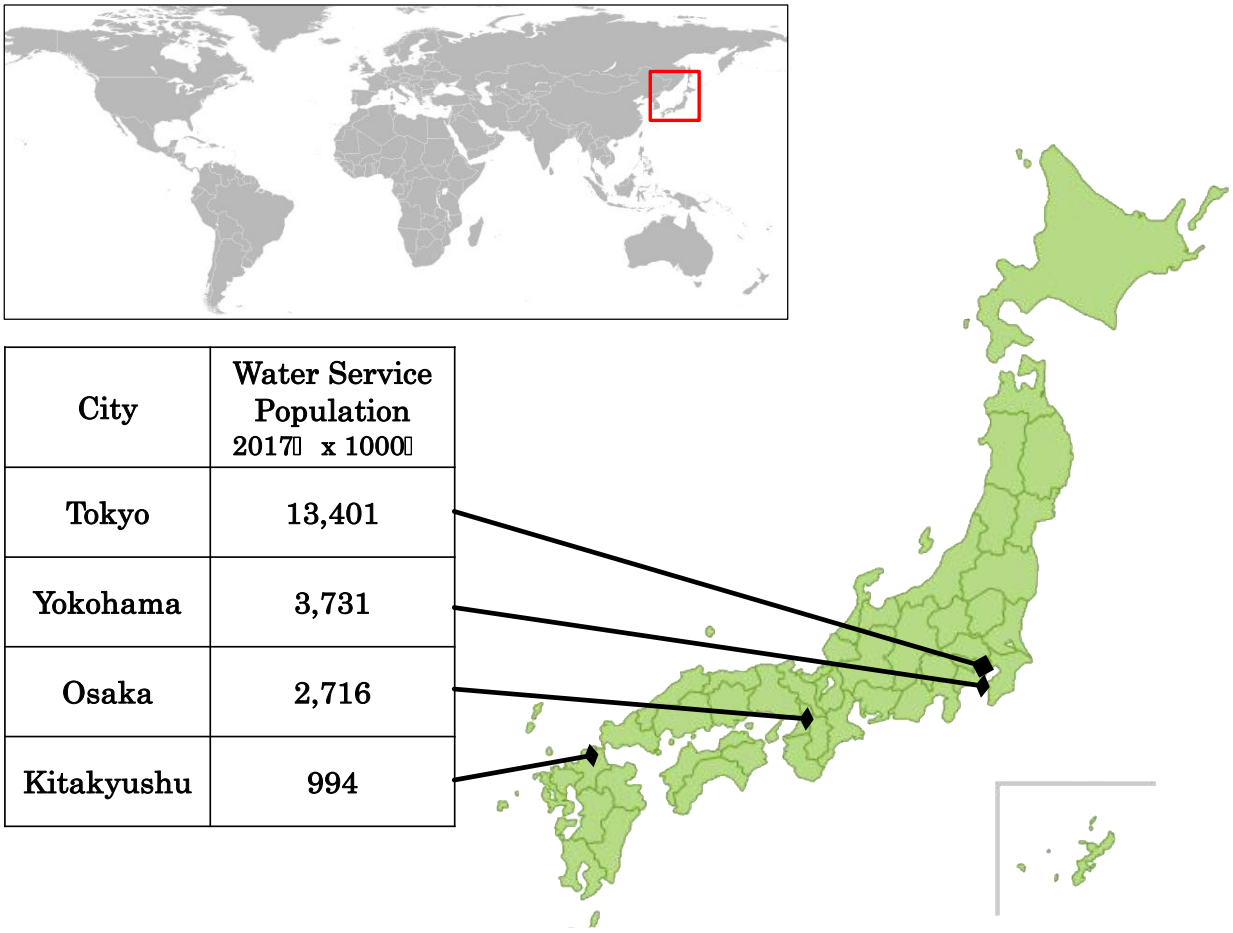

City	Water Service Population 2017 x 1000
Tokyo	13,401
Yokohama	3,731
Osaka	2,716
Kitakyushu	994

Fig. 1: Water Service Populations and Locations of Cities Investigated

In January 2010, the Tokyo Metropolitan Government (TMG) formulated the 2010 Tokyo Waterworks Management Plan for the period from FY 2010 to 2012. This plan indicated that Tokyo Suido Service Co., Ltd. (TSS), in which the Tokyo Metropolitan Bureau of Waterworks invests 51%, contributed its high-level water technology and operation expertise on an international level, while the TMG dispatched survey teams abroad to promote Tokyo Waterworks' technology and expertise.

The TMG Bureau of Waterworks and TSS collaborate as follows: gather domestic and overseas information; conduct surveys on actual conditions and design business models that meet the needs of overseas markets; establish overseas business survey and research groups; dispatch mission teams overseas; and develop and participate in business models for consulting and facility management orders. The TMG also established a private enterprise support program, as it is necessary to respond to each country's various needs and solve the world's water problems through diversity and sustainable cooperation. The program provides support to pre-registered enterprises by organizing business matching opportunities, accepting visits to waterworks facilities, and expressing willingness to cooperate in partnership with governments and other entities.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 19 - 29
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In October 2011, TSS, a Japanese water treatment company, and the Hanoi City Waterworks Public Corporation established a joint venture company that was responsible for a project to construct and maintain a water purification plant with a daily volume of 150,000 tons in Hanoi City, Vietnam. TSS established its wholly owned subsidiary, Tokyo Waterworks International Co., Ltd. (TWI) in April 2012 and an affiliated company, Tokyo Waterworks International Taiwan Co., in December 2012, thus strengthening the foundations for overseas project promotions. TSS has made efforts to understand the recipient countries' problems and needs by actively participating in international conferences, exhibitions, and field surveys to pursue dialogue with waterworks operators in each country and by continuing to provide training for overseas trainees in recipient countries and in Japan.

In September 2015, the TMG published the "Tokyo Waterworks International Cooperation Program" which included the following highlights: An explanation of projects developed using TMG technologies to improve water situations in overseas cities; concrete achievements including technical cooperation projects at the grassroots level in Hanoi, Vietnam and Penang, Malaysia; technical cooperation projects in Delhi, India; and infrastructure development, operational projects, and non-revenue water prevention projects in Bangkok, Thailand and Yangon, Myanmar.

3.2. Case study 2: Yokohama City Government

Yokohama's medium-term, four-year plan implemented from 2010 to 2013 indicated that to stimulate the regional economy, the Yokohama City Government (YCG) supported the business development efforts of enterprises in Yokohama City to expand urban infrastructure technology overseas. In January 2011, the YCG announced a public-private partnership (PPP) venture to promote international technical cooperation. The Yokohama Partnership of Resources and Technologies (Y-PORT) project was designated to help solve urban problems in emerging countries as a matter of social responsibility and to revitalize the city's economy.

In 2010, the YCG established the Yokohama Water Co., Ltd., in which they had 100% stake, to promote orders from outside the region, and the "Yokohama Water Business Association," a PPP with 133 companies and organizations, to share information, exchange views, and conduct joint promotions. In 2017, the Yokohama Urban Solution Alliance (YUSA) was established as part of the organizational improvement needed following an increase in projects achieved through Y-PORT. YUSA aims to do the following: Contribute towards creating new business opportunities as well as provide solutions to urban development issues in emerging countries by formulating projects utilizing funds from the Japanese government as well as multilateral development organizations; provide information on overseas infrastructure business, and promote the technical capabilities of private companies to overseas markets. YUSA presents a framework to receive orders for projects created by international city networks and ensure fairness in providing information obtained by the municipalities.

In January 2011, the YCG participated in a PPP in a field demonstration experiment in Brida City, Saudi Arabia, as well as conducted surveys for water supply projects in Bangladesh and in Hue City, Vietnam. In March 2012, the YCG concluded a "Memorandum of Understanding (MOU) on Technical Cooperation for the Development of Sustainable Cities" with the City of Cebu, Philippines, and conducted local surveys and organized business matching between the city and other water service entities in Sri Lanka, Saudi Arabia, Brazil, and Iraq.

In 2015, the International Water Association Strategic Asset Management Conference was held in Yokohama City. Executives involved in Asian water utilities and water administration were invited to the Executive Forum for Enhancing Sustainability on Urban Water Service in the Asian Region. The purpose of this forum was to verify efforts to improve water utilities in each country and to share knowledge, technology, experiences, and know-how for solving future problems.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 19 - 29
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3.3. Case study 3: Osaka City Government

The Osaka City Economic Growth Strategy was announced in 2011. This strategy indicated that by packaging the city's water, sewerage, and environmental technologies and strengthening relationships with Osaka and Kansai companies with outstanding element technologies, the Osaka City Government (OCG) contributed to solving overseas water and environmental problems and supported the expansion of Osaka and Kansai economic business opportunities.

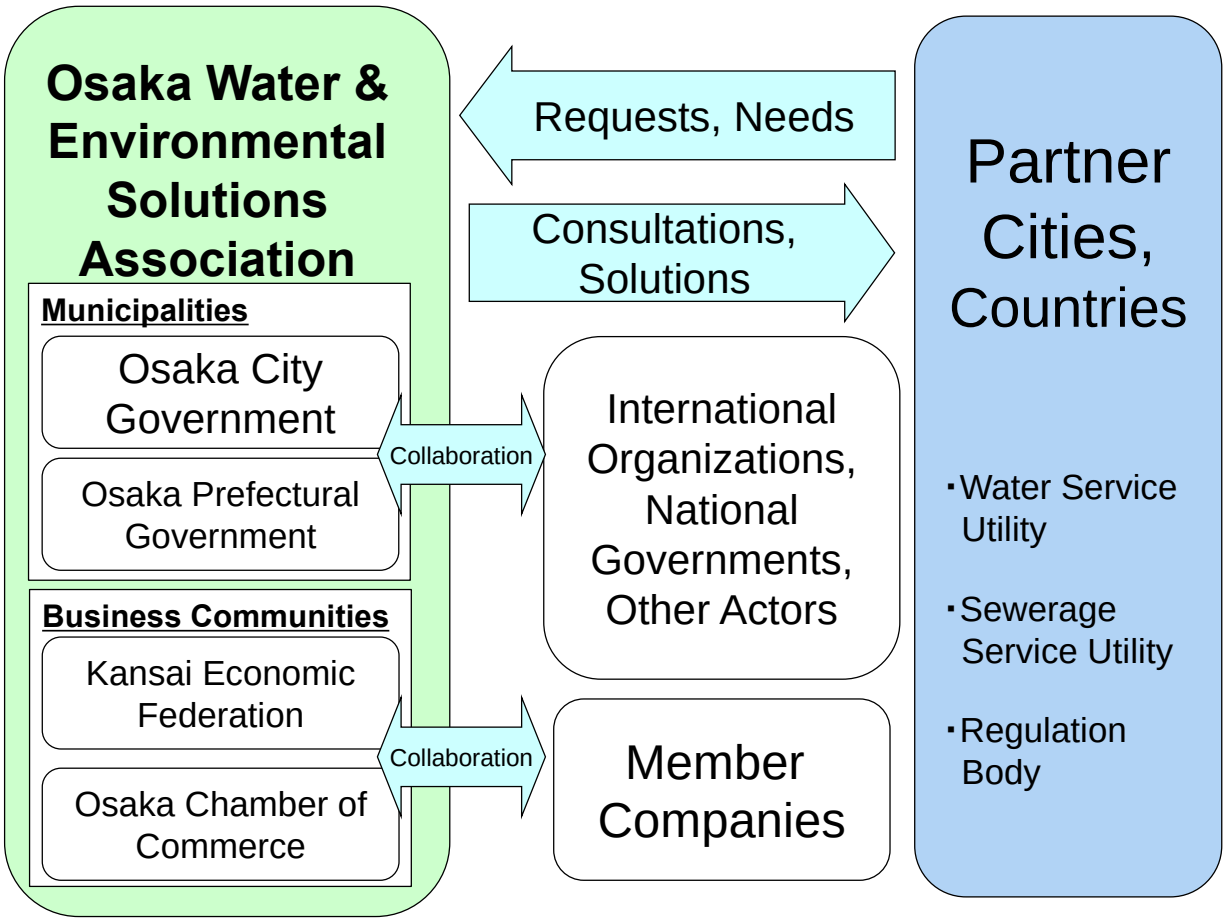

Fig. 2: Scheme of International Cooperation by the Osaka Water & Environmental Solutions Association

To achieve the above objectives, the OCG established the Osaka Water & Environmental Solutions Association (OWESA) in 2011 with the Kansai Economic Federation and the Osaka Chamber of Commerce and Industry (see Figure 2). OWESA works in an integrated manner with the OCG, the Osaka Prefectural Government, and the Osaka business community. The association's aims are to solve diversified water and environmental issues by utilizing the administration's considerable experience and advanced technologies from the private sector. In July 2016, the Clearwater OSAKA Corporation (COC), in which the OCG has 100% share, was established with the human and technical resources amassed to contribute to the wellbeing of people and societies, both within Japan and abroad.

OWESA has two main activities. The first includes the following promotional activities: Convey information about Osaka-Kansai companies' technical capabilities to overseas entities; provide business-matching opportunities that will lead to orders abroad through joint exhibitions at international trade fairs such as Singapore Water Expo; hold seminars at home and abroad; and accept technical trainees and visits

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Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 19 - 29
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from overseas. The second activity is to support findings and formulate overseas projects through Osaka's international city network, which includes business partner cities, and implement projects through collaboration between the private and public sectors. This activity involves identifying local water and environmental problems through intercity diplomacy and technical exchanges between Osaka City and overseas municipalities, then formulating business projects to resolve such problems with the participants' agreement.

In July 2011, OCG concluded an MOU with Ho Chi Minh City, Vietnam, for cooperation with the water environment. In September 2014, an MOU was signed between OCG and Yangon City, Myanmar, to promote technical cooperation with urban infrastructure development such as waterworks, sewage works, waste treatment, and urban planning and development. OWESA also arranged for an MOU to be signed for technical cooperation between the two cities while providing technical assistance to Yangon City. In May 2016, OWESA announced that Saint Petersburg, Russia, had adopted sewer system technology developed by a Japanese company. This technology adoption primarily resulted from a technical exchange at the Osaka Promotion Seminar, which was held in Saint Petersburg in September 2014 to celebrate the 35th anniversary of Osaka and St. Petersburg's sister-city affiliation.

3.4. Case study 4: Kitakyushu City Government

In 2011, the Kitakyushu City Government (KCG) formulated the Kitakyushu Municipal Water Service Mid-term Management Plan, which indicated the following policy targets: "Water service at low prices," "water service to promote the environmental model city," and "water service to contribute to the world." This plan also included promoting water business expansion overseas and related personnel training.

The KCG established the "Asia Low Carbonization Center" as an affiliated organization in 2010. The purpose of the center is to concentrate on Japan's environmental technologies in the Kitakyushu region, to target the remarkably developed Asian region, and to drive technology innovation through the benefits of accumulation effectively. To encourage the development of environmentally conscious Asian cities, the center promotes the overseas expansion of packaged infrastructure services according to the needs of partner cities, as this creates opportunities for companies to develop business within the city's jurisdiction. In 2010, the KCG organized the "Kitakyushu Overseas Water Business Association," a platform consisting of public and private sector entities, including 57 companies, academic institutions, and the national government, all cooperating to expand water and sewerage services overseas.

The destinations for Kitakyushu City's overseas expansion are primarily located in Cambodia, Vietnam, and Indonesia. In addition to dispatching mission teams to the target countries and holding seminars and business meetings, KCG has exhibited at international trade fairs to promote member companies' technologies, investigated private enterprises' seeds and needs, surveyed the countries' local needs, and implemented overseas expansion and project development through PPPs.

In 2011, the KCG was commissioned to serve in an advisory capacity for the planning of a water treatment plant construction project in Siem Reap City, Cambodia; they have compensated approximately 110,000 euros for their services. They also designed and managed the construction of a water facility improvement project in Mondulkiri province in eastern Cambodia, for which they were compensated approximately 220,000 euros. This was the first instance of a Japanese municipality receiving a package order for a basic plan, detailed design, and construction management. By March 2018, Kitakyushu City had formed a consortium with council member companies and had received 53 orders, including a preparatory survey for a water supply expansion plan in Cambodia.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 19 - 29
URL: http://www.reaser.eu
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4. Discussion

Table 1 summarizes the survey results from the investigation of qualitative case studies based on four municipalities and their public water service expansions overseas.

Table 1: Actions Taken by Large Japanese Municipalities to Expand Public Water Services

	Tokyo	**Yokohama**	**Osaka**	**Kitakyushu**
Municipal Company (Equity Ratio)	Tokyo Suido Service Co., Ltd. (51%)	Yokohama Water Co., Ltd. (100%)	Clearwater OSAKA Co., Ltd. (100%)	Asia Low Carbonization Center (100%)
Public-Private Cooperative Platform	Private Enterprise Support Program	Yokohama Water Business Council	Osaka Water & Environmental Solutions Association	Kitakyushu Overseas Water Business Association
Main Partner Cities	Bangkok, Thailand Delhi, India Hanoi, Vietnam Penang, Malaysia Yangon, Myanmar	Brida, Saudi Arabia Cebu, Philippines Hue, Vietnam	Ho Chi Minh, Vietnam Saint Petersburg, Russia Yangon, Myanmar	Dalian, China Hai Phone, Vietnam Mandalay, Myanmar Siem Reap, Cambodia Surabaya, Indonesia

(Source: By Author)

As a result of the research, we first identified the overseas expansion of public water services as a collaborative model based on international city networks to solve urban problems. Through the city networks' cooperative mechanisms, each urban player stands to benefit from the synergies of interactive growth via reciprocity, knowledge exchange, and unexpected creativity (Batten 1995). Japan's water-related public and private sectors are motivated to share their technologies and experiences to solve urban environmental problems in Asia's growing cities. However, it is difficult for Japanese public water services to sustain unilateral contributions to developing countries because their business environment is becoming less hospitable in a shrinking domestic market. Therefore, with national governmental support, major municipal water service providers in Japan have aimed to expand their businesses abroad to achieve regional economic development, relying on the international city network's solidarity and trust to reduce the transaction cost of international water-related project development.

Second, we clarified that the public-private cooperative platforms established by the municipalities' leaderships enhance the accountability and transparency of the overseas public water services expansion projects. Municipalities hold themselves accountable to be fair to citizens and stakeholders. Serving as intermediaries, such public-private platforms not only develop the projects' implementation capacities but also strengthen their accountability and transparency when it comes to sharing information about the water-environment problems in each partner city and selecting partner companies for international public water service expansion projects (see Figure3).

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 19 - 29
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

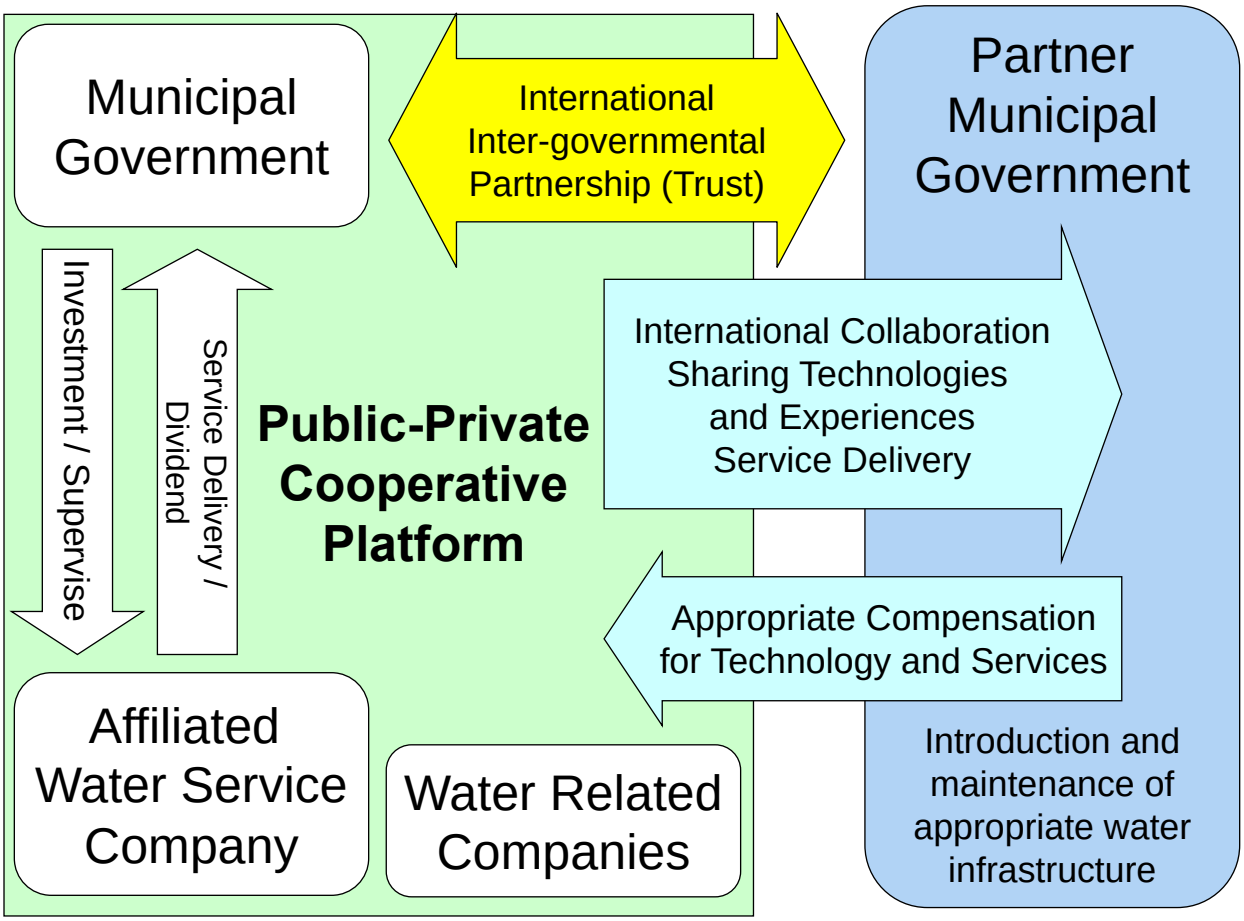

Fig. 3: Model of International Public Water Service Expansion through Municipal Collaboration

Third, we found that the international city networks the municipalities built are evolving from one-to-one mutual networks to multilateral networks. To date, municipalities have developed international sister-city networks centered more on cultural and educational administrative exchanges. However, in recent years, more pragmatic "city networks" or "transnational municipal networks" have emerged with city liaisons focused on problem-solving (Kern and Bulkeley 2009). By participating in these networks, cities exploit scale economies through complementary relationships and synergies in cooperative activities (Capello 2000; Meijers 2005). Municipalities realize that it is efficient to develop mutual projects and participate in international associations or city organizations for specific purposes. Under urban entrepreneurialism (Furlong 2015) and smart city regionalism (Herrschel 2013), municipalities even organize international meetings or conferences at which they seek business partner cities, promote their environmental technologies to their region, and enhance their brand images as regional technology hubs. In addition, since top-down decision-making is predominant in Asian culture, efficient project development can be achieved by approaching mayors and governors who participate in these conferences. Furthermore, international organizations comprised of potential financial donors for projects also participate in multi-city collaborations.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 19 - 29
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

5. Conclusion

This study examines the scheme to expand Japanese public water services overseas as an effort to improve the living environment in developing Asian countries and to advance the sustainability of these services. Water is indispensable to humans, as it is necessary for liveable and healthy environments. Water services need to be developed from a long-term perspective, with an emphasis on public interest (Koppenjan and Enserink 2009). Under an inefficient PPP, a firm may threaten to withdraw services in exchange for higher payments, thus attempting to hold the government captive. Compared to traditional procurement, PPPs are complex and require an institutional capacity to design tenders and contracts, then monitor and enforce contracts over long periods (Bloomfield 2006; Trebilcock and Rosenstock 2015; Iossa 2018). In recent years, with the proliferation of governmental actors and initiatives to strengthen the environmental technology sector, collaboration and learning between various public and private actors have led to more comprehensive outputs (Ćetković 2015; Kanda et al. 2016). Public owned companies have lower political or regulatory risks, are willing to accept a lower return on investment, have access to lower-cost local-currency financing, and a better understanding of social and cultural factors (Jensen 2017).

In this context, the overseas expansion of Japanese public water service enterprises, as based on solidarity and trust between the municipalities, is a unique initiative to promote international water service standardization and technology development. It is assumed that this may lead to a new form of international urban water service cooperative governance, which is different from the previous model of complete privatization or concession.

Concerning water environment management in Asia, the formation of a public-private cooperative platform by public water companies to expand their overseas leadership could play a significant role in achieving local, sustainable development from a long-term perspective for the international solidarity of municipalities. From the point of view of securing public and business interests and maintaining advanced water environments in each region, this scheme is advantageous for both overseas expansion and reception countries. Therefore, it is desirable to realize more collaborative projects based on multilateral city networks as public goods.

Future research requires more comparable analysis on the management of PPP platforms, as well as the participation of municipal-owned companies in the project development process so that more empirical analyses can be conducted.

6. Acknowledgments

The author participated in the 7th CIRIEC International Research Conference on Social Economy "Social and Solidarity Economy - moving towards a new economic system," held at the University of Bucharest, Romania, on 6-9 June 2019. This article is based on the conference paper submitted to the organizing committee of that conference and published as a CIRIEC working paper. I would like to thank D. Greiling and other participants for valuable discussions throughout the workshop of SE common goods, local economy, and poverty. The author collected the data used in this study. I am grateful to the interviewees from the city governments and their affiliates of Yokohama, Osaka, and Kitakyushu for their valuable inputs. Those responsible for primary data collection bear no responsibility for the analyses and interpretations presented herein.

ISSN: 2247-6172, ISSN - L: 2247-6172
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Manuscript received: 16.10.2019

Manuscript received in revised form: 17.11.2019

Manuscript accepted: 18.11.2019

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio-Economic Research
(Volume 18, Issue 2/ 2019), pp. 30-42
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

Solidarity Economy Initiatives in Turkey: From Reciprocity to Local Development?

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Abstract. *The emergence of solidarity economy initiatives in Turkey could be considered as a result of the historical process of the 1980s and the strengthened neoliberal policies over the past two decades. In this context, the disengagement and decentralization of the State, as well as the rise of civil society, challenges the role of the solidarity economy initiatives in territorial development. Are they integrated into the governance and regulation of their field of activity? Rather than a total disengagement, Turkey has been marked by a concentration of power and government control over many sectors and strong interdependence of civil society organizations. By targeting six activity fields (short food circuit, education, popular university, construction, refugees, and consumption without purchase), we conducted 25 interviews and a two-day workshop with the members of the solidarity initiatives. According to our findings, these initiatives have emerged outside of the market and public authorities. The social movements that occurred over the past years have significant effects on their emergence. Faced with the reluctance and/or rejection by the public authorities, most of them are characterized by a form of autonomy and self-organization capacity in their emergence phase. While in the beginning, they were based on the reciprocity principle, they aim to be consolidated by the market and non-market resources in the next phase. Finally, the solidarity economy initiatives would provide a basis for civic or citizen governance through their network ties and could have a positive impact in terms of social, economic, cultural, and local development.*

Keywords: local development, reciprocity, solidarity economy

JEL Codes: Q01, I31, Z13

1. Introduction

The hegemonic status of the neoliberal paradigm has been widely discredited in the face of economic, social, and ecological crisis. Alternative ways of production, consumption, and economic organization have drawn increasing attention as a potential solution to market failures. In this context, the Social and Solidarity Economy (SSE) has made significant progress in many countries. Turkey is not an exception. A wide range of solidarity economy initiatives has been created recently, and they have gained popularity in various areas. In this paper, we examine their characteristics in terms of volunteering, reciprocity, democracy, resources, and capacity to contribute to local networks and development process.

While social entrepreneurship in Turkey is much older than those studied in this paper, we focus on their roles and schemes resulting from the interaction of current economic, political, and social conditions. Associated with a process of deeper individualization and significant challenges experienced over the last decades, these new solidarity economy initiatives raise the question about the links between social movements and solidarity economy. On this basis, we observe that they take shape in local contexts and emerge through mutual aid in various forms.

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ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio-Economic Research
(Volume 18, Issue 2/ 2019), pp. 30-42
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

As in many Western countries, the intermediary bodies that inherited by modern society have been found historically between private and state spheres in Turkey. These intermediaries between society and State have been playing an essential role in terms of redistribution of resources and social welfare. Although some of them, such as *Vakıfs* (foundations), had been present from the beginning of the Ottoman Empire, they have emerged mainly from the 18th and 19th centuries in the context of modernization. However, the "new" solidarity economy initiatives, established since the 2000s, or to put it differently in the neoliberal area, draw attention in their changing characteristics. The analysis of their emergence requires the understanding of these initiatives in terms of their organizational, political, and economic dynamics.

In this paper, we seek to explore the solidarity economics in Turkey through an analysis of *collective action*. This approach enables us to take into account the actors, their aspirations, their innovations, and the institutional context in which the new solidarity networks are embedded as well. Within this framework, we aim to examine the variety of the initiatives, their perspectives of social change, and their potential impacts on local development. To our knowledge, there is no previous study addressing to new dynamics of solidarity initiatives in Turkey. However, the topics related to the social economy (cooperatives), social action and social policies (associations and foundations), and public policy (women, dwelling, administrative decentralisation) are instructive and provide a basis in explaining the main political and social structure where the new solidarity economy initiatives are integrated.

The rest of the paper is organized as follows: Section 2 presents the methodology used to assess the research questions. Section 3 addresses the relationship between solidarity economy and local development. In section 4, the interrelations between solidarity economy initiatives and social movements are discussed. Section 5 introduces the hybrid model of the initiatives in terms of resources and analyses their mechanisms of solidarity to overcome their fragility in the face of an unfavourable ecosystem. The last section concludes with the prospects for potential contributions of the solidarity economy initiatives to civic or local governance development.

2. Research Methodology[1]

For this study, we have targeted a number of solidarity economy initiatives that have emerged in Turkey since the 2000s. These initiatives are located in different cities and/or regions, such as Istanbul, Izmir, Sirince, Ankara, Gaziantep, Eskisehir, Kocaeli, Hatay, Duzce, and Artvin. They operate in several fields, namely short food circuit, education, popular university, construction, refugees, and consumption without purchase. They are relatively heterogeneous in terms of scope and size. Some of them are numerous in the same economic activity, while others may be limited to a smaller number without spreading to the national level.

We have used different qualitative survey methods from September 2017 to March 2019. As a first step, we have conducted 25 semi-structured interviews. As a second step, we have used the social intervention method through a two-day workshop with the participation of actors of these solidarity economy initiatives from different regions of Turkey. In total, we met with forty-eight actors involved in twenty-three solidarity economy initiatives. In addition to the interviews, this workshop enabled the actors to develop a transversal analysis, both with actors invested in the same sector and/or in different fields as well. During the workshop, their motivations, their historical evolutions, their resources in terms of funding and human capital, the

[1] We would like to thank Alin Karabel and Eylem Güner for their contribution to this AUF-funded research project as part of their internship at the Social Science Research Center (TAM) of Galatasaray University under the supervision of the professor-researcher, Olivier Gajac.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio-Economic Research
(Volume 18, Issue 2/ 2019), pp. 30-42
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

organizational structure of the initiatives, the difficulties that they have encountered, and their future prospects have been discussed in detail.

For the data analysis, we have focused on the contents of interviews as well as the exchange of experiences between the actors. In fact, we have sought to analyze these solidarity initiatives within a cross-sectoral context without excluding the singularities of their field. In this study, we chose to call them according to their activity field and not to use their real names for the sake of confidentiality.

3. Solidarity Economy and Local Development

The link between the solidarity economy and local development requires addressing certain concepts. First of all, the notion of local development has appeared in the 1980s in the face of limited macroeconomic policies. Rising inequalities and the deterioration of the environment have unveiled the inefficacy of these policies and have led to citizen awareness. The emergence of new social movements has formed within this framework (Pecqueur, 1989, 14-15). In view of this fact, local development has been conceived as a promising tool to involve public authorities, private actors, and civil society. However, the notion of civil society has remained relatively vague and imprecise and has been characterized by challenging the market and State (Vatin, 2011, 51, Otayek, 2002, 194, Rangeon,1986, 9), the originality of their mobilization, often perceived in a marginal way, tends to show a political content rather than an economic one (Demoustier and Richez-Battesti, 2010, 8-10)

On the other hand, the solidarity economy which does not differ from social economy entities in having recourse to the same legal status as cooperatives, mutual societies and associations, stands out in the sense that it would bring both a socio-economic and socio-political dimensions (Klein, Laville, Moulaert, 2017, 14, Laville, 2013, 74, Demoustier and Richez-Battesti, 2010, 8-10). Solidarity economy would tend to re-embed the economy in society using the reciprocity principle. It would seek to democratize the economy by proposing innovations and / or alternatives of goods and services that the market and State would not be able to enforce (Laville and Cattini, 2006, 303 ; Laville, Magnen, Carvalho de França Filho, Medieros, 2005, 11, Chanial and Laville, 2005, 68).

While solidarity economy initiatives in Turkey tend to promote this socio-economic dimension by formulating economic alternatives to the market and State, the socio-political dimension must be nuanced. As many authors highlight, the internal democratic functioning of solidarity economy initiatives must be extended to actors in its environment, such as public authorities and private actors. In this respect, Laurent Gardin reminds us that the recognition of public power is essential to get solidarity-based economic initiatives out of a certain fragility linked to a functioning based on only non-monetary resources, i.e., the principle of reciprocity (2006, 79). In a sense, their future might depend on the evolution of forms of public regulation (Chanial, Laville, 2005, 48).

Moreover, this socio-political dimension seems important if we are interested in better understanding the link between the solidarity economy and territory[2]. While some authors have highlighted in the 2000s that this issue received little attention in understanding the role of social and solidarity economy organizations in relation to the territory (Demoustier and Richez-Battesti, 2010, 9), this would not be the case today. As such, States would have less and less of monopoly power on the implementation of public policies in the context of globalization (Laville, Magnen, Carvalho de França Filho, Medieros, 2005, 11). As Chevallier argues, the

[2] In the context of the re-territorialization of the space of public action, i.e. the establishment of new entities for public policy intervention and a redefinition of the territories of public action (metropolitan areas or agglomeration, countries, regional development agencies), "The territory appears as an active entity that draws its development potential from its local resources, understood in the broad sense, i.e. with its activities, its actors, its networks..." (Leloup, Moyart and Pecqueur 2005, 322-323).

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio-Economic Research
(Volume 18, Issue 2/ 2019), pp. 30-42
URL: http://www.reaser.eu
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modern state tends to be double-sided by a supra-national logic such as the EU and a regional logic. In other words, it is more likely to use a greater diversity of actors to meet the needs of the community (2008, 46-52). Therefore, "Governance encourages public authorities to initiate and lead different stakeholders in the collective action which according to Petrella and Richez-Battesti can be embodied in a plurality of governance regimes"[3] (2010, 54-57).

In addition to the fact that most countries have implemented reforms in favour of a process of deconcentration and decentralization, Turkey is not exempt from this trend of reforms in favour of a greater transfer of responsibilities to the local authorities. It is sufficient to mention the territorial reforms in favour of metropolitan municipalities in 1984 and 2004, departments in 2005 and regional development agencies in 2006 (Bayraktar, Massicard, 2011, 18-33). In this context, some authors show that the contribution of solidarity economy initiatives in the new territorial and institutional compromises could be measured via governance and regulation (Demoustier and Richez-Battesti, 2010, 8). In this manner, local public authorities would be more encouraged to establish local public action governance than general public policy. The term public action here means that local public policies would be based more on the principle of participatory democracy, while the term public policy derives from centralization of decisions intended to be implemented throughout a country or territory (Leloup, Moyart and Pecqueur 2005, 322).

In France since the 1970s, the State has delegated some of its responsibilities to associations as part of the general interest. However, it has been shown that these associations tend to be isomorphic in their relationship with the public authorities because of increasingly restrictive regulations on their functioning (Di Maggio, Powel, 1983, 150). In fact, associative organizations have been confronted with new public management, putting them in increasing competition with each other through the imposition of norms and standards within a context of reduced public spending. This trend is also found among social economy organizations that have become more or less institutionalized for the purposes of State and/or the market within the framework of the welfare state (Eme, 1999, 28). According to some authors, by participating in the general interest, they have reduced the socio-political dimension with regard to public power (Chanial, Laville, 2005, 63).

From this point of view, solidarity economy organizations as a more recent movement differ from social economy organizations in that the latter are characterized by their heavy structure and their low capacity to renew themselves in the face of public power (Angeon and Laurol, 2006, 19-20)., even if some experiences show that they are able to re-apply for their original project and regain a new legitimacy (Laville, Salomon, 2015, 15-23, Espagnet, 2015, 98-104, Haeringer, 2002, p. 46)). In Turkey, but also elsewhere, as Youssef Sadik (2015) points out, there is a trend towards the institutionalization of intermediate actors and a strong interdependence between associations and public authorities in favour of strengthening the prerogatives of the State.

In fact, the case of Turkey has not been marked by a total disengagement of the State, but rather a political re-hierarchization of the territory (Massicard, 2014, 8). In this framework, the intermediate actors are considered as palliative elements between the State and the market. Thus, the recent emergence of the local solidarity economy initiatives aimed at democratizing the economy does not seem to be moving towards the implementation of territorial development in which these initiatives would be involved in the governance and regulation of their sectors of intervention. At this stage, they do not participate in the decision-making processes of local authorities' policies (Demoustier and Richez-Battesti, 2010, 7-8). They do not contribute to the specific regulations in their sector of intervention in the sense that their ability to identify new needs with regard to citizens' expectations and aspirations. In sum, they are not recognized as actors of these policies.

[3] Such as multilateral, quasi-market, citizenship, tutelary or public governance.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio-Economic Research
(Volume 18, Issue 2/ 2019), pp. 30-42
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Consequently, although they have a real project to democratize the economy by promoting alternatives of solidarity economy within a strong reciprocity framework, their socio-political dimension is currently in the process of civic logic or, of citizen governance, as suggested by Petrella and Richez-Battesti (2010, 57). This civic logic, by seeking to reintegrate the economy into human relations, is based on pluralities of forms of proximity linked to their environment. In general, these environments are the areas where the actors live in order to meet their expectations and aspirations without finding strong feedback from public authorities and economic actors. In this respect, we would like to examine the emergence of solidarity economy initiatives in Turkey by combining the socio-economic dimension with civic logic.

This approach is based first of all on the emergence of forms of solidarity-based communities whose explanatory factors can be multiple -historical, economic, political, social and cultural- (Itacaina, 2010, 73-74) and on the construction of scalar social networks establishing the first steps of a coordination system. The emergence of solidarity economy initiatives in Turkey would, at this stage, be more in the territorial governance process, which is relied on civic solidarity economy logic without institutional recognition of the State and local public authorities. While there are some signs that they are interested in better understanding the issues that these initiatives would be able to address, it is still difficult to talk about territorial development that includes them in governance and regulation, unless we assume that this civic territorial development (informal or non-institutionalized) is on a transitional path.

4. Challenges, Political Climate, and Commitments

By looking at the context of Turkey, we must address the issue of the emergence of solidarity economy initiatives within the limits of the economic policies implemented since the 1980s and the legislative and political developments of the past two decades. In Turkey, the economic liberalization under Turgut Ozal's presidency in the 1980s was also marked by the rise of civil society on the political agenda (Groc, 1998, 43). Nevertheless, this liberal phase had tended to take a different direction as soon as the Justice and Development Party (abbreviated as AKP in Turkish) came to power in 2002, when a certain discontent with social progress also gave rise to citizen awareness and a movement of contestations in Turkey. Although the first two terms of AKP government were marked by constitutional reforms (2004, 2007, 2010) in favour of rights and freedoms as a part of the process of accession to the European Union, the political agenda of the AKP was formed by a series of challenges related to policies of privatization, urban renewal and restriction of citizens' freedoms (Telseren, 2014, 38, Gajac, Akyıldız, 2019).

While Turkey has implemented administrative and territorial reforms in favour of the devolution of the State and decentralization to local authorities, this phenomenon has taken place in the context of the withdrawal of the State, which is linked to the neo-liberal economy. Therefore, territorial development would be a promising way to deal with the destructive social and environmental consequences of globalization on the one hand, and more inclusive on the other hand by involving other actors in the implementation of public policies. However, this so-called decentralization has resulted in Turkey through a political re-hierarchization of the territory. Beyond a withdrawal of the State, the latter would consider civil society actors as an ideo-political intermediary to legitimize its power and its maintenance (Gajac, 2018, 150). Whether we are talking about social issues related to violence against women (Ekal, 2013), urban and housing policy issues (Massicard, 2014), according to Élise Massicard, the State, by establishing after 2008 ”its control over almost all institutional mechanisms, has shown trends towards centralization as well as increased interventionism in several fields” (2014, 6).

We may note the existence of social protests and mobilizations linked to a concentration of power and public policies, as well as an increase in the plurality of forms of involvement following the Gezi Park

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio-Economic Research
(Volume 18, Issue 2/ 2019), pp. 30-42
URL: http://www.reaser.eu
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movement (Gajac, Akyıldız, 2019). Some of these initiatives have focused and/or created subsequently have adopted solidarity economy alternatives in several fields such as short food circuit, education, popular university, construction, refugees, and consumption without purchase. This notion is in line with the new issue of the relationship between social movements and solidarity economy, as highlighted by Laville and Pleyers, who points out that social movements are at the origin of solidarity initiatives and that the latter is also at the origin of social movements in favour of economic democracy (2017).

Among the plurality of logics of engagement (politics and advocacy, defense and resistance, mutual aid and movement logic) (Gajac, Akyıldız, 2019) in connection with the protests and social mobilizations, this civic and solidarity momentum has been reinforced at the social level, as it led various groups to share the solidarity experiences during Gezi movement in 2013 (Telseren, 2014, 36-44) and throughout Turkey gave rise to the figure of an individual in solidarity, as Buket Türkmen points out (2016, 121). As a result, individuals increasingly have tended to emancipate themselves, according to the analysis of Bikmen and Meydanoğlu, which indicate that Turkish citizens are more likely to support associations that are part of their social kinship ties (2006, 15). We could thus use the same terminology with Roger Sue to describe counter-society in the sense that individuals, by rethinking themselves, others, and society, can produce positive outcomes to initiate social change (2016, 10-25).

Established at the local level, these solidarity economy initiatives, which stem from a context marked by social movements and/or are at the origin of a social movement, tend to be based on a logic of mutual aid which, according to Joseph Haeringer, "brings people together to resolve situations" and "does not separate the response from the people who implement it", on the contrary, it promotes symmetrical relations between them. In fact, these relationships call for reciprocity between people and are a long-term process, leading individuals to "pool multiple resources for autonomous care" (2002, 37), where they will be led to contribute to the goals that they set. In this way, this mutual aid movement, which seeks to find the means or its own resources to respond to the difficulties experienced by individuals or other social concerns, would have produced many solidarity economy initiatives that, in their emerging phase, are based on non-monetary resources. This reciprocity at the heart of these solidarity economy initiatives corroborates the idea of the solidarity economy to subordinate the market and the State in the provision of goods and services.

5. From Reciprocity to Solidarity Economy Initiatives

While, as we have seen, citizens have taken up new social challenges with regard to their aspirations and expectations and have undertaken solidarity economy initiatives through a logic of mutual aid, based mainly on their emergence phase on reciprocity, these initiatives are at the heart of critical thinking that opens up fields of possibilities in a context dominated by the liberal economy (Hillenkamp, Laville, 2013, 129). As Jacques Ion points out, while"(...) protests are always organized in collective actions, (...) the period is mainly marked by the coexistence of multiple forms of engagement" that do not follow the same aims and reasons (2017, 117, 2001, 11). In Turkey, solidarity economy initiatives are diverse in the sense that they do not adopt the same statutes, that they operate in several sectors, that they are part of both rural and urban areas, and that they use a multitude of market activities complementary to the principle of reciprocity. On the other hand, although the ecosystem can be a constraint or support for the consolidation of a diversity of solidarity economy initiatives, they are not limited to making an internal criticism of the State and the market, they can also make an external criticism of their field of intervention.

The process of distinguishing their non-monetary economic model in terms of purpose would not only be due to the variables of a constraining or unsupportive ecosystem, but also to the fact that some of them seek recognition by the public authorities and others advocate strong autonomy and self-management, such as in

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio-Economic Research
(Volume 18, Issue 2/ 2019), pp. 30-42
URL: http://www.reaser.eu
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the case of new economic, social movements (Gendron, 2001). Consequently, we can identify in the medium and long term the differentiation of their economic model of hybridization of the market, non-market, and non-monetary resources in a more or less strong and different relationship between solidarity economy initiatives and public power as well as the market. We will discuss here solidarity economy initiatives in the fields of short food circuit, education, popular university, construction, refugees, and consumption without purchase.

First, we find economic models of resource hybridization using the non-monetary economy and the market economy. This type of domestic-market model is based on the involvement of volunteers in promoting environmentally friendly agriculture, better living conditions for farmers, and more organic food for consumers. In fact, these initiatives, which are found in the field of short food circuit (consumer communities, cooperatives, urban gardens, producer groups, individual intermediaries, direct sale on the farm or via the web), are part of a multilateral reciprocity between several actors (producers, intermediaries, civil society actors, consumers) and offer a paid service linked to the purchase of agricultural products. These multilateral solidarity economy initiatives are built outside the traditional distribution channels and do not really seek institutional recognition, but rather to maintain operational autonomy.

This strong opposition to public power is less significant in the education sector. In these initiatives aimed at providing alternative education to the public and private services which are considered insufficient, families have sought a school model in which the child is at the heart of the educational project and where the well-being of their learning is central, as is that of their awareness of ecological and freedom themes. Indeed, their economic model of hybridization relies mainly on both non-monetary and market resources. Non-monetary resources are based on the central involvement of families as members of the cooperative and volunteers in the extra-curricular activities (administrative tasks, workshop and festival organizations, etc.), but also on external volunteers who are sensitive and interested in this initiative or model for alternative schools. Parents who were originally members of these alternative schools rely more on peer reciprocity by meeting their expectations of parents who wish to send their children to school outside public and private schools. These schools offer a paid service to families, which is the market resource of this resource hybridization model.

Unlike short food circuits, these schools seek recognition from the public authorities in order to be able to offer more scholarships to families and reduce the costs of school fees. While the non-monetary dimension and then the market dimension characterizes the economic model of these alternative schools, they have been able to hire teachers that gradually strengthen their teaching force and recruits skilled technical staff from the very beginning. In this way, the more or less strong attractiveness of these schools, which witnessed an increase in the number of students, pushes them to maintain the commitment of volunteers by a paid staff both in teaching, administrative, and cleaning tasks. This process of professionalization at the expense of volunteers and, therefore, families are, in turn, likely to cause tensions in the process of consolidating these initiatives. However, their foundation outside the public sphere does not lead to a strong conflict with the public authorities, and in the search for recognition of their economic model, they have received a favourable sign from the Ministry of Education, which has granted them the management of four schools.

This demand for recognition by the public authorities seems more difficult to obtain in the field of construction. Following the 1999 earthquake, the residents, by forming a cooperative, challenged the government's decision to claim their right to housing, and opposed the government's proposals and to relocate personally to the private or public park. Following a series of long-term demonstrations that began in 2003 in Ankara, with a 142-day sitting in Abdi Ipekci Park in 2004, the cooperative initiated legal proceedings against the Ministry of Public Works and Settlement in 2005. In 2007, the Administrative Court upheld the residents' claims, and the State provided for the cooperative building land and loans. It is not until July 2012 that the

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio-Economic Research
(Volume 18, Issue 2/ 2019), pp. 30-42
URL: http://www.reaser.eu
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Social Housing Agency (TOKI) approves the issue of lands such as the Ministry of Environment and Urbanization.

In the framework of this initiative, the residents have turned to a collective self-construction mode while using volunteers, including academics who have supported this project. Here, we find in this emerging process both reciprocity of peers, residents building their own housing collectively, and multilateral reciprocity where academics bring their competence and give advice for the realization of this self-construction project. This economic model of hybridization is based solely on the commitment of the residents and calls only on non-monetary resources for advice and expertise in terms of immaterial investment on the part of the academic community. In fact, although this form of empowerment is dual, political, and economical, the fact remains that the administrative and legal obstacles have been the daily reality of the residents in the face of the public authorities who are very hesitant to support this initiative. In addition to their refusal to be abandoned from a legal point of view, they expressed a desire to remain in their environment and worked collectively to carry out the project in the face of administrative, political and economic resistance. After 18 years of resistance, this initiative received the World Housing Award in 2017 and has the merit of bringing to light an alternative construction model in the face of public housing policies and private actors in the construction sector.

This lack of support from the public authorities is reinforced with regard to the initiatives of popular universities. Many academics lost their jobs after they signed a peace petition, and eleven solidarity collectives were formed to challenge the public and private models of universities in Turkey. Academics who are still employed and/or fired have thought of alternative higher education in Turkey. Among these solidarity collectives, three have succeeded hardly in structuring themselves legally by creating an association or cooperative. In their emergence process, their business model of hybridization relied on volunteers, non-monetary resources, knowing that solidarity funds had been set up outside of their initiative to help those who had lost their jobs.

In addition to the administrative obstacles and insensitivity of most political parties vis-à-vis many academics confronted with injustice, these three solidarity collectives have enabled academics in the form of reciprocity of peers to pursue their teaching activities through workshops, conferences, seminars and summer camps. The particularity of these initiatives has been to offer lessons and debates on various social topics open to the general public. The consolidation of these universities did not come from a recognition of public authority, but from public and private international organizations. In fact, the economic model of hybridization, which was initially based on non-monetary resources, was supplemented and strengthened by international public funds, leading to a hybrid model of non-monetary and non-market resources. However, this hybridization model remains dependent on external public funding, and without the legitimacy of the public authorities or are part of the commercial sphere, it remains very fragile in the long term.

While all these cases tend to be characterized by a cautious recognition or a rejection of public power both in terms of alternative education and university education, the fact remains that solidarity economy initiatives in the field of refugees have found an echo on the part of public authorities and international organizations. Faced with the increasing flow of Syrian refugees due to the civil war in Syria, the open-door policy declared in 2011 by the Turkish government has led the many actors of civil society (national and international) to move towards an aid logic. The awareness of both political and civil society actors that Syrians would remain permanently in Turkey since there has been an ongoing conflict was reflected in legislative reforms and the professionalization of the voluntary sector. As a result, associations or NGOs, either created by municipalities or citizens, have entered into a partnership with donors from several countries such as EU countries, the Middle East, and the United States (Nalbantoğlu, 2018). It appears that the economic model of these actors, initially

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio-Economic Research
(Volume 18, Issue 2/ 2019), pp. 30-42
URL: http://www.reaser.eu
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marked by voluntary commitment, has been able to find material and even financial investment support from some municipalities in large cities and has been able to fit into the call for project logic of international donors.

Thus, these solidarity economy initiatives involving non-monetary and non-market resources have been pushed to adopt a market logic emanating from international public and private organizations. Whether in their emergence and consolidation phase, civil society actors have introduced a form of unequal reciprocity in the sense that the beneficiaries, the Syrians, do not take part in the provision of the goods and services. With the exception of one association that has placed Syrians at the centre of its project in the provision of their goods and services in favour of greater autonomy and integration of Syrians into economic life and their place of residence, all civil society organizations have sought to make Syrians adapted indirectly to the Turkish economy. The various activities (provision of services in companies, training, service activities at public institutions, company creation, partnership mentoring program) aim to integrate Syrians into the labour market without taking into account their aspirations and professional background. This logic of market integration tends to be limited due to the fact that few Syrians, only 1percent, obtain an employment contract, and the others are hired in the informal sector without social security. In the latter case, civil society actors have been institutionalized into local policies reinforced by national policy guidance, and they have been supported by international organizations to address the hosting of more than three million Syrian refugees.

In addition to this managerial governance of the Syrian crisis, there are many women's initiatives in Turkey, including that of consumption without purchase. They have the particularity of being based on the volunteer commitment, by offering peer and/or multilateral reciprocity, and they support women by involving stakeholders in the goods and services they offer. This solidarity initiative began during the Gezi demonstrations where women (especially from Kadıköy) gathered in a park to organize forums. This commitment has resulted in the sustainability of their collective action, whose objectives are to raise feminist awareness and create solidarity among women. In this regard, they organize weekly debates and discussions on various topics related to women's issues and have set up an initiative to consume goods without purchasing them for women. This solidarity initiative strengthens the links between women and makes them actors of their own future by also meeting some of their material needs.

6. Towards local civic development?

While some authors indicate that local authorities are interested in solidarity economy initiatives (Demoustier, Richez-Battesti, 2010) and that the latter are increasingly recognized as participating in territorial development (Demoustier, 2010), public policies are orienting themselves more towards a greater contribution of various actors in terms of governance (Leloup, Moyart and Pecqueur, 2005). In this way, solidarity economy initiatives would contribute to social, economic and cultural development (Lévesque and Mendell, 2005, Fontaine, 2018), especially when public action frameworks and administrative-territorial reforms invite these actors to play a more important role (Itçaina, 2010, Angeon and Laurol, 2006). If the territory is the driving force behind these economic initiatives (Itçaina, 2010), they enable a spatial construction in which the public power is likely to be a key element in their dynamics, and some of them can also maintain their autonomy or self-organization scheme (Demoustier, Richez-Battesti, 2010).

In Turkey, there is more or less reluctance on the part of public authorities to take these initiatives into account in a territorial development process where they would be integrated in terms of their field of activity into local governance and regulation in terms of public action. Worse still, all solidarity economy initiatives seem to be facing administrative and procedural difficulties in their emerging phase, and some of them have even preferred to adopt an informal format to avoid cumbersome regulations. In the absence of recognition by the public authority in terms of local governance and policy-making mechanisms for better sectoral regulation,

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio-Economic Research
(Volume 18, Issue 2/ 2019), pp. 30-42
URL: http://www.reaser.eu
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can we conclude that these solidarity economy initiatives do not contribute to local development? In this respect, the recognition of certain solidarity-based economic initiatives by public authorities make them more likely to be geared towards the interests of the State and the market in the question of refugee, or the initiatives for an alternative education could be considered as traditional economic actors of the market.

In any case, they are evolving in Turkey on a local basis and would be appropriate to contribute to the achievement of spatial transformations that do not only follow the aims of power public and market but which formulate a form of autonomy and self-organization as most of these initiatives reveal. Therefore, we witness a citizen or a local civic development. Their impact would be similar to the case that a well-designed public policy involving various actors in the context of territorial development. Despite the reluctance of the public authorities, they have at least one or more effects in terms of social, economic, cultural, and sustainable development. First, by desiring democratic mechanisms, they promote the emancipation of individuals through multiple elective sociabilities (Sue, 2016, 22) and their inherited or community membership. In this way, most of them are in favour of an emancipation of individuals in search of expectation, aspiration and justice, a subjectivity to rethink themselves, and even to emancipate individuals from groups to relationships (Itçaina, 2010, 74) whose social history had linked them to community, village and domestic links as in the case of some short food circuit initiatives.

On the social level, they can internalize the costs and destructive effects of the market and/or public policies by recreating and strengthening social cohesion. Some of them fight against the processes of the vulnerability of social groups (farmers, agricultural workers, refugees), or even respond to urgent problems of injustice. As such, the defense of rights thus translates into the creation of economic activity (education, construction, consumption without purchase) and leads to the realization of the aspirations of certain social movements (Lévesque and Mendell, 2005). In this vein, they have an economic impact by innovating and creating new economic activities such as alternative education, and by revitalizing local productive potential such as in the case of certain short food circuit. In this sense, they produce positive externalities for the territory, especially in the field of alternative education and short food circuits, by enhancing human and natural resources. In fact, some initiatives value the territory as much as individuals. In the field of short food circuit, they contribute to a transformation of natural resources towards sustainable development, and in the field of alternative education, they create value for previously undeveloped human resources.

Most of them are able to create solidarity of geographical and physical proximity (short food circuit, construction, refugee) with several stakeholders in their field of action, but they are not limited to a local approach, since as active actors, almost all initiatives establish trans-local networks at the regional and/or national level. Indeed, some initiatives may be linked to other territories and civil society actors and may also be led to broadening their involvement within their network. These social networks in which the initiatives are engaged to have established formal or informal coordination mechanisms that serve as support for information, sharing, learning, and pursuing their project. They participate in strengthening their initiative and achieving diverse aims in the face of the State and the market by responding to the aspirations, expectations, and demands for justice.

7. Conclusion

The emergence of solidarity economy initiatives in Turkey exhibits a form of emancipation of individuals to take up the key issues with respect to their expectations and requests in terms of social justice and law. Resulting from social mobilizations, these solidarity economy initiatives at the origin of new socio-economic movements. They demonstrate their ability to initiate civic or citizen governance in the absence of recognition

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio-Economic Research
(Volume 18, Issue 2/ 2019), pp. 30-42
URL: http://www.reaser.eu
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by public authorities. In some cases, the signs of public authority recognition tend to show the influence of the State in terms of intervention and to institutionalize them for the purposes of the State and the market. In an unfavourable eco-system, the solidarity economy initiatives do not take part in the governance and regulation of territorial development since the local public authorities do not involve them in the decision-making process and do not consider them as full-fledged actors of democracy. However, the lack of recognition of local authorities does not seem to be an impassable obstacle to their development. By using reciprocity, they develop a project for calling for a participatory democracy that would have an impact on social, economic, cultural, and sustainable development. Their model of reciprocal self-organization, which they consolidate by using market, non-market, and atypical resources such as human capital, enables them to operate within a broader perspective, which is not limited to localism. As their commitment expands into networks on multiple bases, their environment becomes more favourable to maintain their project. The formal and informal coordination between actors in the same field of activity promotes the strengthening of civic or citizen governance.

8. Acknowledgments

We thank Agence Universitaire de la Francophonie (AUF) for their financial support.

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Manuscript received: 14.10.2019
Manuscript received in revised form: 19.11.2019
Manuscript accepted: 20.11.2019

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 43-57
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

The Social Solidarity Economy: Discerning its Theory to Accommodate the Commons

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Abstract. *The objective of this paper is to understand how the theory of commons fits within the notion of the Social and Solidarity Economy (SSE) as a new transformative phase for our economy today. Since the current phase of capitalism faces both a major ecological and socio-economic crisis, it is important to see how SSE, guided by the commons, can help the world's population cope with this crisis. But in order to make that argument, a theoretical analysis of SSE and the commons is required. Thus, this paper provides an analytical framework of SSE by dissecting thee terms 'social' and 'solidarity' and even the 'third' sector. This analytical framework will help identify in what contexts commons can play a fundamental role in strengthening SSE capacities on all economic fronts. As such, this paper will highlight the evolution of the theory of the commons, which will then lead to a discussion on how the commons can lead to the transformative phase of SSE as we face this capitalist crisis.*

Keywords: Civil Society, Collective Action, Commons, Cooperatives, Social Economy, Solidarity Economy

JEL Codes: O

1. Introduction

The onset of the 21st century is marked by an unfolding capitalistic crisis that will deepen over time as exogenous forces like rapid urbanization and climate change intensify the pace and scope of destabilization. Forms of governance and leadership that we have designed to address this crisis have so far provided few solutions. And given our inability to solve problems leading to climate catastrophe or socioeconomic unrest, our societies are increasingly in need of effective leadership and governance. Many scholars have, in this context, pointed to the potential of the Social and Solidarity Economy (SSE) as being our best hope. SSE remains a loose federation of concepts, and scholars have struggled to provide a theoretical framework that would allow SSE to adapt to our economy in a decisive fashion. Given the potential SSE has to be a concrete economic phenomenon able to reshape our capitalistic structure, it is important to keep its evolution flowing. Several elements of SSE correspond to the notion of an alternative economic structure capable of restructuring our economy so that it may deal more effectively with the ecological and socio-economic challenges we face now and in the future.

This paper aims to further our understanding of SSE as a notion capable of transforming our economy into an ecologically sound and socio-economically beneficial economic system; a third sector interjected between market and state to operate where both of those spheres fail while also making each better in their interactions with each other. This requires us to provide a solid and coherent theoretical framework to help

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ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 43-57
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

ground the emergence of SSE as a major player in our economy going forward. Towards that objective we shall reconstruct the theory of SSE using its key notions of "social" and "solidarity" to discuss how SSE can be implemented as a third player of the economy between market and state, a prospect much enhanced by the proper integration of the commons into the SSE framework to boost the latter's transformative qualities.

2. The "Social" and "Solidarity" in SSE

The notion of SSE is a merger of two separate concepts, each with its own definition and presence in today's economy. The "social" economy is a much older concept which emerged even before the domination of capitalism. The first recorded definition of social economy comes from Charles Dunoyer (1830), a French scholar and activist who defined it as a network of cooperatives and mutual associations financially helping workers and consumers pay patronage dividends and pool enough income from every participant to invest in housing, fair distribution, and addressing domestic and social conditions of each implicated body. The term 'social' refers here to equally distributed ownership by individuals, not strictly confined to shareholders (Poirier 2014). It is one of the first democratic approaches within an organization to consolidate a "one person, one vote" policy, emphasizing equal rights in the decision making of collective projects like shared housing and shared the land. This definition was crucially refined by the Rochdale Society of Equitable Pioneers in the United Kingdom in 1844, the first known consumer cooperative of its kind. We shall return to that organization's so-called "Rochdale Principles" in their contemporary version put forth by the International Co-operative Alliance (ICA) when discussing the integration of cooperatives and commons.

Since then, the social economy has specifically referred to the economic activities of cooperatives, mutual associations, and similar types of self-help organizations. The aim of the social economy was to have different disadvantaged groups of workers merge together collectively to deal with widespread and growing misery that came with an increasingly dominant and brutal wave of capitalism. The next evolution of the definition was highlighted by Felipe Lorda Alaiz, who was an anarchist in Barcelona fighting against the royal kingdom of Spain during the Civil War of the 1930s. He wrote a manifesto in 1937, encouraging the merger of worker cooperatives residing in both rural and urban areas. Such a merger would help bridge the discrepancies between workers in rural zones and workers in urban zones, thereby fortifying the strength of the movement in opposition to the unjust policies imposed by the fascist Franco regime, which had come to power in the wake of a bloody civil war. While Lorda Aliaz's manifesto was successful in making workers suffering from the war unite among each other, his work was suppressed and ultimately sidelined by Franco's regime at the peak of its powers.

These historical examples make clear that the social economy's objective is to improve the quality of life and well-being of the working population by augmenting certain social and readily available services that help the disadvantaged deal with economic hardship. Amidst the brutal working conditions of the factory system taking root during the Industrial Revolution of the 19th century, socially committed citizens created cooperatives and associations to counterbalance the stresses of their paying jobs – through charity, collective action, mutual help. While there were active social movements against overly exploitative worker conditions, cooperatives aimed to address issues of housing and food.

It is worth mentioning in this context the emergence of "Associationalism" as a political movement of the late 19th and early 20th century-spanning Europe as well as North America. This movement, as represented most notably by Alexis De Tocqueville and Emile Durkheim in France or by Theodore Roosevelt (US

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 43-57
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

President from 1901 to 1908) in the United States, pushed the idea of an "associative democracy" comprising self-governing associations which together constitute a vibrant pluralism of mutuals and cooperatives all set in contradistinction to the two dominant ideologies of governance shaping that period – laissez-faire liberalism and state-centered collectivism. This important movement provided in crucial moments further momentum for the development of the social economy in Europe and North America.[1]

Yvon Poirier (2014), summarizing the aforementioned Rochdale Principles as updated by the ICA in 1995, identifies seven themes of the social economy based on actors, notably being cooperatives and mutual associations, and their actions. The themes are (1) voluntary and open membership, (2) democratic member control, (3) member participation, (4) autonomy and independence (from authoritative figures), (5) education and training information, (6) cooperation among cooperatives, and (7) community concerns. According to Poirier (2014), social returns are evaluated in terms of how actors and organizations of the social economy contribute to democratic development.[2]

The "solidarity" economy is a concept that emerged much later when different economic growth models were being experimented in for social purpose rather than for sheer profit gains. The solidarity economy is often interpreted as an alternative to the capitalistic growth model in which it is still possible for an organization to gain profits, but only under the condition of pursuing, at the same time also a social or an environmental purpose. Poirier (2014) would describe it as a firm that has a strong social mission. What appeared from this understanding of the solidarity economy is the birth of the social enterprise. Such an enterprise would be forged in a social or collective way in order to have a productivity based on social output. Development and financial viability would be based on a more locally endogenous way, directly benefitting surrounding citizens in their pursuit of better environmental equality and a social paradigm that is inclusive of all.

A key example in the evolution of the solidarity economy occurred in Colombia through a scholar named Jorge Schoster, who helped launch the movement of 'cooperativism' during the 1980s. He defined cooperativism as a sector with diverse enterprises that share common rationality based on cooperation, mutualism, and solidarity. This network of enterprises was based on joint-ownership, where citizens become key stakeholders of a social enterprise's project, with an emphasis on democratic control. The values of social enterprises reflected self-help, self-responsibility, equality, equity, democracy, and above all, solidarity.

Chile was another nation that evoked the economy of solidarity and cooperativism as a key economic player. Luiz Razeto, an academic expert on the economy of solidarity, defined cooperativism in 1984 as an ensemble of diverse social enterprises whose rationality is focused on cooperation and solidarity for socially useful projects. These socially useful projects would serve as a model of economic transformation centered on strengthening an alternative economy based on a model of solidarity. His work brought a lot of international attention to create a global network of solidarity economies.

[1] For a historical account of associationism as a political movement and how it has fed the 'social economy" in Europe and the United States, see J. Cohen & J. Rogers (1995) as well as L. B. Kaspersen & L. Ottesen (2001).

[2] The ICA principles for cooperatives mentioned by Y. Poirot (2014), as the guiding criteria for the social economy, are also discussed in more detail in http://www.msvu.ca/socialeconomyatlantic/pdfs/DefiningSocialEconomy_FnlJan1906.pdf.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
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URL: http://www.reaser.eu
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In France, a non-profit organization called Réseau d'Économie Alternative et Solidaire (REAS) was born in 1991, and it was created by a merger between the Liaison Agency for the Development of the Alternative Economy (ALDEA) and Solidarité Emploi, two associations that focused both on expanding and strengthening worker rights in the solidarity economy while promoting socially useful projects. REAS then focused on developing a network of various social businesses by investing in employee training for unemployed youth, promotion of "fair trade" sales, and the creation of an incubator that would become small hub businesses through micro-credit activities. They went bankrupt in 1998, but they created the grounds for a stronger solidarity economy in France, while REAS still remains active in Spain.

In 1997, Latin American and European communities assembled the first international meeting for the globalization of solidarity in Peru that was made up of about 275 participants who passed the "Lima Declaration."[3] This meeting's main objective was to transform the economy of solidarity into a global project, with several groups from the social economy (such as cooperatives and mutual associations) being recognized as major contributors to this larger global movement. The groups' emphasis on combating the predatory aspects of capitalism and its threats to communities, as well as the environment, sent a clear message on what role the solidarity economy should play in the world today. Collective sharing and action were at the crux of this economic development model. Such efforts by solidarity economy actors to collaborate and integrate various definitions and perspectives from different countries gave birth to a truly international movement that addresses and unites different forms of a social economy and a solidarity economy. This international movement became later known as the Intercontinental Network for the Promotion of Social and Solidarity (RIPESS). This was also the first major and global attempt to merge the Social Economy and the Solidarity Economy together, creating a new alternative economy known as the Social Solidarity Economy (SSE). Until today, RIPESS is the largest organization that represents SSE in the world, and the work created by RIPESS provides the most extensive overview of concepts and terms that define SSE today.[4]

Before explaining all the intricate nodes of SSE, it is important to explore the concepts of the social economy and the solidarity economy to see how SSE managed to become a unified model for alternative economies today. The Social Economy is based on social development, while the Solidarity Economy is based on economic development. In social development, there is a strong emphasis on building a system of social protection and the empowerment of citizens to do problem-solving activities from the ground up (Poirier 2014). In economic development, the emphasis is on an alternative growth model which confronts the neoliberal "free market" policies by highlighting their destructive effects on communities and the environment. While the model is based on growth, the true purpose of gaining income in this domain is by helping the population adapt to crises and solve environmental as well as socio-economic problems.

The social economy's principal objective is to achieve and receive social returns, which in this case, are evaluated by contributions to the development of a proper democracy, where everyone counts in the decision-making processes of an economy and its social system. These social returns are based on the

[3] References to key early figures promoting the "social" economy or the "solidarity" economy come from Y. Poirier (2014). For the Lima Declaration of 1997, see http://www.ripess.org/wp-content/uploads/2016/10/declaration_lima1997_EN.pdf.
[4] RIPESS, the French acronym for the Intercontinental Network for the Promotion of the Social Solidarity Economy, has a useful web site accounting for the key historic moments in the global propagation of the SSE. See http://www.ripess.org/who-are-we/history/?lang=en

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Review of Applied Socio- Economic Research
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URL: http://www.reaser.eu
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empowerment of citizenship while promoting individual well-being through collective initiatives. The solidarity economy's focus is on social innovation, based on experts and practitioners who emphasize processes based on trial and error, learning by doing, democratic representation of opinion, and exchange of socially useful ideas. As such, the solidarity economy enables citizens and economic actors to pursue innovative responses to problems, needs, and social demands designed and initiated by a network of alternative economy actors, all working in solidarity together (Poirier 2014). While the social economy consists of cooperatives and mutual-aid associations, the solidarity economy consists of social businesses and enterprises. Both of these actors working together leads to an economy that provides social returns through social innovation, and this becomes far more within reach when you combine the Social Economy and Solidarity Economy. At a time when we face a capitalist crisis, SSE can be a major factor in addressing this crisis, and that is why networks like RIPESS deserve more credibility and attention than ever before today.[5]

3. The "Social Solidarity Economy" as a Third Player in Capitalist Economies

Taking elements of the social economy, solidarity economy, and the third sector, we can propose a more grounded approach to SSE theory that makes it a viable third player between market and state. We can now reconstruct the theory of SSE through such a dissection of the terminology. By doing this, we can identify a pluralist approach, an approach that is not confined to one grounded method or objective but instead proposes a host of many methods and objectives. We can also identify the similarities of each method and theory that render SSE theory more consistent, unified, and legitimate.

We can argue that SSE is the main champion of civil society, precisely because it is an entire sphere that is distinct from the market and state. Actors of the social economy, the solidarity economy, and the third sector all belong to an organized civil society because they influence the configuration of public space through innovations and dissensions that manage to express public space and socio-economic production (Laville 2010). Our de- and reconstruction of the SSE theory evokes this point precisely, and we can now claim that SSE's main objective is to contribute to the growth and proper management of a civil society which responds especially to socio-economic and environmental needs. By highlighting that SSE is the major contributor to civil society, we can now ascertain some key conclusions at the heart of SSE theory.

For one, we can confirm that SSE serves as a unified proposal for an alternative economic development model based on inclusion and sustainability to address local issues affecting human lives, which predatory capitalism imposes on our communities across the globe. Such local issues must then be addressed at the global level because the local issues resonate globally. In other words, SSE responds to a global crisis of human neglect caused by an unchecked economic system of capitalism tilted in favor of the top 1% and the giant corporations they shape. Thus, SSE should be viewed as a vitally important social and economic transformation based on the values of justice, equality, freedom, and solidarity, terms that reflect the purpose of civil society today. Laville (2010) provides his own definition that reflects these thoughts exactly. He defines SSE as a "sphere of transnational activities and relations created by collective actors, such as social

[5] According to J.-L. Laville (2010) and Y. Poirot (2014), the full sphere of SSE would also include a "civil society" (or "third") sector comprising non-governmental organizations (NGOs), advocacy campaigns, and formal as well as informal social movements across the world to push for a unified global system of civil society for the promotion of human and environmental health in a more equitable fashion. And arguably, one may, in addition, also include in the SSE so-called ZADism (from the French "zone à defendre") consisting of environmental activists mobilizing against construction and infrastructure projects who also represent an alternative "back-to-nature" lifestyle.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 43-57
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

movements and civil society networks and organizations, that are independent of governments and private companies functioning outside of the state and the market." Michael Walzer (2000) defines SSE as actions taken by institutions of civil society to provide a more just world to all.

As Laville (2010) evokes, SSE becomes a robust process aimed at converging pursuits of various forms with one essential goal, namely to strengthen civil society and the overall empowerment of citizens. Lionel Prouteau (2003) emphasizes the wide range of actors involved in the mobilization of the SSE, such as citizens in general, community groups, social groups, environmental groups, native and indigenous populations, businesses, NGOs, public institutions, religious institutions, intellectuals, and even academic institutions.

Peter Utting (2015) shows that such convergences of various initiatives pushed by the different SSE actors can enable associative forms, leading to the creation of juridical and legal norms. This can have a huge impact on SSE's influence over today's economy. The question is, how does such creation of juridical and legal norms look like when SSE is applied in today's economy? So far, such juridical norms have been advocated through the establishment of guiding principles and economic proposals, notably in the form of charters. But these guiding principles are presented as the "must be" of economic proposals. As such, juridical and legal norms are able to dictate how each actor, despite the variety in form, can work together, participate in experiences of organization, make collective decisions, and smoothly adapt to function in their local environments with the legal support and participation of municipalities. Many charters created by SSE entities have already done this successfully.

4. Integrating Cooperatives and Commons

Much of the recent push in the evolution and expansion of SSE in recent years has come from the "civil society" sector of NGOs. Lately, we have also witnessed the proliferation of social enterprises, as exemplified by so-called "public benefit" corporations in the United States or "social integration" enterprises in the European Union. Still, given the difficult aftermath following the global crisis of 2007-2012 and the new challenges to be faced since then – climate change, mass migration, growing inequality, declining public services, et cetera – the SSE sector has not made enough progress to match the intensification of socio-economic and environmental problems imposed by a crisis-ridden capitalist system. We thus need to figure out new strategies to reinforce SSE so that it can better address these problems. One idea is to capture the burgeoning movement of commons and reinsert it into the SSE by linking commons to cooperatives. I shall argue here that the two are tailor-made institutional complements which, when appropriately put together, can yield a powerful new institutional thrust around which to mobilize new layers of SSE.

In the past, cooperatives were used to provide members alternative solutions to the undesirable working conditions brought by firms that followed a capitalistic model. It was a way for workers to confront abusive or unsustainable working conditions. Their emergence on a large scale coincided with the spread of the Industrial Revolution across Europe and North America, in particular, Britain and France. Apart from cooperatively organized producers, there were also consumer cooperatives providing necessities (such as food) affordably to the local communities in which they were embedded as well as cooperative-type financial institutions, known in the United States as credit unions. While cooperatives were at best only a fairly marginal alternative model to the profit-driven companies because of their dependence on the market mechanism, they have now for two centuries had a significant local presence in many different countries.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
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URL: http://www.reaser.eu
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Co-operatives have provided concrete examples for better approaches to production or consumption or finance than those profit-driven and/or self-interested actors following the logic of predatory capitalism. Most importantly, cooperatives provide an extension of democratic decision-making principles to the economic sphere and, thus, important lessons for governance.

At the same time, we have recently seen a renaissance concerning the spread of commons – from knowledge commons (like Wikipedia) to creative commons licenses to urban commons (e.g., community gardens). The commons might emerge as a pioneering phase for SSE's establishment in the global economy. Its forms of collective governance made by communities responsible for creating, managing, and preserving the commons are defined by a bottom-up approach that pursues localized global governance inasmuch as commons seek to establish a tangible presence in local communities while at the same time establishing inter-nodal linkages and pursuing a widely accepted charter of rules. It is this unique dual local-global dimension of governance which may enhance the ability of SSE to influence our current phase of capitalism towards one based on the societal needs of the whole population.[6]

It is important to understand the subtle differences between commons and cooperatives. While commons try to define themselves as an economic player, they are not inherently economic in the first place. Located in essence, outside the economic sphere, they do not produce resources for the market. Without producing capital and without commodifying resources, commons produce resources outside of any market intervention. They provide for communities without the flow of capital. Their institutional arrangements for management are pursued outside of any market transaction and without the implementation of any market entity. Commons are produced on the basis of communities' needs, so they have no role in the exchange of goods and services based on a price determined by market forces. Precisely to the extent that they do not become captured by market incentives or commodified by the market, commons are a promising way to override the predatory behaviors of capitalism. They may transform capitalism and address the challenges we endure today in the face of that system's multi-faceted systemic crisis of social inequality, financial instability, and environmental degradation. To counter the destructive forces of capitalism, scholars argue that we need a new economic system centered around the commons, especially when it comes to ecological and socio-economic needs.[7]

Cooperatives, by contrast, are economic players that provide people with needs and services, whereas commons are based on the resource itself and how that resource can be maintained, produced, and governed through collective action. Cooperatives have the potential to set an example of what a fair and equitable SSE model would look like. My argument is that cooperatives would be more likely to realize that potential, so crucial to the future of a thriving SSE sector if they were capable of integrating with commons to form a complementary new form of social agency.

There are major similarities between the aforementioned seven principles guiding cooperatives, as put forward by the International Cooperative Alliance's (ICA) in 1995, and the eight so-called "design principles of stable local common pool resource management" specified by Elinor Ostrom (1990), as well as the co-city model specified for urban commons by Sheila Foster and Christian Iaione (2016). Their respective overlaps

[6] Aspects of the localized global governance dimension incorporated by commons are discussed in T. O. Randhir (2016) as well as S. Cogolati & J. Wouters (2018).
[7] Among those who have argued for commons at the center of a new economic system, I want to point in particular to the important contributions in B. Coriat (2015) as well as M. Bauwens and V. Niaros (2017).

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 43-57
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

suggest making both cooperatives and commons conducive to working together so as to help build an SSE model that can contain the predatory practices of capitalism and balance the inequalities created by capitalism.

We can use the ICA principles in conjunction with Ostrom's principles as a guide for cooperatives to support and produce commons while protecting both commons and cooperatives from actors who seek to use commons as financial leverage for individual capital gains. One the one hand, cooperatives can use commons to become real actors that help communities thrive and attain key resources in an ethical and ecological manner. On the other hand, commons can use cooperatives to establish themselves as economic actors that are institutionalized to provide communities with capital gains. Such a dynamic would produce income and employment opportunities for commoners, who would then become members of a cooperative as a form of alternative labor (outside of the formal labor market).

To conclude, a fusion between commons and cooperatives can build a stronger SSE for combatting the forces of climate change. This fusion can create a trading scheme that allows commons to produce for its community and be compensated through common capital flows help by cooperatives' members. Capital would, therefore, be produced in a fair, ethical, and just manner for the benefit of the community. Such a dynamic between an influx of shared resources and capital gains that are commonly owned and managed can increase the longevity of both parties (cooperative and commons). It can create a sustainable economic model for commons to be institutionalized as an economic entity, and it allows cooperatives to get closer to their goal in providing social and ecological needs to members of a community. It is important to observe the principles that define both cooperatives and commons through their objectives and functions in order to see if such an institutional and economical fusion is possible.

5. ICA Principles for Cooperatives and Ostrom's Principles for Commons

The first ICA principle governs the "voluntary and open membership" of cooperatives, which are user-driven and established according to members' economic, social, and cultural needs. The creation of cooperatives and the acceptance of members' rights and freedoms are both protected by law. There are no restrictions on entry, and anybody can become a member as they wish. Members serve as beneficiaries of their economic activity, but also assume losses when such circumstances present themselves. They must also follow a code of conduct and responsibilities, which includes an element of ethical behavior that every member accepts and follows. Roles and responsibilities should be decided democratically but can also be determined by the skills each member possesses. Cooperatives are democratically organized, rooted in a "one member, one vote" policy rule. They have a duty of providing innovative participative mechanisms to attract more members. Such innovative mechanisms often include electronic participation, voting in general assembly meetings, and training programs to encourage minorities to become members and get involved in the decision-making process of a cooperative. It is important for cooperatives to take advantage of technological capacities that exist today, particularly mobile and internet communication strategies that would enable members to engage actively in democratic processes. Democratic member control also implies that cooperatives and their decision-making processes are openly accessible and transparent.

This ICA principle coincides with Ostrom's second principle of collective choice arrangements. The collective choice arrangements that Ostrom describes are a tool to ensure collective action and participation in a commons' production and distribution of its shared resources. It unifies commoners and so enables them

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 43-57
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

to work together to achieve a shared interest. Each collective choice arrangement can allow commoners to ensure their role as a functioning member of that shared resource while allowing each commoner to reap the benefits of participation in an equitable fashion. This is done by commoners who take in the externalities that are indirectly produced by collective participation. Collective choice arrangements are also procured to avoid the problem of free-riding.

Both interpretations of democratic control are essential for the integrity and functioning of cooperatives and commons under a single organizational roof. Both entities can learn from each other to build upon membership and ensure that both commoners and members of a cooperative have full access to participation. One can even say that members of a cooperative who see themselves as commoners of a shared resource can participate and distribute innovative learning and participating mechanisms on both fronts, to ensure that the cooperative is a rule-abiding stakeholder of a commons.

While cooperatives promote open membership, they can be subject to failure if members do not each do their part. If a cooperative cannot effectively address issues of "free-riding" by members, it will fail in achieving sustainability towards reaching its stated social goals. According to Ostrom, commoners have effective ways of detecting which commoners free-ride from access and use of the commons. Such effective ways are defined by the fifth principle governing Ostrom's institutional arrangements, which is to develop a system carried out by commoners for monitoring members' behavior. Those carrying out the monitoring mechanism are strictly members of the community using the shared resource. Such monitoring systems aim to identify those commoners that are not complying with the rules of the community and thus deliberately free-riding as a means to gain access to the resource without doing their share. Once such behaviors are detected, enforcement mechanisms can be put into effect to address such identified situations of free-riding.

Ostrom's sixth principle, which concerns the use of graduated sanctions for rule violators, can also help cooperatives in assuring the roles of responsibilities by each member of a cooperative. Principle 6 is designed to prevent community members of a shared resource from committing violations. Members will feel the need to avoid such violations if they want to continue having access to the shared resource. This same logic can be applied to a cooperative. Cooperatives need their members to do their fair share, and they may, therefore, need to adapt this principle to maintain the integrity of the cooperative's activities. Ostrom's principle six can be especially effective in assuring that the cooperative functions in a manner that does not lead to failure.

As cooperatives grow in the capital and offer greater economic benefits, members have an inherent duty to accept this capital accumulation as the common property of the cooperative. It should be noted that a cooperative's capacity to grow economically can only come from members who financially contribute to an equitable member. Democratic control reinforces the fact that members should not assume their responsibilities for individual gain or control. Instead, members should be individually allocating surpluses for the sake of developing the cooperative, setting up reserves for the cooperative, and benefiting from transactions that are in proportion to what they have contributed. Such allocations should also be democratically approved by the entirety of a cooperative's membership. Cooperatives can only succeed if they are capable of retaining surpluses that are commonly owned and shared by their members collectively. Often cooperatives need more capital than what is created from their economic activities. Members are expected to contribute a portion of their member dividends, or what some would call patronage refunds, to

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 43-57
URL: http://www.reaser.eu
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increase the overall common reserves of a cooperative. After all, a cooperative's capital is retained from surpluses derived from membership shares, so it is therefore considered as common property, and not owned or withdrawable by members.

As stated in ICA, the cooperative's common capital is used for the growth and sustainability of the cooperative itself. This requires a democratic approach to rule-making to make sure that members of a cooperative do not use its common capital for their own personal benefit. Members of a cooperative need in addition access to local knowledge so that they can adapt their collective decision-making to changing conditions they may face. To define her third principle concerning collective-choice arrangements for participation in the decision-making process, Ostrom (1990) states that commoners need low-cost access to information about their local context to create and vote on rules and strategies leading to the sustainable management of a shared resource, especially when local conditions change. Once the community around a common resource establishes these rules, the community must ensure that members fulfill their own role in effectively executing these rules and do each their fair share of contributing to the sustainability of the shared resource. Ostrom's vision for democratic rule-making in the context of collective-choice arrangements applies to commons as much as cooperatives.

Cooperatives are also autonomous, given that they are democratically controlled and voluntary. Despite entering binding agreements with other entities to raise capital from external resources, such as government agencies or socially responsible enterprises, cooperatives must maintain the freedom to govern themselves and democratically control their cooperative autonomy. While cooperatives may have engaged with legislators to construct legal frameworks, they have consistently avoided being an instrument for the state. Because of their autonomy, they have also been more effective in playing a role in public policy. But their autonomy must be protected in order to maintain their effectiveness as positive pillars of democracy, especially as regards pressure or takeover attempts from profit-driven enterprises who may have furnished capital. Members must be aware of this fact if they want to maintain democratic control of their cooperative.

Commons follow a similar need for autonomy as implied by Ostrom's fourth principle, which is the minimum recognition of rights by other institutions. The rulemaking of a communities's use of a shared resource must be respected by outside authorities. In other words, it is essential for governments to respect the rights of communities to create their rules in the usage and governance of a shared resource. This principle is exercised to ensure that commons are not subject to regulatory slippage or government failure, especially when the production and use of a resource are set to match the local conditions of the community and the shared resource itself. If external rules are imposed by authorities, the risk of regulatory slippage is greater and may not be adaptable to the commons' local conditions. Cooperatives and commons thus share this trait of autonomy, which is critical to the functioning and sustainability of both entities. This principle can help cooperatives and commons work together to avoid interference from external authorities. They can also work together to adapt rules that ensure both entities are autonomous in their own right. As a result, local governments and enterprises can respect the rights that commoners and members of a cooperative have to develop rules and democratically control their functionality and purpose.

Cooperatives have been consistent hubs of education, training, and information for their members that contribute to the development and growth of their organization. Education is crucial to cooperatives as it distributes an understanding of cooperative principles and values, as well as knowing how to apply them on a

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 43-57
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

daily basis. It also helps members increase their own social development as they come to understand the complexity and richness of a cooperative's identity and social goals. Cooperatives also can offer their members effective training in practical skills and even provide the general public information so that large populations might engage in ecologically and ethically sound initiatives for their communities. Cooperatives often participate in educational programs that are open, accessible, and available to all. Technology certainly plays a role in the dissemination of education and information, providing new ways of spreading knowledge to large numbers of interested participants at a low cost. This can be done through the transmission of big data in information technologies and open-source sharing of knowledge. Overall, this builds upon a culture of civic participation, which can lead to the social transformation needed to address ongoing urgent issues of capitalism.

Commons also have many similar ways of distributing knowledge and awareness so that communities can become a more sustainable and ethical force for local contexts. Ostrom's second principle, which adapts the appropriation and provision of common resources to local needs and conditions, requires the spread of knowledge and information so that commoners are well informed and can use their rights to participate in rule-making in an effective and democratic manner. For the rules to coincide with the needs of the community, commoners learn about the local conditions to see what is best. They will also learn, through participation and collective action, how to obtain their needs through understanding the collective interests of the commons that are in the first place. Also, Ostrom's eighth principle of building nested tiers is designed to spread knowledge and information about lessons learned from the governance of other commons. This is done to engage the lowest tier of the population in common activity. This dynamic keeps commoners informed about how to use collective action in the rule-making of the shared resource's use in the local context.

The most important principle of Ostrom dealing with the spread of knowledge, information, and education is building the capacity for commoners to resolve conflicts in a low-cost manner. Conflict-resolution mechanisms come from the accumulation of knowledge by each member of a community. This is done through interactions that take place in general assembly meetings. It is also done through online participation in which each commoner has access and rights to the circumstances of the use of a shared resource. Connecting online is seen as a low-cost way of obtaining knowledge and participating in the rule-making of a commons. This can be most efficiently done in online voting and modification schemes that are accessible and modifiable by everyone who is involved in the decision-making of rules. Commons and cooperatives can both follow the principle of using low-cost innovative and technological mechanisms to assume their duty in informing members about various rules and local conditions. They can work together to provide members and communities with key information about this. They can provide a means of participation together to ensure that commons are effectively governed and managed. On the same note, cooperatives can use the information provided by the commons to be economically operational while also providing members and communities with practical solutions addressing their ecological and social needs.

Cooperatives become more successful when they forge a network that builds a strong movement of social transformation. They strengthen the movement by co-constructing resources together through the notion of solidarity and the common desire to achieve sustainable and equitable futures for the world's population. The ICA guidance notes underline how cooperatives are more likely to succeed when working together to forge a groundbreaking movement. Such interaction between cooperatives also requires some levels of reciprocity,

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 43-57
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

and so builds mutual trust. Cooperation might entail aggregated purchasing and supply chain contracts between cooperatives as well as financial support from larger cooperatives to smaller entities in the form of grants or soft loans. Positive network externalities also apply to commons, as crystallized in Ostrom's eighth principle pertaining to what she referred to as "multiple layers of nested enterprises." Ostrom has said on many occasions that a well-connected commons movement is necessary to ensure the success of commons, each of which embedded in localized settings but connected in global networks. Commons connected in networks can provide each other valuable lessons. Smaller commons can be scaled up as they join the network through interactions with larger and more successful commons.

6. The Commons-Cooperatives Movement: The Case of Procommuns Barcelona

While this idea of collaborating commons with cooperatives is very new, some examples of a commons-cooperatives movement already exist. We can already identify collaborations between commons and cooperatives in the form of peer-to-peer production, and this should already be considered as a promising lead for the existence of a commons-cooperatives movement. Barcelona has set up initiatives on a citywide level that ensure both commons and cooperatives are adapting their own principles into one forged movement, and they are doing this in the form of peer-to-peer relations. They are setting up what they call a 'commons collaborative economy' where platform cooperatives are working in a commons-oriented approach to empower the citizens of Barcelona in key decision-making initiatives.

This is done to counteract the domination of platforms that follow a strictly capitalist approach, such as Uber and Airbnb. To prevent the effects of this sort of capitalist platform domination, they are assembling platforms in which citizens are empowered to decide for themselves how best to govern specific resources in Barcelona. To open up the commons collaborative economy, Barcelona, a series of platforms, and motivated urban residents started a forum known as Procommuns, which was designed for the co-creation of public policies facilitating this commons-oriented collaborative economy. The purpose of this forum was to combine the commons models and platform cooperatives to democratize the economy on a large scale. According to the DECODE project summary in Fuster Morell et al. (2017), which explains the inner workings of Procommuns and thereby illustrates this fusion, a commons-collaborative economy is defined as a "tendency, set of qualities, and a modality of its collaborative platform economies that are characterized by a commons approach with regards to governance, economic strategy, technological base, knowledge policies, and social responsibility." The DECODE project described in Fuster Morell et al. (2017) then highlights the externality impacts which such fusion between cooperatives and commons may have on platforms.

They define the commons collaborative economy in terms of four criteria, the first one being peer-to-peer relations. Peer-to-peer relations facilitate the involvement of communities made up of peers who generate collective governance schemes for platforms that resemble those described in the commons literature. They do this through participatory action in order to contradict the hierarchical demands and contractual relationships that exist in highly capitalist platforms such as Uber and Airbnb. The second criterion pertains to the governance values that define the community of peers and their needs, not profitability. That governance scheme is based on value distribution among peers, a phenomenon that strongly resembles the idea of co-ownership and co-creation, notions that are identified in cooperatives, and in the commons movement. The third criterion is based on access to infrastructure and access to the provisions of commons

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 43-57
URL: http://www.reaser.eu
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resource, their reproducibility, and their capacity to include all members equally and fairly dividing these provisions for collective benefit. The fourth criterion is sharing the responsibility of these platforms and their various externalities that may be generated in the process.

These four criteria in the DECODE project summary found in Fuster Morell et al. (2017) strongly resemble what we would imagine as a commons-cooperatives movement. And, in conclusion, we can claim that this commons-oriented model within a collaborative economy helps involved communities in cities develop and share commons resources whose ownership follows the guidelines provided by both ICA and Ostrom. Assembling these criteria together, we can exemplify a commons-cooperative movement in which principles and objectives are shared and applied. This collaborative effort to assume shared responsibilities and achieve shared collectives means that we can identify this approach as a commons-oriented collaborative economy.

We can now identify the very actors, which are cooperatives that follow the commons approach in democratizing the local economy of Barcelona and implicating its members and citizens in a commons-based approach. A qualitative assessment in Fuster Morell and Espelt (2018) shows which cooperatives have joined the Commons-oriented collaborative economy in Barcelona by assessing their values and initiatives based on whether their governance is collective, whether they have an economic model, whether their use of technology is based on open source tools, whether their dissemination of information is open and democratic, and whether their actions have a positive and collective social impact on communities and their members. These qualities strongly resemble those described in both the ICA principles and the institutional arrangements of Ostrom (1990). In other words, these aforementioned qualities are what form a Commons-Cooperatives movement. Such actors identified in Fuster Morell and Espelt (2018), among many others, include El Recetario, Katuma, and eReuse.

El Recetario is labeled as a consumer and producer cooperative platform that focuses on research, experimentation, and the reuse of waste in order to produce accessories such as furniture. In other words, there is the production of a resource based on the reusability of wasted resources and collectively provided information on how to use these resources to produce final goods such as furniture. Information on the production is collectively shared by the community of creators who form this cooperative platform, sharing how they use these wasted resources to produce furniture and other accessories. Their governance scheme is based on voluntary open participation, so those participating in the platform benefit from having access to this information, which they can then use and share with others who are included in the platform. In other words, El Recetario is a cooperative that provides collectively shared information on the reusability of underutilized resources. That information, specific to contexts that are brought out by its members, is managed as a commons.

Katuma is also considered as part of the commons cooperatives movement, because it is an agricultural-food consumption platform that takes many of its values from the commons, especially concerning collective governance. The platform uses open knowledge and open-source software to promote projects based on connecting agricultural producers to collective groups of consumers who are within proximity. The producers and consumers are connected based on social justice, which emphasizes fair and just relations between individuals and their collective base. That platform is based on cooperative governance between its members, who pay a membership fee to join the platform and take advantage of its functions. The members are both the producers and consumers of these agricultural products, which are produced, managed, and also

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Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 43-57
URL: http://www.reaser.eu
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consumed in a collective governance scheme. The platform is based on open-source software, so members can constantly develop, share, and have access to this information, ensuring transactions and connections between the consumers and producers in a transparent and functional way. The use of open-source software, the transactions based on social justice, and the governance model between its members strongly replicate the qualities that define a commons-cooperative movement.

eReuse is a platform that focuses on refurbishing and reusing computers. It is created by Pangea, which is a non-profit organization in collaboration with fifteen community organizations who seek to lower their ecological and electronic footprint by recycling and revitalizing used and thrown out computers. The platform consists of open data and open-source tools developed by its members to reduce the costs of computer revitalization. They also developed a tool designed to detect and provide information on the origins of reused material. This is done to detect how long the material will last and at what point in its lifespan the material cannot be recycled anymore. This information allows these communities to produce computers that would have otherwise been wasted in the first place. They may also develop common capital in their economic growth model if they produce a surplus of usable computers or in paid services such as equipment distribution, devices appraisal, and information reporting. The decision-making process of participation is between its members and maintains the social responsibility of reducing the impact on computer production. Because of its governance scheme, access of information, and the production of reusable resources in a collective and open manner, eReuse is a cooperative that distinctly adopts commons principles, therefore making it a key actor of the commons-cooperative movement.

7. Conclusion

These three illustrative examples discussed in Fuster Morell and Espelt (2018) are very distinct in emulating the values associated with a commons-cooperatives movement in the form of peer-to-peer relations. In addition, these three cases replicate the ICA principles in terms of how they organize their membership, how they collectively produce their product, and how they share information and govern their operations. They also replicate Ostrom's principles of commons in terms of the collective management of the resource-based around communities who want to make a positive social and environmental impact on their surroundings. As a matter of fact, all three platforms are the result of matching between these two principles. One can, therefore, conclude that these three organizations can be labeled commons-oriented cooperatives that are key actors of the commons-cooperative movement. This commons-cooperative movement is also proving to have a very positive impact on Barcelona's goal to have a democratized economy oriented around commons principles, especially in the wake of dominant capitalist forces that threaten the integrity and collective good of Barcelona's citizens.

We can even conceive of an interconnected system of cooperatives and commons as being essential in the pursuit of their shared objective of bringing about social and economic transformation. Commons and cooperatives can join forces to build a stronger, ethical, and ecologically-sound economy by forging the two networks together into a Cooperative-Commons movement. By matching the various principles between commons and cooperatives, we can see just how closely these two entities can work together to become institutionalized as a paradigm within SSE. While they both serve two different roles for communities, they can join forces to forge one strong movement of SSE to respond to the damaging issues of capitalism more effectively.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 43-57
URL: http://www.reaser.eu
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Manuscript received: 10.09.2019

Manuscript received in revised form: 14.10.2019

Manuscript accepted: 17.10.2019

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 58 -72
URL: http://www.reaser.eu
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Social economy entities and their eco-system in different European countries.

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Abstract. *This study presents a comparative analysis of the findings of the international research project RESCuE project – Patterns of Resilience during Socioeconomic Crises among Households in Europe (VII UE FP). Presentation of differences and similarities in defining and understanding the concept of social economy and its background in different European countries should help to identify and understand the kind of patterns of Social Economy presented in the second part of the paper. These patterns and their background create a frame for the eco-system of social economy entities in every country. Fieldwork findings (conducted in partner countries) present the everyday practice of social economy entities in researched communities and their specific ecosystems of relations, dependencies, reciprocities, and how these factors influence individuals, households, and communities' resilience. It also gives an opportunity to present the advantages and limitations of specific entities acting in given ecosystems based on legal, socio-political, and cultural backgrounds.*

JEL Codes: O350

Keywords: community-based social economy; community resilience; community development; social capital; social economy.

1. Introduction

The social economy is a significant factor in local development and providing more services allowing humans needs to be satisfied in a better way. It may also create a complex system of management (community economy), involve non-governmental organizations in the activities of local authorities, and affect the establishment of local and neighbourhood forms of economic cooperation and mutual support. The developmental goal of the thus-defined social economy is to create an inclusive local labor market (Zybała, 2007). Juan A. T. Carpi stands that "the growing failures of the market and state are enlarging old problems (unemployment, inequality, territorial imbalance, social exclusion, etc.). The globalization of the economy, ecological stress, the crisis of public regulation and the growing and changing social needs are producing new demands for active participation and mobilization of civil society and public action." (Carpi, 2008, p. 27). In his opinion, in this context, the social economy endowed with structural properties that make it a very relevant economic and organizational instrument in the phase of crisis and social transformation. One may assume that this instrument, closely related to the community, its values, and norms, main understanding problems of the inhabitants, may play a significant role in Local Sustainable Development.

The article presents the results of the international research project RESCuE – *The Patterns of Resilience during Socioeconomic Crises among Households in Europe* (2014–2017).

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ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 58 -72
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

The first part of the article is a short description of a concept of the resilience and conceptual frame of social economy and social entrepreneurship and its development as a part of the cohesion policy of the European Union. Presented in the second part of the article, differences, and similarities in defining and understanding the concept of social economy and its background in different countries help us to identify and understand the actual condition of social entrepreneurship/social economy activities in different European countries. It is also the base for a conceptualization of different patterns of social economy.

The last part of the article is referring to the fieldwork findings and presents the everyday practice of social economy entities and their contribution to the resilience of the households and communities in the regions included in the study.

2. Research Elaboration

The main goal of the RESCuE project is to determine the conditions and patterns of the actions that help and support, or limit and inhibit, the resilience of households being in a difficult situation. During the RESCuE project, approximately 600 narrative qualitative interviews were conducted among urban and rural households and experts in eight EU countries (Germany, Ireland, United Kingdom, Spain, Greece, Portugal, Poland, and Finland) and Turkey.

Each project partner had to collect a body of qualitative interviews with people living in households at risk in his or her respective country. Each partner was responsible for a total of 40 interviews in the respective country. Half of these were conducted in urban and half in rural case settings. In each spatial setting the following actions were conducted: implementation and analysis of a total of eight semi-structured interviews with local experts involved in the protection and/or assistance of people affected by crisis/poverty (NGO technical staff, managers of charities, neighborhood associations, local and central government, scientists etc.); implementation and analysis of a total of 24 in-depth interviews with people from social groups affected by the current crisis, in rural and urban environments. After the twelve interviews, a selected eight households were interviewed for a second time. Those cases were selected for a more in-depth data collection with the help of visual methods, due to the significance of their household biography for the RESCuE questions. After the first interview, the household was asked to take photographs of their everyday situations, inspired and focused by open guiding questions.

One of the thematic areas of this project is the influence of the NGO Sector, social economy, and social entrepreneurship in the community on the neighbourhood and household resilience). The objective of this thematic area is a comparative analysis of importance and relations between the development of social economy and social entrepreneurship, which act between welfare state institutions and resilient households, on households' everyday practices, especially under conditions of crisis. Investigate how social entrepreneurs and social economy entities contribute to the resilience of vulnerable households and communities, and how this has changed through the crisis? Which role do they play in the development of resilience in households and communities? How do the crisis and the subsequent austerity policies affect the activities of social entrepreneurs and social economy, given that they do not only depend on community and citizens' resources but also from state support in different ways? And what will vulnerable households benefit with respect to chances to develop resilience?

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 58 -72
URL: http://www.reaser.eu
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3. The concept of resilience

In general, it can be assumed that resistance can be understood as a phenomenon according to which some people from a given population perform better than others under the same unfavourable conditions. (Werner, Bierman, French 1977; Masten 2001) It may be assumed that resilience means an unexpected and/or above-average kind of recovery after a severe shock crisis, trauma, or other extreme events (Frankl 1959). Resilience may also mean the ability of adaptive coping skills and transformation after the initial shock (Keck, Sakdapolrak, 2013). Resilience is rather a process that is developing than a stable state; it can be lost or can be achieved. (see Promberger 2018) Understanding resilience as resourcefulness, coping strategies, remedial strategies, or life strategies, one should accept the occurrence of "a dynamic process reflecting a relatively good adaptation of an individual despite the risks or traumatic experiences it experiences." (Borucka, Ostaszewski 2008: 587-597).

Resilience understood as a social phenomenon leads to the consideration that people's, households' and the community's capacity to resile is highly dependent on the resources they can put to work in difficult situations. That would emphasize the important role of social resources for developing resilience (Nettles, Mucherah, Jones 2000) and would mean that resilience depends on a wide variety of social, cultural and structural elements that make some courses of action and certain practices available for different groups of subjects (see Dagdeviren, Donoghue and Promberger, 2016; Promberger et al., 2014; Estêvão P. Calado A. Capucha L., 2017).W. Neil Adger (2000) has defined "social resilience as the ability of the communities to withstand external shocks to their social infrastructure. This is particularly apposite for resource-dependent communities facing external stresses and shocks, both in the form of environmental disasters, as well as in the form of social, economic, and political upheaval." (Adger 2000: 361) He also said that social resilience as "institutionally determined, in the sense that institutions permeate all social systems and institutions fundamentally determine the economic system in terms of its structure and distribution of assets." (ibidem 254), so it should be defined at the level of community rather than being referred to the individuals.

4. Social economy and its community rootedness

The 'social economy' constitutes a broad range of activities that can have the potential to provide opportunities for local people and communities to engage in all stages of the process of local economic regeneration (Molloy et al., 1999). It plays an important role in the creation of new jobs and other forms of support of people threatened by social exclusion. As Amin said, the social economy encompasses entities drawn from communities, set-up to help individuals and groups from those or neighbouring communities and areas. In this sense, it is an economy insofar as it provides a marketplace to access (and perhaps trade) resources and common (rather than privately- owned) goods in the name of public service rather than profit. (Amin et al., 2002: 1)

Helen Haugh defines the social economy as a "collective term for the part of the economy that is neither privately nor publicly controlled. It includes non-profit organizations, as well as associations, co-operatives, mutual organizations, and foundations. Social enterprises are included in the social economy; however, they are distinctive of many non-profit organizations in their entrepreneurial approach to strategy, their innovation in pursuit of social goals, and their engagement in trading." (Haugh, 2005, p. 2) It should be emphasized that the profits drawn from the activity are accepted and sometimes even desired, but they shouldn't be more important than social goals. Therefore, the social economy is very

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 58 -72
URL: http://www.reaser.eu
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often but not in every case understood as a part of the economy between the private and public sectors, which engages in economic activity in order to meet social objectives.

The so-called commercial or for-profit economy should not emerge as an opposite activity that cannot be integrated into the notion of social economy. However, it should broadly be understood the fact of the interrelation between the for-profit sector and society to be able to advance its social elements in an evolutional way. Hence, the solution to this is the new model of social economy, which can be put in force only by the simultaneous cooperation of all key actors in the society, including the for-profit sector. (Golob, Podnar, Lah, 2009, 637).

The emphasis is put on the idea and practical activity of the organizations of the social economy in building social capital or social innovativeness. Social economy strengthens the processes of civic participation of individuals and communities, which may strengthen the processes of social and political inclusion.

An innovative role of social entrepreneurs in the community relates to the active position in the community. Dees stated that they play the role of change agents in the social sector. It would mean that social entrepreneurs are the reformers with a social mission. They make fundamental changes in the way things are done in the social sector. They often reduce their needs rather than meet them. They seek to create systemic changes and sustainable improvements. (Dees 1998 p. 4-6) This way of understanding the role of the social entrepreneur shows the need for a very close connection between the entrepreneur with the community and its inhabitants. A social enterprise should increase local development, but the development of social enterprise also depends on the community. To understand and to fulfil social needs, social enterprise (as well as other social economy entities) should be directly affiliated through various channels with the community in which it arose.

In the concept of "Community-Based Enterprise" (CBE), Pedro and Christman (2004) emphasized the need for strong rootedness and cooperation between enterprise and the community in which it operates. They define the CBE as a community acting corporately as both entrepreneurs and enterprises are in pursuit of the common good. Therefore, CBE is the result of a process, in which the community acts entrepreneurially, to create and operate a new enterprise embedded in its existing social structure, which is managed and governed to pursue the economic and social goals of the community. CBE concept treats the community as completely endogenous to the enterprise and the entrepreneurial process. This means that in a CBE the community is simultaneously both the enterprise and the entrepreneur. (see Peredo, Chrisman, 2004) In their framework, commercial entrepreneurship represents the identification, evaluation, and exploitation of the opportunities that result in profits. In contrast, social entrepreneurship refers to the identification, evaluation, and exploitation of the opportunities that result in social value. Opportunity awareness and recognition reflect an entrepreneur's ability to discover whether supply or demand for a value-creating product or service exists. Social entrepreneurs have an acute understanding of social needs, and then fulfil those needs through a creative organization. This focus on social value is consistent across various definitions of social entrepreneurship. (see Certo, Miller, 2008)

Assuming that the local community is a community of residence, a community of territory – as Warren said (1978), it should be understood as ‘such a combination of social units and systems that performs the major social functions relevant to meeting people’s needs at the local level’ (Netting, Kettner, McMurthy 1993 p. 47). In spite of the weakening of the influence of social microstructures, the processes on the life of individuals and families, one cannot talk about their decline, the more so because local communities are a necessary intermediary between the state and family, administrative

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 58 -72
URL: http://www.reaser.eu
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and political units, and their socio-economicc development is essential for the economic development of particular regions, as well as the whole country. (Turowski 1994)

In some definitions, the emphasis is put on the idea and practical activity of the organizations of social economy in building social capital or social innovativeness. The social economy strengthens the processes of civic participation of the individuals and communities, which may strengthen the processes of social and political inclusion.

According to Bourdieu, social capital is "the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance or recognition" Bourdieu (1986:248). According to such an assumption, one may assume that within the framework of a group or community, the resources are available only to their members exclusively on the basis of the network of their mutual connections. The more extensive connections are the bigger chance for access/activation of the resources which are not owned individually.

Referring to social capital, we talk about a number of links within a given community, which allow us to create joint actions, combine efforts and accumulate resources of the individuals, institutions, organizations in order to achieve definite goals. The activation of social capital allows taking actions pursuing goals, which may not be implemented outside this network of relations and cooperation because no individual, organization, or institution would hold appropriate resources, competences, or possibilities of influencing decisions in order to achieve such goals. Not only relations within the community, but also external connections which link the community to the institutions, organisations or other communities and which allow to gain benefits in the form of resources, financial or non-financial support or new markets etc. are very important for socio-economic development (R.D. Putnam, 2001; J.S. Coleman 1998; M. Woolcock, D. Narayan: 2007). However, access to such resources is conditioned by the fact that the users/owners of the resources should recognize our claims to them by recognizing us as the members of the common network of connections. It would also be very significant in the case of social entrepreneur entities operating in specific communities. Recognized as a "member" of the network (socioeconomic structure), realizing socially important goals gains chances to be supported by inhabitancies who would be more convinced to using its service or buy its products (R.D. Putnam, 2001). Within the framework of this type of connection, a number of relations and socially shared emotions facilitate mutual cooperation with the members of the network. Mutual trust of the members of a given group or community increases their possibilities of developing through reducing a sense of insecurity which accompanies cooperation with the strangers, and thus a sense of a bigger inclination to take joint actions. (Coleman 1998:109).

In most definitions, the social economy is perceived as a force that strengthens the social inclusion and the processes of civic participation of the individuals and communities, which may enhance the processes of social and political inclusion. Some authors argue that social economy organizations have the potential to strengthen social capital through participative processes, collective activities, and social innovations with the goal of resolving common problems (Olsson, 2003). Moreover, as other authors said, the social economy may encourage the participation of the citizens, allowing the most socially excluded collectives to participate in not only collective goods but also, at least potentially, in the decision-making processes of the community. (Sanz, 2013, after Serrano, Revilla, Garcia, 2016:3).

The existing social capital shared by community members enables them to cohere around addressing a particular problem that has emerged. (...) Some of the community problems can be resolved within the activities of social economy entities. Based on their analyses, the authors stated that

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 58 -72
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the economic performance of social enterprises depends heavily on using social capital as a productive tool either to compensate for the shortage or to create new forms of physical and/or financial capital. (see Birkhölzer and Kramer, 2002).

5.The patterns of the social economy based on RESCuE research project[2]

Based on the information collected by members of the national research teams and introduced in national reports of the RESCuE project, it is possible to identify certain 'patterns' of understanding and to define social economy, which constitute the legal, institutional and cultural circumstances underpinning how social economy entities function at the level of specific countries. The following classification is not a precise and unambiguous typology. It is rather an attempt to identify certain patterns of action of social economy entities in different countries where the RESCuE project was implemented. However, these patterns may, to some extent, help to define the relationship between the ways of understanding and implementing the idea of social economy and social entrepreneurship, and the level of resilience of the individuals and households. The main criteria of the following categorization include: the dominant way of defining and organizing social economy and social entrepreneurship entities in specific countries; the scope and degree of the connections between these entities and public institutions; the dominant financing method and the level of 'marketisation' of the activities falling within the scope of social economy. Four patterns were identified: 1. SE as a field of NGO sector activity; 2. civic entrepreneur type of SE; 3. Entrepreneur labor market inclusion type of SE; 4; Community economy/communitarian type.

✓ ***Social Economy as a field of NGO sector activity*** – the system in which social service is offered by non-profit NGOs, funded from public resources to a large extent. This pattern occurs in the countries where social services are delegated by the authorities (at the different – central/federal, regional/state, local/municipal – levels) to the representatives of the third sector. The position of the biggest third sector organizations is very strong – they are respected and professionally prepared, and their operations are based on well- educated and experienced staff and a large number of the volunteers (for example, Germany). There is also no official/legal definition of social enterprise. The institutionalized forms of social enterprises which operate *de facto* as corporations and cooperatives with a "public benefit" status, and Third Sector entities with a "public benefit" status, although not all of these organizations necessarily engage in economic activity. (A map of social enterprises and their eco-systems in Europe. Synthesis Report. Directorate-General for Employment, Social Affairs, and Inclusion. European Commission 2015: 22)

✓ ***Civic-entrepreneur type*** – social economy entities are considered to include both the NGO sector and social entrepreneurship. This pattern occurs where both a strong position of the Third Sector and quite a high level of decentralization is observed. Non- governmental organizations and the authorities were open to strong trends in the development of social entrepreneurship in the 1990s and early 2000s (examples, based on RESCuE project - Finland, Ireland, UK). Finnish and UK national definitions of social enterprise refer to a partial non-profit distribution constraint. In Ireland and Finland, publicly funded schemes targeting social enterprises are very limited or non-existent (in Finland, it has been a deliberate policy choice not to develop bespoke schemes for social enterprise). In

[2] The content contained in this chapter has been discussed in more detail in the forthcoming publication: Social economy and household resilience [in:] POVERTY, CRISIS AND RESILIENCE. NEW HORIZONS IN SOCIAL POLICY SERIES, edited by M. Promberger, M. Boost, J. Gray and J. Dagg, published by EDWARD ELGAR PUBLISHING LIMITED

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 58 -72
URL: http://www.reaser.eu
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Finland and the UK, and partly also in Ireland, social enterprises derive most of their revenue from market sources and particularly from the sale of goods and services to the public authorities. Inclusive governance is not necessarily seen as a core characteristic of social enterprises in these countries. (A map of social enterprises and their eco-systems in Europe. Synthesis Report. Directorate-General for Employment, Social Affairs, and Inclusion. European Commission 2015)

✓ ***Entrepreneur/labor market inclusion type*** – while maintaining the broad definition of social economy, the focus (based on the EU funds) was on the promotion of social cooperatives, social enterprises and other entities of socio-professional reintegration (Poland). In Poland (as well as in some other East European countries), this situation was also associated with rather weak position of the non-governmental sector, which was fragmented in the 1990s and early 2000s, acting mostly on the basis of the voluntary engagement of its members, with the lack of professional staff and financial stability. In recent years the position of the NGO sector in the social economy market has become much stronger, but during the implementation of the idea of social economy, it was Work Integration Social Enterprise (WISE) that was the dominant form.

✓ ***Community economy (communitarian) type*** – apart from the activity (often very strong) of the NGO sector and Work Integration Social Enterprise (WISE), social economy understood as an activity closely related to economic activities, but for social purposes. These activities are often bottom-up, informal, not initiated or supported by public institutions. The local relationships, norms, and ties are of great importance (the examples, based on RESCuE project - Spain, Greece, to some extent Portugal and Turkey - where the social economy is underdeveloped in terms of legal status but exists as informal community economy activities.). This model can be exemplified by the actions taken not only by small neighborhood communities but also by large production projects combining the commitment and resources of many people and institutions. However, their characteristic feature is the fact that their implementation is possible thanks to mutual trust, a willingness to cooperate, and a sense of bonding. Their effect is not only the development of the people directly involved in them but also the entire community and, thus, the high level of social identification and acceptance.

6. The role of social economy entities in the development of household and community resilience: the practical examples

Analysing the impact of the initiatives of the social economy on the situation of households, their specificity in the nine partner countries taking part in RESCuE project must be taken into consideration. The institutions of social economy and any entities operating in the third sector for the individuals and communities were described in a previous chapter. The multitude of forms of social economy and third sector in connection with such factors as history, tradition, national structure, the ethnic and religious, and political system of the countries participating in RESCuE project are the factors that make international comparisons more difficult.

Most of the examples of social economy that are presented in the research findings can be described as more or less NGO activities, or widely speaking the activities of representatives of the Third Sector: the organizations/institutions established by, or in cooperation with, public institutions or local government, supported by them, etc. There are also some examples of social entrepreneurship. There are some examples of 'community economy,' such as the no- middlemen movement in Greece and vine cooperatives in Spain.

Most frequently, these entities support the individuals and households facing hardship by 'crisis intervention' charity, distributing food, and clothes.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 58 -72
URL: http://www.reaser.eu
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'…the "…" [name of the association] *offers one super-market bag for every household every two weeks. The families who take part in the activities mostly suffer from poverty and unemployment. The people who are in need of these offers are primarily immigrants…' (Greece)* (Athanasaiou, Marinoudi, 2016)

This kind of support is necessary for the fulfilment of the basic needs of vulnerable individuals and households, for supporting survival strategies and for creating circumstances for building resilience in the context of dealing with hardship, extreme poverty, etc.

In the research material obtained as a part of the RESCuE project, we may find examples of the entities providing service, education, and training.

'… in Cemevi (a religious organization) education that aims to teach both Alevi belief/practices and courses such as English, computer programming, and musical instruments, are provided to the applicants' (Turkey) (Poyras, Aytekin, Sengul, 2016).

The research findings describe some examples of the entities that create jobs for their clients/supported individuals. In most cases, these jobs are the effect of publicly financed projects with short-term employment.

'In recent years, the Centre for Social Integration has been executing projects for long- term unemployed people benefiting from social welfare and disabled people taking part in the six-month programs of social employment (Poland)' (Wódz, Mandrysz, 2016).

'Some of the associations, such as Skolt Sámi Foundation, are able to use the state and municipal support to employ people, at least for short-term, with the so-called "work market support" and "salary support" system (Finland)' (Tennberg, Vola, Vuojala-Magga, 2016).

The respondents speak in a very positive way about the projects that allow them to get some stability – not only financial (based on financial support) but also or most of all, associated with engagement in a fixed profitable activity. Aside from financial resources, this kind of position offers also social relations (bonds and sense of belonging), daily activity connected with the need for responsible behavior, and cooperation.

'…and I started working here under the CE scheme, and I have loved it. … I worked here for, and I think it was three years, on the scheme and then being a traveler, I got another two years and then when my time was up it was terrible. It was more or less that I missed it, but I used to come down voluntary, and I used to come down and do the clubs … but then [project coordinator] called me down for an interview for the caretaking job came up, and I said that would suit me fine, so I came down, and I did the interview in here, and I got the job, and I was here for another four years ... it's really like a second home to me at this stage, and then it was funded by the Westmeath communities together, and it was great … (Aisling, INT.HU.005) (Ireland)' (Dagg, Gray, 2016).

These are positive accounts of the impact of social economy organizations on the life of the participants. However, other accounts were not so positive. For example, Sally in London discussed her financial problems and its impact on her prospects for secure accommodation through her local housing association:

I'm living at home with two daughters, living on £20 a week […] It was my Housing Association, my Housing Officer who put me in touch with, um, she gets me, um, food vouchers but you can only use them, you can only go to the place three times. (UK) (Donoghue, Wearmouth, Dagdeviren, 2016)

The respondents (from partner countries) participating in different forms of social employment ('work market support' and 'salary support' systems, one-Euro-jobs, paid traineeships, etc.) were usually satisfied with these activities as they enabled them to earn some money, be active, etc. Yet, on the other hand, they also criticized the short-term character of these activities.

'However, these forms of support allow only short-term employment (RHh5). Therefore, the current state approach to employment is criticized – as the local employment offices have been closed, the services digitalized

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 58 -72
URL: http://www.reaser.eu
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and the support for individuals to become employed are just "short-term tricks" (RE2). (Finland)' (Tennberg, Vola, Vuojala-Magga, 2016)

It was also emphasized that 'existing model for rehabilitating work training is criticized because it allows work training only inside the municipality structure. No such work training is allowed in the local companies, which limits the opportunity of the trainees to become eventually employed. Because of the current limitations, most people return to social services, instead of becoming employed after the training. (RE3). Without cooperation between municipal institutions responsible for the implementation of reintegration to local labor market policy and local companies, this reintegration seems to be very limited. The impact of the municipality efforts has also been limited due to the ongoing changes in the state-run employment services, which has led to the diminishing services in municipalities. (RE4) (Tennberg, Vola, Vuojala-Magga, 2016)

Moreover, the small amount of money offered in this kind of social employment was criticized as regards the law, which does not allow the recipient to cover all necessary expenses, while also reducing the possibility of finding another job.

'He really likes her one-Euro-job, and it helps her to stay resilient. Nevertheless, she also criticizes the Jobcentre and the one-Euro-job as she sees no real perspective to get a normal job, earn more money, and leave Hartz IV ... (Germany)' (Boost, Müller, Kerschbaumer, 2016) In some cases, the programs related to social employment are criticized as regards the lack of long-term effects associated with some form of employment and the opportunity of a stable income when the project is over obtain any fixed income.

'The employees of the Club of Social Integration emphasize that the problem is the situation in which employers willingly employ trainees or make use of other forms of subsidized employment because they can have an employee working for free due to the fact that their remuneration is refunded. However, many employers do not employ trainees when their period of employment is over, and they look for other „employees working for free" (Poland)' (Wódz, Mandrysz, 2016).

Some respondents claim that improper aid activities based on financial support make people dependent on the support from aid institutions or the NGO sector and that this also becomes a pattern strengthened by the processes of socialization in subsequent generations.

They do not have prospects; they need someone who gives them a job, not the money. (...) They get money, and social pathology is the same. I sometimes see small children in such communities, and I think that they will be just like their parents. *(*PL/U/05) (Poland) The institutions and organizations establishing or implementing the local government protection policy very often face criticism regarding their bureaucracy, not meeting the needs of the clients/inhabitants and spending the resources ineffectively.

As a rule, the assessment of NGO activity is much higher than in the case of public institutions, but there are cases, in which NGOs are criticized for focusing more on attracting projects to maintain the employment of their workers than on providing assistance:

'some of the beneficiaries themselves question the role of the NGO's actions. … As he argued with emphasis, *"all the money for immigrants that are coming from the European Union were spent on other purposes. They take money for immigrants, but they ask me to translate for them voluntarily".* It is obvious that they reproduce their existence by exploiting the precarious workers who lack citizen and labor rights in the social context of Greece under the existing political circumstances *(Greece)'* (Athanasaiou, Marinoudi, 2016).

It should also be noted that in some cases, the possibility of obtaining support from social economy entities and the development of individual and community resilience was limited due to the insufficient level of recognition of these entities among residents of a given community. 'Barry in Cornwall and Simon in London were not particularly aware of any support organizations beyond the

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 58 -72
URL: http://www.reaser.eu
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church. Thus, and particularly in times of crisis when funding is scarce, and organizations cannot always make their presence known, in many cases, the burden falls on the individual in need to seek out help, rather than be identified and approached by existing support structures. This produces a particular set of problems for both the third sector in the UK and vulnerable households. In many cases, vulnerable households do not have the resources (in terms of time, money, or other forms of capital) to seek out and engage with organizations that could help them, unless the organizations in close proximity or households are made aware of them.' (Donoghue, Wearmouth, Dagdeviren, 2016).

An example of social economy in Greece is the so-called no-middlemen movement: small and medium-sized enterprises and small family businesses (which are the prevailing Greek business model), which were on the verge of closing down and we're struggling to remain afloat and facing unpaid invoices, started selling their products directly to the consumers for cash at fixed prices through non-profit collectives, not through intermediaries – i.e., shop managers, middlemen, wholesalers, and traders – as they had done in the past (Athanasaiou, Marinoudi, 2016).

An example of such a community economy, described in national RESCuE reports, is the Spanish vine cooperative, which belongs to two thousand vine and olive oil producers who sell their products to the cooperative and receive an agreed price. The cooperative creates a number of working places and job opportunities for community members and offers other services, including training, counseling, etc. The wine-production cooperative is a source of identity and pride not only for the producers, workers, and other staff but for the town as a whole. (Serrano, Revilla, Garcia, 2016).

As far as the village or little town community is concerned, being different is often frowned upon, and it may even be dangerous for those who show such unconventionality. 'Even when rural masses migrate to the big cities, the cultural traits of the former community and the attitudes and values of the individual, change rather slowly' (Kalaycıoğlu, 2002a: 72; Poyras, Aytekin, Sengul, 2016: 16). Cooperation and mutual support are very often an element reserved exclusively for those who are recognized as the members of the local community, religious group or political party. In such cases, what is observed is the great importance of bonding social capital and a tendency to close off the community/group from everything that is foreign and unknown. This importance and exclusive (closing) character of social capital were very strongly emphasized in Turkey, where the authors presented a negative attitude of close relations and support leading to clientelism. 'One of the most important skill-building mechanisms that provide a possibility to find a job to the unemployed is the municipalities' vocational courses. Besides, being a member of the ruling party's neighbourhood organization gives people the opportunity to find a job. This clientelist organization, while creating dependency, reproduces the power of the ruling party at the local level. For example, R3 indicated that people who supported and voted for the ruling party benefited from all the state's resources. He said:

*'As I said a short while ago, with the Metropolitan Municipality's vocational courses, they put women on the payroll. After they had finished their courses, the Metropolitan Municipality of Istanbul employed them at its corporations to increase their political effect in neighborhoods. They were the partisans of the ruling party looking for support. They were not serving neutrally. The municipality was full of these people. There was no way to get a job unless you were a ruling party supporter. While these practices were attracting the unemployed, needy people to contribute to the activities of the ruling party at the local level, the dependency on the very same mechanism was inevitably increasing. The opposing groups such as CHP (Republican People's Party) voters and/or Alevi people had no chance to benefit from these opportunities with preserving their political position'. (*R3, Turkey) (Poyras, Aytekin, Sengul, 2016).

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 58 -72
URL: http://www.reaser.eu
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Table 1. The patterns of social economy, its role in the development of an individual, households and community resilience and its limitations

Pattern of SE	***Social Economy as a field of NGO sector activity***	***Civic-entrepreneur type***	***Entrepreneur/labor market inclusion type***	***Community economy (communitarian) type***
(project partner country)	Germany	Finland, Ireland, UK	Poland	Spain, Greece, Turkey, partly Portugal
Understanding of SE	Non-profit NGOs mostly funded by public resources. No legal definition of social enterprise.	Both the NGO sector and social entrepreneurship. The strong position of the third sector; high level of decentralization.	SE includes the NGO sector and social entrepreneurship, which is dominant and understood as WISEs and other entities of socio-professional reintegration.	SE understood as the NGO sector, social enterprise, and WISE (except Turkey). In practice – SE activity closely related to the community economic activities but for social purposes.
SE in practice	The very strong position of the biggest III Sector organizations, which are respected and professionally prepared.	NGO sector – diverse and competing for public funds. Social enterprises are operating on the open market selling goods and services mostly to public authorities.	Significant importance of the EU funds in promoting the idea of and understanding SE. Mostly top-down initiatives supported and financed in their initial phases by the public institutions.	Often bottom-up, informal, not initiated or supported by public institutions. The great importance of local relationships, norms, and ties.
Contribution of SE practices in individual households and community resilience	Wide range of help and social services - 'crisis intervention', charity, distributing food and clothes, providing services, education, and training.	Providing various forms of social service, as in the first case, by various types of NGOs, also creating a number of working places (or social employment) in social entrepreneur entities.	WISE constitute the dominant form of social enterprises in this type, achieved through the provision of a very wide range of goods and e.g., social services of general interest.	Their characteristic feature is the fact that their implementation is possible thanks to mutual trust, willingness to cooperate, and a sense of bonding. Their effect is not only the development of the people directly involved in them but also of the entire community and, thus, the high level of social identification and acceptance occurs.
Limitations	A limited number of projects undertaken by the NGO sector, facilitating some form of long-term employment (not including employment of professional staff in the NGO sector) which could give a higher level of independence from	The competition between NGO entities; short-term projects unable to create long-term strategies for the clients; existing support helps to cover necessary expenses but limits job seeking. Social entrepreneur activities sometimes are accessible only	The vocational integration activities (training and courses) are often criticized for the lack of possibility for employment after the training. WISE implemented with the financial support of public institutions often exists as long as there is external (mostly financial) support.	In some cases, cooperation and mutual support are reserved exclusively for the members of the local community, religious group or political party. There is a tendency to close off the community/group from everything that is foreign and unknown.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 58 -72
URL: http://www.reaser.eu
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	external support.	for skilled and productive workers who may increase the exclusion of members of vulnerable groups.		

(Source: author's research results)

7. Conclusions

Based on the analyses of the research material, it may be concluded that limited effectiveness of the entities of social economy results, to a large extent, from the lack of social trust or even from the fact that the community is not aware of its activity. The lack of trust is sometimes a result of associating them with aid and local institutions, which in specific communities are often treated with dislike. Existing in research areas, social economy organizations take actions supporting social and professional integration, but their actions are very often „uniform" and adjusted to the needs and competencies of low-qualified people. The support can often be highly appreciated at the introductory, training, motivating stage, which is good for a start, but at the stage of social and professional inclusion, the instruments that these entities possess are not sufficient. As a result, despite training, courses, traineeships, or public works, it doesn't result in professional reintegration; it makes beneficiaries of these institutions frustrated, and they are more and more dependent on the aid system.

The analysis of the research material allows concluding that the form of support that most effectively supports the ability to cope with difficult situations resulting from poverty and unemployment is the raising of professional qualifications supported by the possibility of an internship. In the most effective option, the training process should be combined with an internship at a specific position carried out with a potential future employer who will not only be responsible for running the given internship but can also assure good preparation of the future employee.

It may be assumed that undertaking activities and projects aimed at bigger economic independence and regular income based on paid activity would be much more effective for developing the resilience of households facing hardships in the case of poverty, unemployment, low income based on disability, etc. Based on the Spanish example of vine cooperatives, we may assume that these kinds of activities are more effective if they are community-based – developed by local organizations (cooperative of local producers of wine and olive oil), supported by public institutions, in cooperation with local business (local transport companies, local stores and other subcontractors), who are recognized as acting for public benefit by community members (sense of identity and pride based on good, widely recognized local brand).

There is a need for strong rootedness and cooperation between social entrepreneur entities and the community in which it operates, based on shared values, aims, and understanding of community needs and problems. This requires extensive relationships of social economy entities, both with individuals, institutions, and organizations operating in the local environment as well as with local values, norms, and traditions. It is especially important when we considering the role of the social economy in local, sustainable development. Assuming that sustainable local development should be based on respect for the rights and values of various social groups leading to a balance between social, economic, cultural and ecological factors, it can be stated that social economy entities undertaking economic activities to achieve social goals are an excellent instrument for creating sustainable local development. By acting in accordance with the values of a particular community, they can also shape certain social values and behaviors. Thus, they can affect the increase of community resilience, directions of local development as well as the principles on which this development will be based.

ISSN: 2247-6172, ISSN - L: 2247-6172
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(Volume 18, Issue 2/ 2019), pp. 58 -72
URL: http://www.reaser.eu
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With reference to the potential of the development of the social economy, we should emphasize the role of grassroots, local social activity as a factor generating the development of social economy and favoring the stability of its institutional forms at the level of the local community. As a result, less formalized activities are omitted, such as neighborly help, which requires greater involvement of people at the level of the local communities, based on acquaintance, trust, willingness to help and cooperate, defining and solving common problems. All these elements made up the support of entities of the social economy and people who take such actions. Whereas, the lack of support causes the failure of such activities. Grass-roots social support and active cooperation and support from local authorities and public institutions give a chance for success for the entities of the social economy. Therefore, the implementation of activities in the field of social economy should be based on some similar principles and procedures as community organizing (Rothman, Tropman 1987; Haynes, Holmes 1994; Geddes, Benington (eds) 2001; Rothman 2008).

8. Acknowledgments

The article was prepared on the basis of the international research project RESCuE (*Patterns of Resilience during Socioeconomic Crises among Households in Europe*) financed by EU VII FP (contract nr KE: 613 244). The Polish part of the project was co-financed by the Polish Ministry of Science and Higher Education and the University of Silesia in Katowice. The project coordinator is Markus Promberger from the Institut für Arbeitsmarkt- und Berufsforschung (IAB) from Germany (Nuremberg). The partners in the project are academic universities: University of Silesia (Poland), Universidad Complutense da Madrid (Spain), University of Hertfordshire (United Kingdom), Panteion University of Social and Political Sciences (Greece), University Institute of Lisbon (Portugal), Middle East Technical University (Turkey), University of Lapland (Finland), National University of Ireland Maynooth (Ireland). The authors are grateful to all RESCuE colleagues: María Arnal, Athena Athanasiou, Attila Aytekin, Alexandre Calado, Daniel Calderon, Luís Capucha, Carlos de Castro, Hulya Dagdeviren, Jenny Dagg, Matt Donoghue, Pedro Estevao, Krystyna Faliszek, Monica Gnieciak, Jane Gray, Ursula Huws, Nelli Kampouri, Krzysztof Łęcki, Witold Mandrysz, Soula Marinoudi, Maria Paz Martín, Lars Meier, Araceli Serrano Pascual, Georgia Petraki, Markus Promberger, Juan Carlos Revilla, Tarik Şengül, Barbara Słania, Monica Tennberg, Joonas Vola, Terhi Vuojala-Magga, Kazimiera Wódz and Aggeliki Yfanti, and other collaborators, for their contributions in national studies and joint comparative research which were the basis of this article.

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ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 58 -72
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Manuscript received: 16.10.2019

Manuscript received in revised form: 11.11.2019

Manuscript accepted: 13.11.2019

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

Role of Social Innovation in Socioeconomic Development in Morocco. Case Studies of Socially Innovative Associations

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Abstract. *Innovation has always been a concept related to science and technology, particularly in the service of economic performance in companies. However, any innovation, even scientific or technological, has a social character that has become more pronounced over the decades as innovation has also become capable of addressing social and environmental challenges. This process of « Socialization» of innovation gave rise to Social Innovation from the 1970s onwards in an environment marked by economic crises and new social demands, in order to find new ways (goods, services, ideas…) to satisfy social needs unmet by the market and/ or the State for the benefit of disadvantaged individuals and groups. In Morocco, things are not different. The country is currently suffering from serious problems at all levels, which gave birth to several demands and citizen movements that threaten its stability and social cohesion. As a result, it is a question of using new alternative models of territorial development and basing them on the principles and practices of Social Innovation. On this point, we propose in this paper to investigate the role that Social Innovation plays in socio-economic development in Morocco, based on an exploration of the existing literature (whose thinness and dispersion about our subject matter will be shown), followed by the production of four case studies of associations recognized for their real contribution to Social Innovation in Morocco in key social sectors: education, care for people with special needs, child protection and protection of single mothers. Through semi-structured interviews with directors in the four associations as well as other means (documentary analysis, follow-up questions), we collected primary and secondary data that we analyzed according to a thematic method, in order to understand the contribution of Social Innovation to socio-economic development in Morocco, this contribution which is based on 1. The contributions of Social Innovation to address the unmet social needs of disadvantaged individuals and groups (place occupied by Social Innovation in initiatives and actions undertaken to meet these needs, social impact, challenges faced), which may or may not confirm the existence of Social Innovation in Morocco, and 2. The internal and external environment of Social Innovation (How do social innovators in Morocco participate in the dynamics of socio-economic development? With what means? What difficulties? What are their profiles? Their business model?).*

Keywords : Morocco, Social Entrepreneurship, Social Impact, Social Innovation, Socioeconomic Development.

JEL Codes: L31, O35.

1. Introduction

Innovation, long considered as a concept specific to science and technology alone, had been the subject of several research studies carried out by Schumpeter, the founding father of innovation. From the 1930s onwards, he introduced innovation as a concept in economics and management sciences (creative

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ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

destruction, a means of radical change...) (Lakomski-Laguerre, 2006). However, each innovation, even scientific or technological, has a social character, at least because it involves several actors in the processes of its development and implementation in a participatory approach. Innovation has seen its social character accentuated over time, as it has become able to apprehend the organizational and institutional dynamics of the various actors in society (organizational and institutional innovations). In addition, innovation continued the integration of social, human, and environmental aspects during the second half of the 20th century (Fontan, 2008) by taking into consideration several issues such as social inclusion and the protection of natural resources. This gave rise to Social Innovation from the 1970s onwards in a context of crises and the emergence of citizen movements, with the objective of finding new means (goods, services, ideas, practices, etc.) and/or reinventing the existing ones in order to meet social needs and aspirations not satisfied by the market and/or the State for the benefit of disadvantaged individuals and groups (definition based on the work of CRISES[1]).

In Morocco, things are neither different nor better. The country currently suffers from serious problems at all levels: growing social inequalities, progressive reduction of State efforts in certain key social sectors such as education and health, increase in the cost of living... which has lead to several demands and citizen movements that sometimes express new social needs: popular movement of the Rif (North of the country) against poverty and exclusion, protests by the mine workers of Jerada (East of the country) to denounce workers' exploitation, anger of the inhabitants of Zagoura (South of the country) against water shortages... These demands, if not addressed, can destabilize the country and endanger its already degraded social cohesion (Catusse, 2011). As a result, it is a question of using new alternative models of territorial development and basing them on the practices and principles of Social Innovation.

The objective of our work is to know what is the role of Social Innovation in socio-economic development for certain disadvantaged individuals and groups in Morocco. To do this, we will begin by exploring the existing literature to draw some initial findings on this role that very few research and studies have proposed to address. For example, in 2018, only 4 Ph.D. thesis was being prepared in Morocco on Social Innovation (Source: Otrohati/IMIST, 2018) [2] To help remedy this lack, we conducted an empirical survey to understand the contribution of Social Innovation to socio-economic development in Morocco, which is (this contribution) based on: 1. The contributions of Social Innovation to address the unmet social needs of disadvantaged individuals and groups that constitute its target (the place occupied by Social Innovation in initiatives and actions undertaken to meet these needs, social impact, challenges addressed). This may or may not confirm the existence of Social Innovation in Morocco, and 2. The Internal and external environment of Social Innovation (How do social innovators in Morocco participate in the dynamics of socio-economic development? With what means? What difficulties? What are their profiles? Their business models? Their innovation strategies?). The empirical survey consists of four case studies of socially innovative associations in Morocco in important social sectors: education, care for people with special needs, child protection, and protection of single mothers.

The first section of our paper is devoted to the empirical survey methodology. The second section is about the definitional, conceptual, and theoretical considerations of Social Innovation. The third section analyses, based on the existing literature, the role of Social Innovation in socio-economic development in Morocco, then the final section contains the presentation and analysis of the results of our survey.

[1] CRISES: Center for research on social innovation of the University of Quebec in Montreal (Canada).
[2] Otrohati: Directory of Ph.D. thesis in preparation in Morocco, managed by IMIST (Moroccan Institute of Scientific and Technical Information). The search in the directory focused on the Ph.D. thesis with the expression «Innovation Sociale» in their titles.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

2. Empirical Survey Methodology

2.1. Approach Adopted and Cases Studied

In our empirical survey, we adopt a qualitative approach given the nature of the topic studied and the type of information sought. We have chosen the case study method to be able to understand and evaluate in-depth the role that Social Innovation plays in socio-economic development in Morocco.
Four associations were selected for our empirical survey. They operate in key social sectors (education, care for children and adults with special needs, child protection, and protection of single mothers) and are recognized for their real contribution to Social Innovation in Morocco. They were approached to solicit them to participate in our survey through two means: a direct contact (for two of them) and recommendations from our professional network (for the two others). The four associations are Tahar SEBTI Institution (ITS)[3], ANAIS (National Association for the Integration of People with Disabilities)[4], Bayti[5], and Association Solidarité Féminine (Association for Women's Solidarity) (ASF)[6].

2.2. Data Collection: A Methodological Triangulation

To collect the data, we used a methodological triangulation. Methodological triangulation consists in using several means to collect data for the study of a social phenomenon or human behavior (Yana, 1993), which allows for a better validity and reliability of the empirical survey carried out. In this sense, we have adopted three methods of data collection, which are as follows:

1. In-depth semi-structured interviews with four directors in the four associations studied: the general director of the Institution Tahar SEBTI, the director of communication and fundraising of ANAIS, the founder and previous president of Bayti, and the director of the Association Solidarité Féminine. Due to their high positions in the four associations, these people were, therefore, able to answer all our questions in order to collect very important primary data. The interviews lasted, on average, 86 minutes (the interview with the director of the association Solidarité Féminine lasted more than 2 hours). All the four interviews were better conducted and audiotaped (all respondents agreed and did

[3] ***Tahar SEBTI Institution (ITS):*** is an association created in 1953 in Casablanca, recognized as an association of public utility by Dahir (Royal Decree) n°1-57-114 of 27 March 1957. It is an educational institution that places innovation at the heart of its approach and provides access to quality education at a symbolic cost for all, especially children from disadvantaged families, at primary classes and also pre-school where the public sector is just beginning to operate. The association trains its specialized educators to provide quality care for children in pre-school or those with special needs. It also applies a wide range of highly diversified and innovative techniques, approaches, and methods of teaching.
[4] ***ANAIS (National Association for the Integration of People with Mental Disabilities):*** is a non-profit association, recognized as a public utility association. It was created in 1991 in Casablanca by parents of children with mental disabilities, mostly with Down's syndrome. It is recognized by the Ministry of Family, Solidarity, Equality, and Social Development as a social welfare institution and is considered as a model for the care and empowerment of people with Down syndrome. For more than 27 years, ANAIS has been fighting a very hard battle to change the image that society has for people with Down's syndrome and to influence regulatory and legislative frameworks in the field of children's rights. Care at ANAIS is structured around several socially innovative services in a very distinguished experience.
[5] ***Bayti:*** is a non-profit association, officially created in 1995 in Casablanca, recognized as a public utility association, which works in Morocco for the protection and psycho-social reintegration of children in difficult situations, and for the defense of their rights. It works to: protect children in difficult situations against all forms of abuse, prevent all forms of violence against children, provide care (medical, psychological, social, educational) for excluded children within the various structures of the association but also in foster families, reintegrate children into school and society, and integrate them into economic life. Bayti was the first association in Morocco to dare to touch this issue, which was at one-time taboo and allow children to leave the street in this socially innovative way.
[6] ***Association Solidarité Féminine (Association for Women's Solidarity) (ASF):*** founded in 1985 in Casablanca, the Association Solidarité Féminine places innovation at the heart of its struggle, which it seems to win, given the major change it has been able to bring about in society in terms of behavior and mentality with regard to single mothers. The objective of the association is to enable these women to be protected from all forms of abuse, exploitation, and violence so that they can raise their children properly and provide them with good living and educational conditions.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

not express any confidentiality requirements). In addition to the few questions relating to the identification of the respondent and the association, the interview guide included a number of questions divided into 4 main themes: the social needs met by the association and the socially innovative solutions adopted, the association's Social Innovations as a process, then as outcomes, and finally the challenges and performance of Social Innovation of the same associations.

2. We did a documentary analysis of the content of several documents and information materials: associations' websites, associations' internal documents (reports, studies carried out, key figures, annual review of ANAIS, etc.), and the press (articles in newspapers). This has helped us to obtain very useful secondary data.
3. Follow-up questions sent by e-mail to respondents after the interviews to ask them for further clarification about certain points was the second primary data source.

2.3. Data Analysis

As the interviews were recorded, we listened again to the audio recordings to transcribe the verbatims. Then, we classified the data by theme and conducted a thematic analysis (4 themes) (also using the data collected through the documentary analysis and the follow-up questions) followed by a general synthesis.

3. Definitional, Conceptual, and Theoretical Considerations of Social Innovation

Social Innovation is a concept that attracts more and more attention from academics, politicians, international organizations. However, its definition is not unanimously accepted by these actors (Montgomery, 2016). It has multiple definitions that differ according to authors and contexts, and its contours in its relationships with concepts close to it are not clear. In theory, there are no specific approaches to Social Innovation, but there are theoretical conceptions that we can borrow from other concepts and phenomena to apply to the case of Social Innovation.

3.1. Social Innovation: Essay on Definition

3.1.1. Difficulty in Defining Social Innovation

Defining Social Innovation is not an easy task. This is due to the fact that this innovation is a relatively new, vague, and not yet stabilized concept in language. This concept is most often confused with other concepts that are close to it, such as the Social and Solidarity Economy (SSE), Social Entrepreneurship... (Montgomery, 2016). The difficulty of defining Social Innovation is also due to the diversity of definitions of the term "Social." According to Richez-Battesti et al. (2012), this term can refer to social intervention, societal development (encompassing other considerations such as environmental issues), or organizational aspects (new organizational forms such as cooperatives). More deeply, defining Social Innovation is difficult because this innovation is never neutral, but politically and socially constructed (Nicholls & Murdock, 2012): the question is how it can be built to defend or challenge neoliberal hegemony, accept or reject the technocratic governance of that hegemony, and how it can free or limit the social and political capacities of citizens (Montgomery, 2016).

3.1.2. Social Innovation: Overview and Synthesis of the Main Definitions

According to Richez-Battesti et al. (2012), Quebec authors such as Vezina and Harrisson (2006) were at the origin of the first definition of Social Innovation centered on an institutionalist vision, that is, one that emphasizes the means to transform society and the institutional and local context in which Social Innovation is developed. Furthermore, a significant number of authors (such as M.-J. Bouchard, Levesque, and Klein)

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

have enriched the directory of research on Social Innovation in Quebec, particularly at CRISES and RQIS[7]Two research centers entirely dedicated to Social Innovation, without forgetting that CRISES have developed one of the main theoretical approaches of Social Innovation, namely the institutionalist approach. It clearly shows that Quebec is a pioneer in the study of Social Innovation, especially with 70% of its Francophone population being members of a cooperative (M.-J. Bouchard & Levesque, 2010). Although in Quebec, the most famous definition of Social Innovation is the CRISES one, the commonly used definition is that of C. Bouchard (1999, p. 7): « *Toute nouvelle approche, pratique ou intervention ou encore tout nouveau produit mis au point pour améliorer une situation ou pour solutionner un problème social ou socio-économique et ayant trouvé preneur au niveau du marché, des institutions, des organisations, des communautés* » (Any new approach, practice or intervention or any new product developed to improve a situation or to solve a social or socio-economic problem and having found receivers at the market, institutional, organizational or community level).

On the other side of the Atlantic, and more precisely in France, authors such as Chambon, David, and Devevey (1982) have also made considerable efforts to understand Social Innovation. For Cloutier (2003), it even seems that it is these three authors who have contributed the most to conceptualizing Social Innovation. According to them: « *Le terme innovation sociale recouvre des pratiques qui ne sont pas forcément nouvelles, (…). Contrairement à ce qui se passe pour les innovations technologiques, elles ne collent à ces qualificatifs que par hasard et de façon secondaire. (…) les pratiques dont il s'agit se posent en contraste de pratiques existantes. (…) Nouveau signifie alors non figé, non bridé, et surtout hors normes. (…) innover n'est pas faire nouveau, mais faire autrement, proposer une alternative. Et cet autrement peut parfois être un réenracinement dans des pratiques passées*» (The term Social Innovation covers practices that are not necessarily new, (...). Unlike technological innovations, they only stick to these terms by chance and in a secondary way. (...) the practices in question are in contrast to existing practices. (...) New then means not static, not bridled, and especially out of standard. (...) To innovate is not to be new, but to do otherwise, to suggest an alternative. And this otherwise can sometimes be a re-recognition of past practices). This definition, therefore, emphasizes the innovative nature of Social Innovation, its discontinuity from usual practices, and its ability to solve problems. Still in Europe, but on the side of the Anglo-Saxons who are also very much at the forefront in terms of Social Innovation (AVISE, 2012), we find definitions that link Social Innovation mainly to the organizational aspects and SSE, as in the definition of Mulgan et al (2007) who consider that Social Innovation is «*Innovative activities and services that are motivated by the goal of meeting a social need and that are predominantly developed and diffused through organizations whose primary purposes are social*». Far from Europe now, Social Innovation in Asia seems to be booming with all the socially innovative projects that are being developed to meet the social needs of disadvantaged individuals and groups (whose numbers are obvious) and to support them in the appropriation of the resources made available to them for their empowerment. Examples include the BoP[8], markets in India (example: economic cars), Grameen Bank[9] In Bangladesh, where several NGOs[10] They are also established (including BRAC[11], known to be the largest NGO in the world)...Therefore, we retain for this context the following definition of Social Innovation, or what we call Frugal Innovation (Jugaad in Hindi) which comes from India, and which can be defined by Prabhu and Radjou (2015) as doing more with less, or the ability to find new solutions with few resources thanks to the ingenuity of people who must satisfy their needs neglected by the public and private sectors with the few resources at their disposal.

From all these definitions, we can give a synthetic definition of Social Innovation, which is as follows: Social Innovation is the use/exploitation of any good, service, idea, practice, procedure, intervention,

[7] RQIS: The Quebec Social Innovation Network.
[8] BoP: Bottom of the Pyramid
[9]: First microcredit financial institution in the world, based in Bangladesh.
[10] NGO: Non-Governmental Organization.
[11] BRAC: Bangladesh Rural Advancement Committee

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

method, process...newly developed or reinvented to address and respond to social needs and aspirations neglected by the market and/or the State for the benefit of disadvantaged individuals and groups, with the aim of solving socio-economic problems, stimulating a development dynamic at all levels, and thereby achieving global and sustainable social change. Social Innovation takes the form of several types of actions and projects developed by several categories of people and organizations.

3.2. Social Innovation in Theory

In theory, we distinguish two theoretical conceptions of Social Innovation, based mainly on the work carried out in 2013 by Besançon and Guyon of the Godin Institute (in Besançon et al. (2013)): the first, much more Anglo-Saxon, is based on results, and the second, much more European, is based on processes (Besançon & Guyon, 2013).

In the theoretical conception based on results, we have two approaches according to the nature of the actors involved: public actors (New Public Management: use of Social Innovation to modernize social public policies) and private actors (social entrepreneurship approach, focused on one hand on Social Innovation where the personal characteristics of the social entrepreneur are highlighted, and on the other hand on «earned-income» school of thought where the exercise of a market activity for a social purpose is recognized) (Besançon & Guyon, 2013).

The second theoretical conception that of processes is also composed of two approaches: social enterprise (developed by the EMES[12]), and the institutionalist approach (developed by CRISES) (Besançon & Guyon, 2013). The institutionalist approach gives us the means to go beyond the limits of the definition of Social Innovation based on the two elements relating to novelty and finality (Cloutier, 2003; Chambon et al., 1982). Other elements are, therefore, privileged: the process of Social Innovation, the collective participation of stakeholders, relative novelty, and change achieved. It thus emerges 4 basic foundations of Social Innovation, process-oriented: the territory (geographical, organizational and institutional proximity), the economic model (hybridization of resources), governance (of organizations, social relations...), and empowerment (citizen initiatives, bottom-up logic[13]…). Furthermore, this same concept does not fail (even if quite discreetly in comparison with its focus on processes) to put the emphasis on the results of Social Innovation, which designate its objectives of achieving the well-being of individuals (Besançon & Guyon, 2013).

After having reviewed the definitional, conceptual, and theoretical considerations of Social Innovation, we will focus on the following sections on its contribution to the socio-economic development of certain individuals and groups in Morocco. We will begin in the next section with an exploration of a very limited existing literature in order to draw initial conclusions about the role that Social Innovation plays in the socio-economic development of our country.

4. Role of Social Innovation in Socio-Economic Development in Morocco: First Findings from the Existing Literature

As mentioned earlier, this section will explore the existing literature on the role of Social Innovation in socio-economic development in Morocco. This would allow us to notice the very thinness of this literature and to contribute well to remedy it through our empirical investigation. Therefore, we will start by presenting the various social problems and demands that Morocco is facing for several years, and which express the need for inclusive growth to be able to respond to them. The actors of this growth are those of SSE and social entrepreneurship, i.e., the actors most concerned by Social Innovation, or that are supposed to innovate

[12]: European Network of Researchers on the Emergence of Social Enterprise
[13] Bottom-up logic: the logic characterizing the actions initiated by disadvantaged people.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

socially more than other actors. Social Innovation then must have a role in inclusive growth and socio-economic development in Morocco. We will also see that Morocco is full of original experiences of Social Innovations, some of which have existed for a very long time.

4.1. Social Problems, Citizen Demands, and Inclusive Growth needs in Morocco

4.1.1. Social Problems and Citizen Demands in Morocco

Since Mohammed VI became the King of Morocco in 1999, citizens have expected him, as «King of the poor», to take optimal charge of the social problems: poverty, vulnerability, social insecurity, lack of access to health and education services, unemployment... These problems have led to a number of young people and graduates to immigrate (legally and illegally), to form advocacy movements... 10 years later, the situation has not changed (Catusse, 2011). Social demands were then intensified, particularly in the Arab spring period of 2011. The February 20 movement also emerged in this context, without forgetting the mobilizations of Sidi Ifni (in the south of the country) in 2008. Moreover, other mobilizations continued to exist during the 2000s, in a silent or less daring way (charitable initiatives, social action associations, work stoppages by workers in factories) (Benidir, 2010). This situation has meant that the social question has been raised since the 2000s and has demanded rather inclusive growth to be able to take charge of it (Catusse, 2011).

4.1.2. Need for Inclusive Growth in Morocco

Morocco's economic growth up to 2010 has contributed to a decline in poverty rates (but not social inequalities), unemployment rates (but working conditions, especially for young adults, remain precarious), and ignorance rates (but the Moroccan education system remains very poorly ranked worldwide) (CESE, 2015). Moreover, this growth has not improved gender equality and the health sector and did not reduce disparities that exist between urban and rural areas (CESE, 2015). Faced with the limitations of the public and private sectors, the SSE is giving a new impetus to socio-economic growth (Beurion, 2016). With its cooperatives, mutual societies, associations, foundations, and other categories of socially innovative organizations, the SSE tries to include more people, companies, and territories in economic growth for the benefit of social and human development (CESE, 2015). Social entrepreneurship tries to do the same thing thanks to its actors that are among those most concerned with Social Innovation.

4.1.3. Inclusive Growth Actors: Socially Innovative Actors

The actors of inclusive growth in Morocco are those of SSE and social entrepreneurship, and because these actors are the most concerned ones by Social Innovation (or that are supposed to practice it more than other actors), as mentioned above, we deduce that there is a very strong relationship between inclusive growth and Social Innovation in Morocco: Social Innovation allows inclusive growth to be achieved.
We can look into the case of cooperatives. They are a key and major actor in the third sector (SSE, social entrepreneurship) in Morocco. For the Moroccan SSE, this is the main component in terms of economic contributions (CESE, 2015). We can take some examples of the contribution of the cooperative model to social cohesion and inclusive growth in Morocco. Public policies and programs aimed at achieving socio-economic development in Morocco are often based on the activity of cooperatives. In this way, they aim to integrate into social life certain disadvantaged categories of people (women, young people, etc.) (Azenfar, 2017). In the same vein, the INDH[14] Has had as its preferred organizational form cooperatives, to encourage poor citizens to become self-entrepreneurs to create jobs and income-generating activities. Other examples of cooperative-based policies/programs exist, such as the development of solidarity agriculture as part of the Green Morocco Plan (supporting vulnerable small farmers)(Azenfar, 2017).

[14] INDH: National Initiative for Human Development in Morocco.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
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4.2. Social Innovations « Made in Morocco »

Let's start from the beginning with the innovation, which proves that Morocco has known Social Innovation for a very long time, even before the formalization of the concept in 1970. This Social Innovation is the customary management of natural resources in the Aït Bouguemez valley[15], which is a former, socially innovative management. Access to natural resources in the valley (water, wood, pasture), land use, cultivation, livestock is organized within each Douar (community) or between communities according to agreements (Romagny, 2008). The most striking and socially innovative traditional way of managing natural resources in the Ait Bouguemez valley is the Agdal, a regulatory arsenal based on four principles: a «resource space» delimited (by simple stones), local management institutions (customary: Taqbilt[16], Jmaâa[17]), a corpus of rules of access and use (collective rules and sanctions for the exploitation of the natural resources of the Agdal), and specific beliefs and social representations (abundance of resources, closed and protected place, Moroccan religious and traditional values) (Romagny, 2008).

More recently, other Social Innovations have emerged in Morocco. We will present some of them that we can consider among the most outstanding and original Social Innovations in Morocco:

Concierge services partnership between ANAIS and BMCI

BMCI[18] Has signed a concierge services partnership agreement with ANAIS[19]. This partnership benefits BMCI employees (who work at the head office in Casablanca[20]) of concierge services (clothes washing) at reduced prices. These services are provided by the Down's syndrome and mentally disabled people of the ANAIS association, which allows them to be integrated into social and economic life.

Association Solidarité Féminine ASF (Women's Solidarity Association)

Association for the care of single mothers and their children. It works to protect them and enable mothers to live in dignity and ensure decent conditions for raising their children and guaranteeing them a good education. The ASF employs single mothers in different market activities to obtain funding for its various projects. It has a restaurant, a hammam (Arab bath), a hairdresser's salon.

Social Innovation in Education: Taysir Program

Tayssir Program is considered as a social security program, managed by the Ministry of General Affairs and Governance with the assistance of the World Bank in Morocco. It targets rural areas in particular and those targeted by the INDH. It consists of the payment of certain amounts (60, 80, or 100 Dhs[21]) per child and per month to families on the condition that they let their children go to school.

The collaboration between the INDH and Lydec: Promotion of SSE activities to increase access to water

[15]. The Ait Bouguemez valley is located in the high central Atlas of Morocco, in the province of Azilal. It has a population of 15000 inhabitants spread over 30 villages (Keita, 2004).
[16] Taqbilt: refers to the organization of social life in tribes.
[17] Jmaâa : refers to the mode of deliberation and agreement on a subject where a decision is taken at the level of a tribe or group of individuals.
[18] BMCI: Moroccan Bank for Trade and Industry (BNP PARIBAS Group).
[19] ANAIS: National Association for the Integration of People with Mental Disabilities.
[20] Casablanca: Economic capital of Morocco and its largest metropolitan city.
[21] Dhs: Dirhams, the Moroccan currency.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

Within the framework of the INDH, Lydec[22] launched the « Inmae » project in 2005 to provide Casablanca and its peripherals (even rural ones) with access to water and sanitation, in a perspective of non-marketing of water and sanitation services. This is financed by the State, local authorities, Lydec, ONEE[23].... It consists of the subsidy of water connection costs for disadvantaged households (De Miras, 2007). Thus, the initiative involved a large number of small operators in the sale, distribution, and maintenance of water connection equipment and installations, particularly those based in outlying areas. They have also been granted facilities to finance themselves through microcredit (De Miras, 2007).

4.3. The Role of Social Innovation in Socio-Economic Development in Morocco

In this paragraph, we will start with the case of the Argane cooperatives in the South of the country (a form of Social Innovation that is widespread in Morocco) to discover how they help women to improve their situation and that of their families. This type of socially innovative organizations (like other socially innovative organizations) focus much more on women, and given their weight among socially innovative organizations in general, we deduce that Social Innovation in Morocco grants a particular privilege to women, which is also the case in the «Genre, Technologie et Innovation Sociale» (gender, technology, and social innovation) project. In another domain, we will see how crowdfunding, a very original Social Innovation in Morocco, makes it possible to achieve development thanks to its support for social entrepreneurship. Finally, we will focus on the extension of Social Innovation in Morocco towards social eco-innovation and how it strengthens green entrepreneurship and environmental protection.

4.3.1. Argane Cooperatives: A Social Innovation that Links the Endemic Resource with the Ancestral Know-How of Rural Women

The Moroccan researcher Z. Charrouf has carried out several scientific research projects on the preservation and enhancement of Argane trees in Morocco since 1991. This work helped to identify the heritage resource and, above all, to enhance its value through the « AMAL » cooperative that Z. Charrouf worked to create it in 1996 in Morocco as the first Argane cooperative in our country. Z. Charrouf was then behind the creation of several other similar cooperatives (Lahmer, 2015). The Moroccan tradition in rural areas does not accept women's work, which could have hindered the project from creating cooperatives, develop women's know-how, and contribute to the preservation and enhancement of the Argane tree. The struggle was certainly hard but eventually saw the men convinced of the importance of women's work, especially when they note the good results of the other cooperatives previously created. Nurseries have been created (by cooperatives with the help of the State) to accommodate children and free cooperative mothers for work, which has even made it possible for children to go to school (Lahmer, 2015). This is a real Social Innovation (Charrouf, 2003).

4.3.2. Project « Genre, Technologie et Innovation Sociale »: Another Focus on Women

Still within the framework of the very particular interest that Social Innovation grants to women in Morocco, we will look into the case of the «Genre, Technologie et Innovation Sociale» project, which aims to empower women by equipping them with technical, technological and other skills, so that they can work, and undertake and carry out projects of social value.

The project is part of the Specific Collaboration Program between the Andalusian Agency for International Cooperation for Development and the University for the period 2015-2017. It is funded by the same agency. This agency, as well as the University of Cadiz, Abdelmalek Essaadi University (in northern Morocco), and AFEM[24] North Tangier have all contributed to the implementation of the project to provide Moroccan

[22] Lydec: A French company that operates in Morocco, the distribution of water and electricity in Casablanca and its surroundings,
[23] ONEE: National Office for Electricity and Potable Water.
[24] AFEM: Association of Women Entrepreneurs of Morocco.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

women with technological and communicational knowledge and methods enabling them to succeed in their entrepreneurial projects, make Social Innovation, achieve their empowerment and financial independence, and to contribute through this to the development of their community and the economic growth of their country (Benitez-Eyzaguirre & Iglesias-Onofrio, 2017). The project was carried out in three phases. During the first phase, the beneficiaries had courses on Social Innovation, digital culture, social intervention, collaborative economy, and were then led to transmit this knowledge to their respective communities (3rd phase). In the second phase, the students of Abdelmalek Essaadi University (i.e. all the beneficiaries), under the supervision of the project coordinators, designed training and exchange workshops for the benefit of their communities, composed of associations from northern Morocco in particular (so they had to analyze local needs...) (Benitez-Eyzaguirre & Iglesias-Onofrio, 2017).

4.3.3. In Another Area: Crowdfunding as an Engine of Socio-Economic Development

Crowdfunding, a new and very socially innovative financial activity, also exists in Morocco and can be considered, according to the available literature, as an important component of Moroccan Social Innovation, with a remarkable contribution to socio-economic development through its support to social entrepreneurs (OIM, 2017). In this sense, we can approach the survey on Crowdfunding and social entrepreneurship in Morocco (Drissi & Angade, 2017) where the researchers interviewed a number of social entrepreneurship organizations that claim not to know about social entrepreneurship support and financing programs in Morocco or cite Ashoka, INDH and MCISE[25] (for those who are aware of them). According to the interviews conducted, financing seems to be one of the major constraints faced by social entrepreneurs in Morocco, especially during the start-up period: 65% of the problems related to business creation. Nine of the organizations interviewed said they had already used Crowdfunding to finance their projects, four had just used Crowdfunding, four know Crowdfunding, but do not have enough information about it and had never used it, and three do not even know it. Donations are very dominant in Crowdfunding in Morocco to finance social entrepreneurs. To do this, these entrepreneurs use Moroccan but also French platforms (Drissi & Angade, 2017).

4.3.4. Extension of Social Innovation in Morocco towards Eco-Social Innovation:

The strengthening of green entrepreneurship and the protection of the environment are also an aspect of the development that Morocco can achieve through Social Innovation or rather the extension of it towards what we call Social Eco-Innovation. Morocco has been well engaged in this process since the 2010 Charter on the Environment and Sustainable Development and the new 2011 Constitution. Economic investment opportunities, whether green (renewable energies, agriculture...) or of traditional sectors greening (transport, industry...) are important (SCP/RAC, 2017). Some forty stakeholders in Morocco were therefore interviewed as part of a survey conducted in Morocco (SCP/RAC, 2017) to understand this ecosystem and suggest recommendations for improvement. The concept of a green entrepreneur is not well known in Morocco. According to the Switchmed[26] The program (2015) is defined as an entrepreneur who seizes economic opportunities in the market while integrating social and environmental considerations. Green entrepreneurs in Morocco create green companies and other similar types of structures that do not rely on a well-defined financing model but operate in different sectors and activities: natural resources, recycling, green tourism, solar energy... The Switchmed program supports these initiatives in Morocco. Examples of these initiatives are: a company that helps farmers produce fertilizers at their level, which also limits greenhouse gas emissions, a company that produces energy (for rural cities) and fertilizers from organic waste recycling

[25] MCISE: Moroccan Center for Innovation and Social Entrepreneurship.
[26] SwitchMed: A program on sustainable production and consumption in the Mediterranean. It targets stakeholder's capacity building in 8 countries of intervention, in particular, eco-entrepreneurs and green innovators of civil society, considered as important actors in the transition to a more sustainable economy.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

(through the employment of several unemployed people), the CIPA[27] Community initiative which experiments and promotes good agroecological practices....
Certainly, the literature on the role of Social Innovation in socio-economic development in Morocco is very limited, but it has allowed us to observe the dynamics of Social Innovation in the Moroccan context. At this stage, it is necessary to apprehend and evaluate this dynamic in greater depth through fieldwork we conducted and whose results will be presented and analyzed in the following section.

5. Results Presentation and Analysis

The data collected through interviews, documentary analysis, and follow-up questions were analyzed according to the following 4 themes: the social needs to which the associations interviewed respond through their socially innovative projects and activities, Social Innovation as a process, Social Innovation as outcomes, and the problems and challenges faced by social innovators as well as their strategies for improvement and sustainability.

5.1. Social Innovation is driven by the associations studied: New Solutions for Neglected Social Needs

Let's start at the beginning, namely, the social needs that the four associations studied meet, and that makes them created and exist until today. Admittedly, these needs have evolved over time for two associations (ITS and ASF), but the stakes remain the same. The four associations now respond to social and socio-economic needs neglected by the market and/or the State, for the benefit of certain categories of disadvantaged people. They operate in key social sectors. In education, ITS seeks to provide quality pre-school and primary education that ensures the good learning and development of students (including students with special needs), especially those from low-income families, through several innovative and thoughtful approaches that the institution develops, as well as the training it provides itself to its educators and teachers. It thus makes it possible to remedy the great setback experienced by Moroccan public schools. In the domain of care of people with special needs, ANAIS is specialized in the care of children with Down syndrome from birth to adulthood. Throughout this period, it provides them with early education, adapted primary school programs, diversified vocational training, and then integration in enterprises as workers according to their skills and abilities. In doing so, ANAIS contributes to the empowerment of people with Down's syndrome and their integration into social and economic life in our country. In the sector of protection of children, Bayti works to support children as they leave the street while providing them with a roof over their heads, good living conditions, and follow-up at all levels: medical, social, educational, psychological, and psycho-pedagogical. The objective is to save these children from precariousness and to give them a new start in life. ASF, in its hitherto taboo area in Morocco, helps rejected single mothers and their children to protect them from all forms of violence, abuse, and exploitation, and to guarantee them a stable and dignified life.
To be identified, all these social needs were diagnosed by the four associations, particularly when they (these associations) were created, but also as they went along. The four associations have adopted a participatory approach in consulting several types of actors and stakeholders in order to be able to provide the right solutions for the « right problems.» As a result, founders, employees, beneficiaries, public authorities, donors, journalists, trainees, the media, Ph.D. students are all involved. It should be noted that Bayti, when it was launched, was less engaged than the other three associations in this participatory diagnosis, given that the need was amply demonstrated, and responding to it was a great urgency. According to the president of the association « At the beginning when we saw children with abscesses, scabies, raped every night, and who have nowhere to sleep, or someone who has been smoking 25 cigarettes a day for 18 years…, clearly we must try to protect them as quickly as possible without even trying to ask them if they accept our help... ».
The four associations interviewed are well acquainted with Social Innovation and even boast of being socially innovative organizations that know how to provide original and innovative answers to society's

[27] CIPA: The crossroads of agroecological initiatives and practices.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

problems. The four respondents were all able to give a correct definition of the concept of Social Innovation and informed us about all the socially innovative actions, activities, and projects that their associations undertake. Some of these projects have attracted our attention more than others. They are as follows: 1. At ITS: the provision of pre-school education where the public sector in Morocco is just beginning to operate, the creation of a research laboratory on teaching methods, the training within the institution of specialized educators who work with small children and children with special needs, and the cancellation of the system of tests and homework in pre-school to focus on building the child's personality, 2. At ANAIS: the care of children with Down syndrome from early childhood to adulthood by offering them specialized and adapted education and teaching, training for adults in different professional activities (catering, pastry, laundry, gardening, and silkscreen printing) and their integration as employees within the association's partner companies, and the Duo Day Challenge (a concept launched for the first time in Morocco by ANAIS, it consists of spending half a day within a company by Down's syndrome adults to demonstrate their skills and try to find a job in the host company), 3. At Bayti: the reception of street children (including the children of immigrants and refugees) in the association's sites and in host families, and the creation of a host farm for street children in the city of Kenitra[28], and 4. At ASF: the offer of grants to single mothers for a period of 3 years to support themselves and their children, the creation of a nursery to keep children while single mothers work, the creation of several economic activities (restaurant, hammam, beauty center) to help single mothers to work and generate income for the association, and the creation of an internal health insurance for single mothers and their children (funded by donations).

This success would not have happened if the interviewed associations did not have one or more competitive advantages that distinguish them from other organizations in the private and public sectors (or even the third sector) operating in their same fields. First of all, they have common competitive advantages: they are among the first associations created in Morocco in their respective fields and the first to address the needs and issues detailed in the first paragraph, they are well-known associations and have a good reputation, and they were among the first associations to professionalize their employees' jobs and pay them (Bayti was the first association in Morocco to pay its employees). Secondly, each can be distinguished by a competitive advantage related only to it: 1. for ITS: its experience of more than 60 years of existence, 2. for ANAIS: support for people with Down syndrome from early childhood to adulthood, 3. for Bayti: the number and quality of partnerships established at national and international level, and 4. for ASF: the large-scale media coverage of what the association does, in particular through TV programs and reports with the very famous Aicha ECHCHENNA, its founder (example: television programs on satellite channels).

5.2. Social Innovation as a Process

The innovation made by all the four associations is a Social Innovation since it aims to respond to social needs not covered by the State and/or the market for the benefit of certain vulnerable categories of individuals. It occupies a central place in the philosophy, functioning, and activities of the four associations.

To communicate on their socially innovative activities, the associations interviewed all use basic and usual means (website, Facebook and other social networks, videos on YouTube, flyers/ leaflets and other documents produced by them, organization and participation in various types of events in Morocco and abroad, such as seminars/conferences, study days, institutional events, gala evenings, receptions to welcome foreign visitors, etc.). In addition to these tools, the associations use other more specific means in their communications, which is particularly the case for ANAIS and ASF. ANAIS publishes annually its review, where it describes all its projects, services, and achievements done during each year. For ASF, communication is more important. According to the director, « The downside for us is communication, because historically we are a structure that should not communicate, we were discreet, it was word of mouth that was used, even people who came to eat at the association's restaurant had to appreciate what we do, if not, risked insulting the single mothers ». ASF then innovated in terms of communication with the media

[28] Kenitra: a city located north of the capital Rabat.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

because there had been several testimonies made by its beneficiaries (reports/ films shot as part of 4 TV programs recorded in Qatar and Lebanon where women went with their children to testify). Moreover, the association has written two books that have been very successful. The associations studied, therefore, ensure good communication on what they do, with the exception of ITS, which explains this by the fact that it does not have an employee in charge of communication (unlike the other three associations) and that it cannot have one at the moment given budget problems.

The associations interviewed all deploy different types of resources to operate and make Social Innovation: human, financial, and material resources. Let's start with human resources. The four associations have employees and volunteers without exception. The number of their employees is significant: 25 full-time employees for ASF (about 30 if we include external service providers), 41 for Bayti, 50 for ITS (permanent and temporary employees), and 72 for ANAIS (in addition to 20 temporary employees). Thus, the four associations also create indirect employment, and their employees are all declared and insured in accordance with the regulatory provisions in force of the Moroccan Labour Code. They are also fulfilled, well engaged, and managed in their development plans. According to Bayti's founder, « We were the first association to declare its staff, to fight to introduce evaluation, our employees are unionized, declared, insured, with a career plan and an evaluation. For me, this is essential in order to empower someone in charge of supporting children ». However, several problems were revealed during the interviews concerning the employees: difficulty in finding people trained in skilled professions to support the beneficiaries of the four associations (social workers, specialized educators, paramedical staff...), understaffing, and high payroll. For volunteers, the four associations have permanent volunteers (employees, committee members, etc.) and others who are mobilized on an occasional basis for various events (where their number can go up to 50 people per event for ITS). Despite the commitment of these people, all respondents argue that we are suffering from a volunteer crisis in Morocco: lack of volunteers, weakening of the culture of solidarity, and a tendency towards forced individualism. Thus, the director of ASF points out the problem of volunteer orientation: «…even when we receive volunteers we try to direct them to the right activities to be effective, because they always want to do the same things (such as playing with children, or asking to do tasks being performed by other people...) ».

For financial resources, we can divide the four associations into two groups according to whether they are financially autonomous or not, based on their business models. The first group, of financially autonomous associations, is composed of ITS, ANAIS and ASF whose functioning is based on the exercise of commercial activities for the benefit of their social missions, and the second group, composed of the sole association Bayti, does not carry out any economic activity to generate income, so the association is not financially independent. The market activities of the associations in the first group are as follows: the children's education and educator training services offered by ITS, ANAIS' services to care for children with Down's syndrome, and the economic projects (restaurant, hammam and beauty center) of ASF. These are paid services, but quite often with symbolic prices (for example, the annual cost of schooling for children at ITS is 2500 Dhs ≈ 250 Euros), reduced prices (for example, at ANAIS, 70% of families are low-income and therefore do not pay the full amount of fees) or even 0 Dhs (for example, 20 students are exempt from payment at ITS). However, these are services that allow the three associations to have an input of money that will be reinvested in the development of their projects, without there being any conflicting relationship between economic and social objectives. According to the director of ASF, « We are always trying to refocus everything we do on the social mission of the association, so we can say that there is no conflict, and there is no mix, that is, everything that comes in is used for the care of women, the financing of their grants and food... ». In addition to paid services, the three associations use the following sources of funding (also used by Bayti as its unique sources of funding): donations (in cash and in-kind), sponsorship, the organization of gala evenings, public subsidies (except for ITS), and donations from individuals. For ITS, it also relies on the generosity of its staff and has already benefited from a leasing loan from a Moroccan financial institution.

For material resources, the four associations have very varied needs (equipment, computer equipment, office supplies, fitting out of premises) that they try to satisfy through several means, including donations and assistance from partner companies. According to the General Director of ITS, « Our material needs are financed by the institution or met by partner companies (office supplies delivered by a private company,

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

sports equipment, and an interactive board provided and installed following two versions of the «Dir Iddik»[29] The initiative of Inwi, the development of an exhibition room and a computer room by two other companies) ».

In addition to all these resources, the four associations, in order to carry out their Social Innovation projects, claim to involve several types of actors (other than employees and volunteers) and to join national and international networks. The main actors involved by the four associations are private companies, public authorities, other associations, NGOs, and foreign donors (for ASF). The order of importance of these actors differs according to each of the associations studied. For example, for ITS and ANAIS, private companies are the most important actors, while for ASF, it is rather foreign donors and the State. For networks, Bayti is the most active in this area. It was even behind the creation of several networks that mobilize young people and associations in Morocco to coordinate their efforts to address problematic issues that have a relationship with the child. Only one association out of 4 (ITS) considers that its integration into networks helps it to disseminate its Social Innovations. The General Director of ITS explains that « This helps us to spread our Social Innovations to the extent that when we find job opportunities for our educator-training students in various schools and educational institutions, we indirectly influence the teaching and educational practices of these institutions.» For ANAIS, inclusion in networks is not useful for the dissemination of Social Innovation, but only for advocacy, while Bayti and ASF do not have an opinion on this issue.

5.3. Social Innovation as Outcomes

Our 4 respondents gave us several definitions of what social utility is, but which all agree on the same meaning of this concept: to put several activities and projects at the service of creating social value for certain individuals and groups whose needs are not met by the market and/or the State (Gadrey, 2004). The four associations studied all measure, without exception, the impact (social, economic...) of their socially innovative projects and activities, and even consider that measuring this impact is essential because it informs them, among other things, about what they have achieved and what they still have to achieve. However, the four associations have not been able to develop a precise and scientific model for measuring their social impact. ANAIS brought in a great foreign research doctor to assist it in this delicate mission, but without giving remarkable results. Measuring social impact is difficult because there are not yet simple models to do so, without forgetting that it has a cost because it requires specific skills, as explained by the director of ASF. She told us: « We do not have a specific model that we apply to measure our social impact. If we were in France, for example, we could have done it with the help of ESSEC[30] Or another way (they would have taken it as a case study) ».

Under these conditions, the four associations use certain means to measure their social impact, such as feedback from beneficiaries, internal statistics... Whatever the means, what impact (social, economic...) do the Social Innovations of the four associations have on the individuals/groups they target? For ITS, these impacts are: the social integration of children through education and teaching, training and improving the skills of special educators, preventing children from becoming victims of school (according to the director's experience in social work, a significant proportion of street children were victims of school), and the success of children's school careers after the ITS. For ANAIS, the real impact is to see children with Trisomy 21 able to learn and integrate into social and economic life like any other person with no specific needs. For Bayti, the founder states that: «...we clearly have an impact on the children because we follow their progress, we started with 5-years-old children, now they are 30 years old, 35 years old, and when I see the number of young boys and girls who became autonomous and who always keep in touch with me, it makes me very happy, they have become journalists, mothers of children, nurses, teachers... ». And for ASF, the impact is to see single mothers taken care of, protected, trained, accompanied, reconciled with their families, integrated into economic life (but especially not as domestic workers because it is clear that there is no protection for them)... which allows them to guarantee good living conditions and good education for their children.

[29] A socially responsible initiative of the Moroccan telecommunications company Inwi.
[30] ESSEC: French business school.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

Several success stories testify to this impact. We mention one of them (for the case of Bayti) that attracted our attention: the founder of the association testifies: « …when you have a young man who receives 4 times my salary, and who runs the stud farm of an Emir in Oman, because we started from what he loves, and that's Social Innovation, he loved horses, and so I tried thanks to my relational skills to put him in the stud farm of Dar Es Salam[31] And gradually he became what he is now ».
In terms of figures, the number of direct beneficiaries of the four associations is significant. At ITS, it has increased from 395 in 2016 to 500 students in 2019 (preschool and primary classes). Each year, 60 students finish their studies at the institution, and 100 others join it. For ANAIS, it currently takes care of 290 people, including about 100 young children, 70 in primary education, and the rest in vocational training in the association's various workshops to prepare them for integration into economic life as employees in companies. For Bayti, it has 125 children on the Kenitra farm, 150 in the association's reception structure and apartments in Casablanca, and another hundred children in the Essaouira[32] The site and among the host families. At ASF, about 20 single mothers are cared for with their children, and 500 other women are followed up and counseled by the association's external listening center. ASF had transformed this center into a listening center specializing in the problems of single mothers in Morocco, which was a first, given that most listening centers for women in Morocco are generalists, so this is also a Social Innovation.
Thanks to this impact (social, economic...) on their beneficiaries, the four associations studied to create a close relationship with their territories to stimulate a dynamic of socio-economic development in order to bring about a change in society. However, they do not all have the same relationship to the territory. ITS and ANAIS are mainly aimed at the inhabitants of Casablanca and its surroundings. For ASF, it is aimed at single mothers who come from all over Morocco but who have to settle in Casablanca or its surroundings in order not to be far from the association. Finally, for Bayti, it can also address street children from all over Morocco but takes care of them at its various sites in Casablanca, Kenitra, and Essaouira. That said, ASF and Bayti have a broader relationship with their territories than the other two associations (ITS and ANAIS).

5.4. Problems Encountered, Evaluation, and Strategies for Improvement and Sustainability

Making Social Innovation is not an easy task in Morocco. There are several internal and external problems and challenges facing social innovators, and which can sometimes hinder their dynamics and block some of their projects. According to our field investigation, five problems arise most. Each of them is met by 3 out of 4 associations. These problems are insufficient financial resources, difficulty in finding collaborators and employees with specific skills, problems of the regulatory and legal frameworks, lack of awareness about the causes defended by the associations concerned, and a great lack of university training and scientific research in the fields of the associations concerned. Then we have another group of 4 problems, each one met by 2 out of 4 associations: understaffing, lack of external communication, lack of public efforts, and non-implementation of public discourses. Finally, a third group contains the problems that each of them arise for 1 out of 4 associations. There are seven of them: partners' preference for investment in activities and equipment directly related to the beneficiaries (to the detriment of other activities and projects), internal communication problems, the deterioration of social cohesion in Morocco, the lack of community participation, the high volume of payroll, the cultural and religious context in Morocco, and the tax framework not favorable to the commercial activities of associations. The four associations interviewed all confirmed that these problems have already blocked at least 1 of their socially innovative projects. According to the General Director of ITS, «An educational project has been developed by our institution, that consists of abolishing examinations and tests until the age of nine, but unfortunately, it has been deemed impractical due to the lack of support from the State and the institutions involved in education/teaching in Morocco».
The four associations studied decided not to remain passive in front of all these problems. They all carry out a continuous evaluation and adopt several strategies to improve the quality of their services and ensure their

[31] Large stud farm in Morocco, in the capital (Rabat).
[32] Essaouira: city in the south of Morocco.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

sustainability. In terms of evaluation, several actors are involved: founders, employees, partner companies, donors, public authorities, journalists, the media, researchers, trainees... and the most interesting and socially innovative thing is the involvement of the beneficiaries. The four associations involve all their beneficiaries in carrying out their evaluation in a very innovative way. According to the director of ITS, «The participatory approach of ITS is materialized by the fact that it consults its students (with innovative methods, such as using playful means: ask the student what he would like to change in his school if he becomes his director, but never ask him questions like what you don't like about your teacher or in this program...? especially since we do not yet have in Morocco this culture of admitting what bothers us about our teacher) ».

With regard to improving the quality of their services and guaranteeing their sustainability, the four associations adopt different means. For ITS, it is launching a project to train its teachers who work with primary school students, in order to improve the quality of teaching. It also ensures that innovation is present everywhere and all the time, and tries to preserve the institution's heritage across generations. According to the General Director, « The most important performance indicator for ITS is this legacy of the institution over generations with the increasing demand for the institution's program even by students with special needs.» For ANAIS, three elements are mentioned: ensuring that the association's capacity is not exceeded in order not to affect the quality of its services, improving the association's reputation in order to facilitate the search for new partners, and the digitalization project that the association has just launched to optimize its internal management. ASF, for its part, is trying to ensure its sustainability through a rate of loss of its beneficiaries that it is trying to maintain at a maximum of 10%. It also addresses the issue of capacity as ANAIS and the recognition and strengthening of its status as an organization for social entrepreneurship. Finally, for Bayti, it is a question of holding a continuous evaluation and involving children in the management and decision-making within the association.

5.5. Overall Synthesis

According to the latest OXFAM report, Morocco has the highest level of inequality in North Africa (OXFAM, 2019). The following very strong testimony from the founder and previous president of Bayti sheds light in the same direction on the situation of social cohesion in Morocco, which has become very critical: « *We are really going backwards, in education we are very badly ranked, in health the situation is alarming, we are in incivility and insecurity more and more, we are more and more in forced individualism, we are more and more in violence, radicalism, extremism.... so I am very touched when children and young people tell me that they have only 3 solutions: death, prison or delinquency…* ». Under these conditions, Morocco relies heavily on the efforts of its citizens, on the commitment and ingenuity of civil society, that undertake various projects in different organizations in order to find new and innovative ways to meet all the needs that do not "attract" attention of the public and private sectors: Morocco relies on its social innovators.

As the success of Social Innovation in a country does not necessarily depend on its level of development, it is necessary to take into account 2 elements to be able to know what is the role that Social Innovation plays in socio-economic development in Morocco: 1. the contribution of Social Innovation to the satisfaction of social needs not covered by the market and/or the State, which may or may not confirm the existence of Social Innovation in Morocco, and 2. the internal and external environment of Social Innovation in Morocco, or in other words, under what conditions do our social innovators fit into the development dynamic?

Let's start with the first element. The contribution of Social Innovation in Morocco is important. If we take only the case of the four associations studied, the total combined number of their beneficiaries is about several hundred each year, and the impact (social, economic...) they have on them is positive. Admittedly, assessing the contribution of Social Innovation to socio-economic development in Morocco is not the summation of the different social values created by socially innovative organizations (Zappala & Lyons, 2009), but it can nevertheless give us a very clear idea of this contribution. It should be noted that this contribution is also assessed in terms of the change that social innovators are leading in Morocco. If we return to the cases studied, the most illustrative example would be that of ASF, which dared to tackle a major

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
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taboo topic in Morocco, that of single mothers. Thanks to its activism, it was able to change, perhaps not the mentality of the whole people, but at least the behavior of several individuals. The topic is now openly discussed in Moroccan society, and several things have changed in favor of single mothers, particularly in the laws. However, measuring the social impact in Morocco remains a difficult and delicate task, and socially innovative organizations are unable to develop their own measurement models, which is particularly the case for the four associations studied, without exception.

Let's move now on to the second element. The organizations that make Social Innovation in Morocco are well aware of this concept and place it at the heart of their concerns. The proof is that all respondents were able to define the concept, and the activities (current and future) undertaken by their associations are very socially innovative because the 4 associations studied all respect a certain number of conditions: defending a cause and believing strongly in it, advocating for a change in society, bringing together several types of actors around a specific objective, and involving beneficiaries in the expression of their needs and decision-making. To ensure their functioning, socially innovative organizations in Morocco also need employees (who are very difficult to find, especially when it comes to specific skills), volunteers (although we do not have a real culture of volunteering in Morocco), financial resources (this is a real challenge for Social Innovation in Morocco, particularly the very limited access to bank financing by certain types of organizations that do Social Innovation such as associations and organizations in the third sector) and various material resources. Still in the functioning of socially innovative organizations, they can be divided into 2 groups: financially autonomous organizations (thanks to their market activities undertaken to serve their social mission) and those that are not (and which therefore depend on donations, public subsidies, aid from private partner companies, and other sources of financing). Thus, the socially innovative organizations in Morocco involve a wide variety of actors in the implementation of their Social Innovation projects, with a minimal role for the State in most cases, as shown by our empirical survey.

As we do not live in a perfect world, social innovators in Morocco, as in any country, face several problems, the most important of which are in the case of our country (according to our field investigation): insufficient financial resources, difficulty in finding collaborators and employees with specific skills, problems of the regulatory and legal framework, lack of awareness about the causes defended by our social innovators, and the great lack in university training and scientific research in the fields where operate the socially innovative organizations. Admittedly, this blocks social innovators in Morocco in several of their projects, which weakens the contribution of Social Innovation to development in Morocco, but the organizations concerned are trying to counter this by different means in order to improve the quality of their services and guarantee their sustainability: staff training, strengthening the image and reputation of the organization, not exceeding the organization's capacity to accommodate people so as not to affect the quality of its services, holding a continuous evaluation, involving beneficiaries in the management of the organization and the expression of their needs and aspirations.

Social Innovation, therefore, has a real contribution to socio-economic development in Morocco. Its contribution to meeting social needs not covered by the market and/or the State, the challenges it faces, as well as its impact on its target individuals and on society as a whole, is very important. However, the environment in which social innovators operate in Morocco can hinder their projects and actions because of several problems, which requires a lot of improvement efforts. Certainly, we can be pessimistic on this point, given all the problems Morocco is currently experiencing as well as the impression of going backward that we have, but Social Innovation exists in Morocco and remains a means carrying a ray of hope! The proof is that some Social Innovations that were once timid are now widely adopted, disseminated, and even institutionalized by the State. We mention some of them: the idea of welcoming street children into families comes from Bayti, and the development today of company nurseries to keep children in place next to their working mothers is inspired by what ASF does for the children of single mothers.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 73-92
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

6. Conclusion

This paper was an opportunity to review Social Innovation, a concept that is currently in vogue but not well known. Thus, we have sought, through literature, and through fieldwork, to know the role that Social Innovation plays in socio-economic development in Morocco. As the existing literature on this topic is very limited, we have included our empirical investigation in a perspective of contributing to the remediation of this scarcity. Our work would contribute to the enrichment of the repertoire of research on Social Innovation in the Moroccan context and will undoubtedly serve the various scientific and professional communities interested in this field in Morocco.

We, therefore, began with a presentation of the methodology used for the fieldwork. In the second section we presented various definitional, conceptual and theoretical considerations of Social Innovation, and then drew in the third section initial observations on the role of Social Innovation in socio-economic development in Morocco based on the existing literature, before moving (in the last section) on to the presentation and analysis of the empirical results. The strength of our fieldwork is the methodological triangulation adopted in data collection: in-depth semi-structured interviews, a documentary analysis, and post-interview follow-up questions. For the data analysis, it was done in the form of a thematic analysis followed by a global synthesis.

However, like any academic research work, our survey has some weaknesses that we are required to mention: the relatively small size of the sample, the absence of a quantitative approach (very important especially for the evaluation of the contribution of Social Innovation in terms of addressing social needs not met by the market and/or the State), and the absence of direct observation (very useful to compare the statements of the interviewees with what is actually happening, especially when we want to understand complex socio-economic dynamics, such as those of Social Innovation).

Addressing these few weaknesses would be one of the objectives of the work of our Ph.D. thesis, which we are preparing on the same topic of this paper. In this Ph.D. thesis, we will carry out two empirical surveys: the first, quantitative, would be carried out on a large sample of associations and cooperatives in Morocco. The second, qualitative, would be based on a smaller sample of associations and cooperatives known for their real contribution to Social Innovation. The objective of the first survey would be to assess the contribution of Social Innovation in Morocco to answer the question of whether we can talk about Social Innovation in Morocco or not, and the second survey would aim at understanding the dynamics of the internal and external environment in which social innovators operate in Morocco.

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Manuscript received: 05.10.2019

Manuscript received in revised form: 26.10.2019

Manuscript accepted: 28.10.2019

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 93-103
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

Social Economy Enterprise Type Honeycomb Network, Motor of Economic Growth in Local Romanian Communities

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Abstract. *In this work, I will present a new model of organization for enterprises in the social economy at the level of local communities. The main purpose of the research was to find an answer to a simple question, which became the research question: "humans are the only beings able to manage their socio-economic life efficiently, or does nature offer us better alternatives to the human model of management"? Looking around to the natural living systems for an answer to the question, I found some seemingly tiny creatures characterized by great solidarity. The behavior's rules of these creatures, strictly respected, appeared to be similar to the values promoted, in the human society by the social economy: solidarity, responsibility, communion of interests, autonomous management etc., reason for I was tempted to use their behavior as model for a new concept of social economy enterprises management. The main working assumption of the scientific research, validated in the past published work-papers, was focused on a series of issues concerning the lack of knowledge of social economy and its representative organizations in Romania, as well as the major "gaps" regarding the approach of organizing social economy enterprises at the level of local Romanian communities. This context has facilitated to prefigure a new conceptual model of social economy enterprises, adapted to local Romanian communities but not necessarily limited to this geographical area: social economy enterprise, type honeycomb network. This original and innovative model describes a socio-economic organization as a network of individuals and relationships that follows the pattern of the fractal organization of nature at all levels. The working methodology consists of a content analysis of the scientific literature and social network analysis tool Ucinet6 and VisuaLyzer 2.2.*

Keywords: collaborative community; collaborative economy; exploratory analysis, honeycomb network, social innovation.

JEL Codes: L26, L31, O35, Q01

1. Introduction

This scientific approach was initiated with the aim to design a flexible socio-economic structure, adapted to the needs of the Romanian local communities, started from the premise that in a civilized society it is imperative to find a viable social economy sector, well-defined and actively involved in the community life. Known as "*the third sector*", "*solidarity economy*", or "*non-profit sector*", social economy has developed to meet some specific local, social, economic or environmental needs that are not covered by other economic sectors or, sometimes, are not included in the local authorities' agenda.

Social economy enterprises, as representativeness entities of the sector are characterized by a set of common values, recognized in all cultures, such as: priority for human and social objectives, respecting the principle of solidarity and responsibility, communion between the interests of members and the general interest of community, open and voluntary adhesion, autonomous management, democratic control exercised by members. Simultaneously, social economy enterprises are recognized as having a role to play in supporting the goals set by the government or local policies and also helping to increase the labour

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ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 93-103
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

productivity and product competitiveness by encouraging community members to solve the local issues or by offering new ways of supply of the products and services.

According to the European view, social economy enterprises are economic operators in the social economy sector, whose objective is to have a predominantly social impact. To achieve this objective, social economy enterprises operate on the market as economic agents by supplying goods and services and use their profit to achieve the social objectives assumed towards the members of the community in which they operate. To achieve its mission for the local community, the management of social economy enterprises is open and responsible, involving almost equally, employees, clients, and stakeholders in the decision. Also, in European Commission view, social economy enterprises are entities that cover the following three main categories of business:

a) Those enterprises for which the social objective of the common good is the reason for their commercial activity, often with a high level of social innovation;

b) Those enterprises whose profits are mainly reinvested in social activities to achieve their social objective;

c) Those enterprises using democratic or participatory principles, or focusing on social justice, where the method of organization (or the ownership system) reflects the enterprise's mission.

The oldest form of social economy organization, legally recognized, was cooperatives. Nowadays, besides cooperatives, in the social economy sector, we also can find new organizations, as non-profit organizations, mutual aid houses, SMEs, insurance companies, banks, or more recently, social enterprises and social inclusion enterprises.

In the recent decade, we are going through a period characterized by rapid and frequent transformations and changes. Therefore, we may see paradigm shifts in all areas considered conventional: the expansion of business in areas belonging to the social sector, privatization of public services, the proliferation of business initiatives in the non-profit area. In this perspective, social economy enterprises are challenged to obtain financial results able to confer them trust capital and respect in the community that will facilitate their achievement of the assumed mission. Thereby, it gradually creates the framework through which social economy enterprises are starting to engage in local economic strategies, sometimes in a public-private partnership.

In my vision, there are at least four key questions, and also challenges, for social economy enterprises:

1. How to fulfil social economy enterprises their social mission in the absence of economic activities generating profit?

2. What kinds of benefits for the community generate the social economy enterprises?

3. What kind of values will generate social economy enterprises?

4. What is the added value in the benefit of the local community by social economy enterprises?

Last but not the least, social economy enterprises have the capacity to achieve lucrative networks in local communities, based on acquiring of common values, solidarity, co-operation and complementarities of economic exchanges. These networks, based on trust relationships established between people, will become in time the germs of social capital at the community level.

The social economy enterprise, as a pattern of economic organization, has particularly attracted my attention in the past period. Thus, I came to consider this economic entity of private law, belonging to civil society, as a vector of progress in local communities (especially in contemporary Romanian ones) and as a facilitator of the consolidation of collaborative communities (Nicolae, 2017, p.121).

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 93-103
URL: http://www.reaser.eu
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2. Literature Review

Although the social economy has deep roots in history at the level of application, theoretical and methodological approaches to the field of study are in its infancy. In the work-papers studied is highlight that, at conceptual and doctrinal level, social economy is defined by a variety of terms and expressions, as: "third sector", "the third way" "non-profit sector" or "solidarity economy", each of these terms being used in close connection with the purpose and theme of the work, or with the affiliation of the authors to a particular trend of thought. Thus, I have found definitions of the social economy as follow: "the term used to indicate those activities where the resources are directed to a social purpose and to the community in which they are implemented" (Alexandru et al, 2010, p.17), but also attempts to define this economic field which, without exactly express what social economy is, expose the purposes for which this sector develops: "has developed in need to find new innovative solutions for social, economic or environmental issues, and to satisfy the needs of community members that are ignored or insufficiently covered by the public or private sector".

On the other hand, prestigious international institutions such as the International Centre for Research and Information on the Public, Social and Cooperative Economy (CIRIEC) define social economy by direct reference to the organizational features of the representative enterprises. This definition is also reflected in the regular reports on the progress of the social economy in the European Union. Thereby, according to CIRIEC Report 2012 social economy is "*the set of private, formally-organised enterprises, with autonomy of decision and freedom of membership, created to meet their members' needs through the market by producing goods and providing services, insurance and finance, where decision-making and any distribution of profits or surpluses among the members are not directly linked to the capital or fees contributed by each member, each of whom has one vote, or at all events take place through democratic and participative decision-making processes. The social economy also includes private, formally-organized organizations with an autonomy of decision and freedom of membership that produce non-market services for households and whose surpluses, if any, cannot be appropriated by the economic agents that create, control or finance them".*

Since I have not identified a common core for defining the social economy at the theoretical and conceptual level, I have performed an integrative analysis of the scientific literature in order to identify the current state of the research, the existing gaps or possible contradictions of terms used in defining the concept of social economy and also the representative organizations. The procedure adopted for revising the scientific literature followed the recommendations suggested by Tranfield and collaborators and assumed the following steps: a) specification of search criteria and selection of databases; b) setting the time interval; c) method of analysis and mapping of the intellectual structure of research (Tranfield et al., 2003).

a) The search strategy for documentary research has supposed access to Scopus and Web of Science databases and, finally, I have selected only the relevant works, indexed ISI (Table 1);

Table 1: Selection criteria for indexed works in Scopus and Web of Science databases

Results: 199 - (from Web of Science Core Collection) *You searched for TOPIC: ("**social economy**") TOPIC: ("**social economy**")* *Refined by: WEB OF SCIENCE CATEGORIES: (MANAGEMENT)* *Timespan: All years. Indexes: SCI-EXPANDED, SSCI, A&HCI, CPCI-S, CPCI-SSH, BKCI-S, BKCI-SSH, ESCI, CCR-EXPANDED, IC.*
Results: 77 - (from Web of Science Core Collection) *You searched for: TOPIC: ("**social enterprise**") TOPIC: ("**social enterprise**")* *Refined by: WEB OF SCIENCE CATEGORIES: (MANAGEMENT)* *Timespan: All years. Indexes: SSCI.*
Scopus refine results values - Scopus-1684-Analyze-Subject

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 93-103
URL: http://www.reaser.eu
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*Your query: (TITLE-ABS-KEY("**social economy**"))*
Number of results: 1684
Source Title (Medline-sourced journals are indicated in green) Titles indicated in bold red do not meet the Scopus quality criteria anymore, and therefore Scopus discontinued the forward capturing = 1528 publications in Economics, Bussines, Management

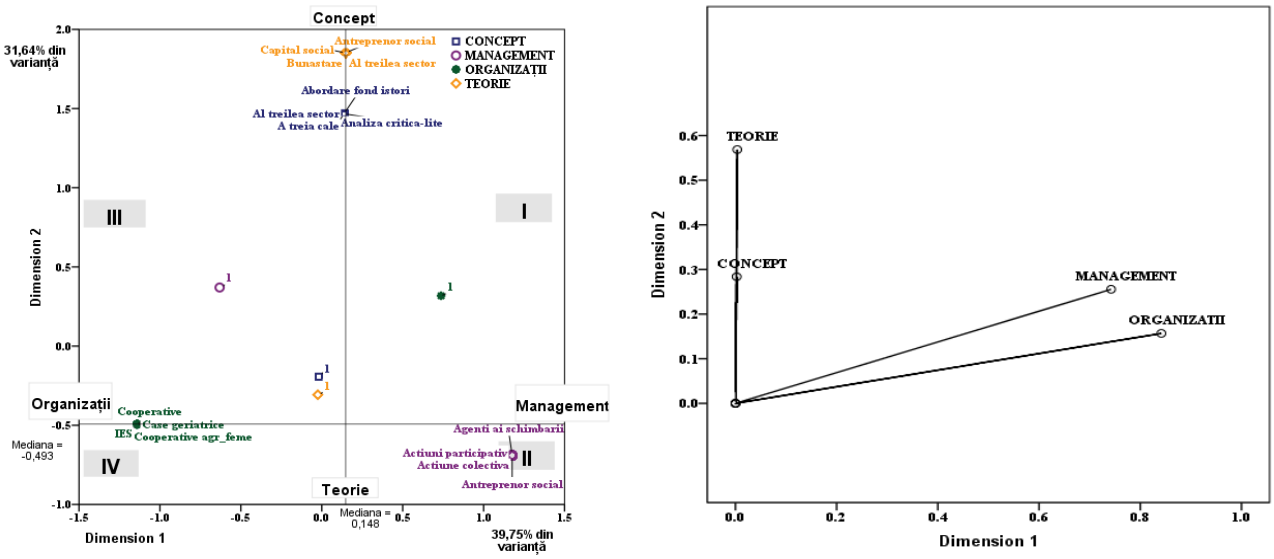
(Source: Documentary research achieved by the author)

b) Of the approximately 2,000 articles resulting from the interrogation of the two databases indexed ISI - Clarivate Analytics and Scopus - and after I removed the items that no longer met the quality criteria imposed by Scopus, articles that were indexed in both databases and articles that did not have a minimum number of relevant information for the study, I have obtained a database of 230 papers published between 1998-2017, out of which 172 papers were published recently, between 2012-2018;

c) In order to perform the integrative analysis and mapping the intellectual structure of the research, I have selected the method of multiple correspondence analysis (MCA) on the content of the selected works, as it allowed me to explore the association between the categories of qualitative variables (Costa, Santos, et al., 2013). The results obtained from the data processing highlight the significant gaps in the scientific literature, both in terms of social economy approaches and the approaches on social economy enterprises, as we shall see below in Figure 1.

The association between variables is given by the magnitude of the distance between the vectors for both analysed dimensions. Thus, the variable conceptual approaches are associated with various theoretical approaches. The association of the two categories of variables allowed me to note the vertical axis as the Concept-Theory axis. Also, the management variable is associated with organizations variable. Due to the combination of the two variables, I have noted the horizontal axis as the Organizations-Management axis.

The small number of scientific works identified, as well as their location in the four quadrants of the chart in Figure 1 a), highlights that there are serious gaps in the conceptual approach of social economy and also so many open directions for future research (González- Loureiro, 2016, p. 65).



a) Mapping selected works b) Size of vectors (Discrimination measure)

Figure 1. Multiple correspondence analyses of the works.

Source: Data analysis in the SPSS application, by the author.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 93-103
URL: http://www.reaser.eu
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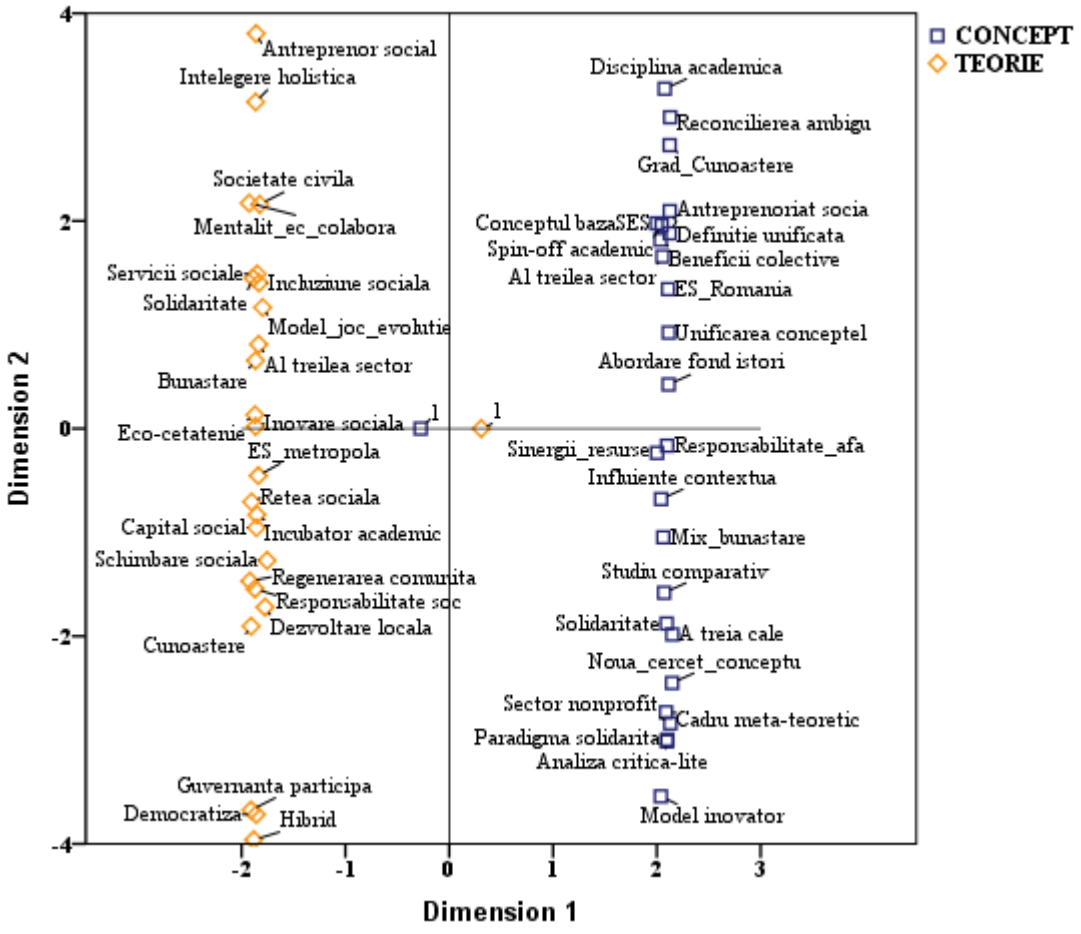
Defining the concept that describes the social economy as universally acknowledged, academic science falls into the category of "hot" subjects but with relevant gaps to qualitative studies. There are a number of themes that capture attention and at the same time, open new directions of research from spheres such as:

- The approach of the historical background of the social economy,
- The social economy approach as the third economic sector,
- The social entrepreneurship,
- The collective benefits,
- The unified definition of social economy,
- Is the social economy an academic discipline?
- The social economy in Romania,
- The degree of knowledge of social economy,
- The reconciliation of the ambiguities and the unification of the social economy concepts.

As we may see in Figure 2, regarding the current approaches on the social economy enterprises, the analysis of the results led me to the following conclusions: the current approaches to social economy enterprises are at the beginning; there is a significant gap in the scientific literature in terms of approaches to social economy enterprises.



a) Distribution of variables Concept and Theory

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 93-103
URL: http://www.reaser.eu
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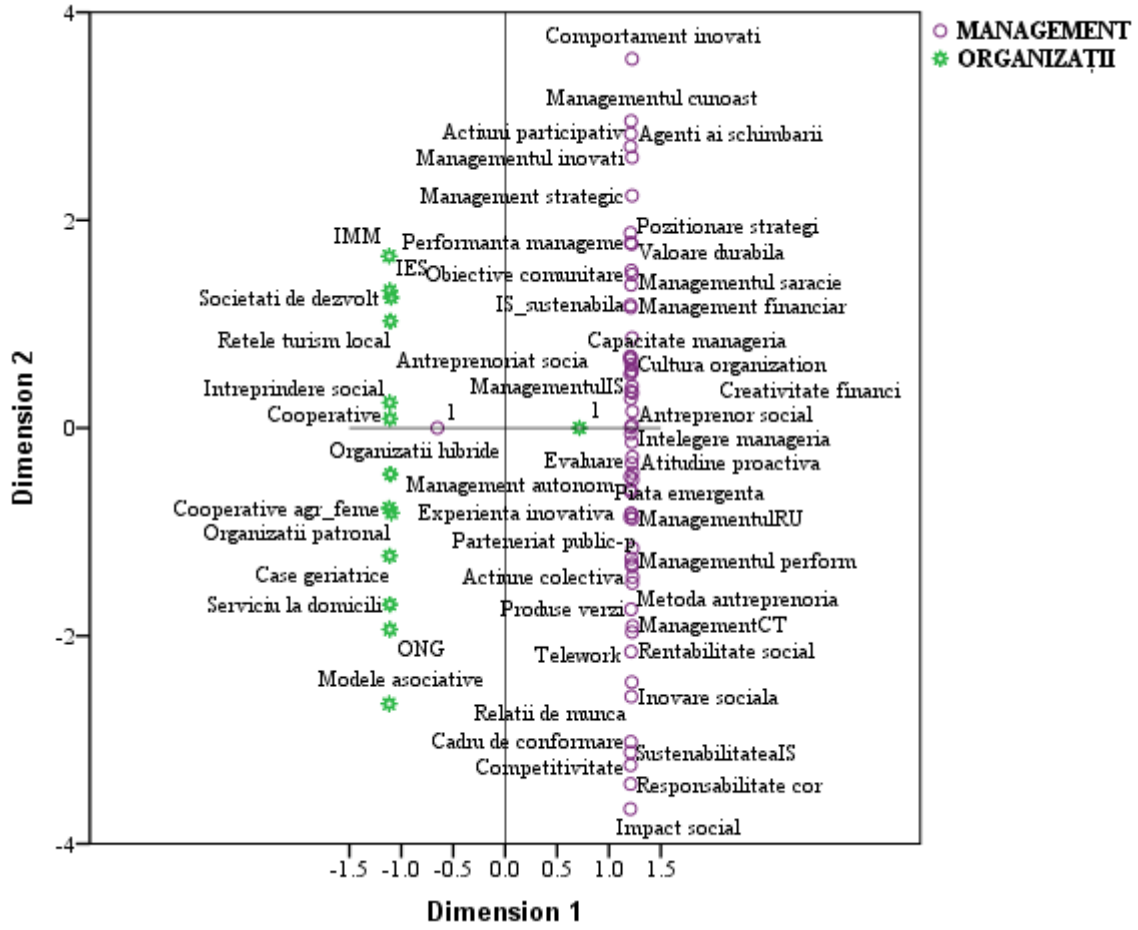

b) Distribution of variables Organizations and Management

Figure 2. Analysis of multiple correspondences related to the current state of scientific literature.
Source: Data analysis in the SPSS application, by the author.

As far as the management of social economy enterprises is concerned, I have identified a very small number of works. Between these, only a few approach topical issues in management. Thus, the attention of the researchers is focused on the following topics: social entrepreneurship (13 papers), performance management, TIC management, social enterprise management and social value (3 papers), financial management, strategic orientation, and social responsibility (2 papers). Only a few approaches are related to participatory actions, agents of change, innovative behavior, knowledge management, and innovative management, for which was identified only one work-paper.

Two **major conclusions** were highlighted after the integrative analysis of scientific literature:

1) Current approaches about social economy enterprises are in their infancy stage;

2) Management of social economy enterprises is characterized trough a significant gap in the scientific literature.

These conclusions allowed me to understand at the same time that it is a very generous space for innovation in the area of organizing social economy enterprises at the level of local communities. For this reason, I will propose in the next pages a new model of social economy enterprise adapted to local communities.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 93-103
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

3. Research Elaborations

The main objective of this work-paper consists of elaborate and presenting a new conceptual model of a social economy enterprise, a network of people and relationships developed at the level of local communities, inspired from the natural living systems.

The research question was formulated as follows: "*humans are the only beings able to organize their socio-economic life efficiently, or does nature offer us better alternatives to the human model of organization*?" Looking around, to the natural living systems, for an answer to this question, I found some seemingly tiny creatures characterized by great solidarity. The behaviour's rules of these creatures appeared to be similar to the values promoted, in the human society, by the social economy, like solidarity, responsibility, communion of interests, autonomous management, etc., so I wondered if I could "copy" and "multiply" their organizational model in a pattern of economic structure characterized by adaptability to the environment, flexibility in operation and efficiency.

Working assumption: Nature, through its complexity, offers free of charge many organizational models that can be used as a source of inspiration for designing management systems characteristic for human activities.

Working methodology used to select the living, natural system model, as a conceptual model of the social economy enterprise, **assumed the following algorithm** in four steps (Popescu et al., 2017, p.133):

1. Definition of the research items, characteristic of the behaviour of the three living beings;

2. Eliminating from the study the living beings containing the unknown research items;

3. Elaboration of a matrix with the main characteristics of the living beings remaining in the study;

4. Selection and replication as a model, the living natural system whose level of economic and social organization presents an orderly organizational architecture and optimal efficiency for individuals and for the environment.

For the relevance of the study, I selected **three natural systems**, consisting of beings **living in communities**: ants living in the ant-hill, fish living in swarms and bees living in the beehive, and I tried to understand their economic and social behaviour. Optimal selection of the living system with the most efficient organization in communities was made analysing the answers on a series of questions addressed to aspects of both social and economic, organizational, criteria. I have thus eliminated from the study, in successive stages, that living system about which we knew as little as possible about its social organization and, finally, I have selected the model used to design the structure of the social economy enterprise.

4. Results and Discussions

The successive application of the work algorithm guided me to the following results:

1. Definition of the research items, characteristic of the behaviour of the three living beings, consists in establish the social and organizational criteria followed by the living beings selected for the study, as follow:

a) Social criteria: social cohesion; the ability of individuals to communicate; the social division of labour;

b) Organizational criteria: the existence of individual tasks, the existence of collective tasks, the existence of a hierarchy and social rank, coordination of individual efforts, and especially, own organizational architecture.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 93-103
URL: http://www.reaser.eu
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2. Eliminating from the study that living beings containing the unknown research items: as we have insignificant information about fishes living in swarms, as the social organization of their life, the first living system removed from the study were the fish.

3. Elaboration of a matrix with the main characteristics of the living beings remaining in the study. For this stage of the research, I had realized an analysis of organizational criteria of the living systems, as follow:

a) Family organization: each of two living systems remaining in the study have strong families, between up to millions of individuals and at least three queens for ants and between 10.000 - 80.000 individuals, queen, drones, bees with different specializations for Bees;

b) Duties: for ants, work has a high degree of specialization and roles as guards, gatherers, hunters, nurses, garbage collectors, soldiers, etc. (Passera, 2012). Bees are genetically programmed to fulfil specialized tasks one by one, depending on age: collector, water carrier, sanitary, military, etc.

c) Hierarchies: each living system develops its social and economic life around the queen;

d) Social cohesion: each living system has a powerful social cohesion in the colony/swarm;

e) Ability to communicate: each living system has developed his own abilities to communicate through specific pheromones;

f) Coordination of individual efforts: each living system has developed his abilities to coordinate individual efforts according to specific “social rules”;

g) Own organizational architecture: ants are organized in an ant-hill. This structure tends to capture any space. Expansion can reach the level of true megapolis. On the other hand, bees are very rigorous, organized in hives, having the queen in the centre. We can find here a high degree of space utilization by the bees.

4. Selection and replication as a model that is living a natural system whose level of economic and social organization presents an orderly organizational architecture and optimal efficiency for individuals and for the environment.

All rational arguments, behind the selection of the organizational structure model of the social economy enterprise, have led me to select the model of the organizational structure offered by the beehive, which is a truly living organism in action: life is rigorously organized in the hive, social division of labour, spirit of sacrifice for the common good, cooperation, preservation of the environment and last but not least, specific hexagonal fractal architecture of the hive that is formed around the nucleus represented by the queen.

Similarly, starting with the features of the beehive, I have designed a socio-economic unit of individuals and relationships, respecting the same type of association - a network coordinator manages the activity of six territorial economic actors - which can be replicated in local communities, as is shown in Figure 3.

The economic system introduced by this model is a network of people and relationships designed as an application of social networks. In the scientific literature, social networks are defined as being composed of a finite set of actors - as nodes of the network - along with the relationship or relationships established between them - as ties of the network (Wasserman and Faust, 1994, p.20). Multiplication by replication of elementary units leads to the compile of an innovative socio-economic network at the local community level. At the same time, a new concept of social economy enterprise adapted to the specific of local Romanian communities is born, following the model of the fractal organization of nature.

The fractal structure type honeycomb is composed of autonomous units, characterized by self-similarity and self-organization, with its own decision-making power, open and collaborative.

ISSN: 2247-6172, ISSN - L: 2247-6172
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(Volume 18, Issue 2/ 2019), pp. 93-103
URL: http://www.reaser.eu
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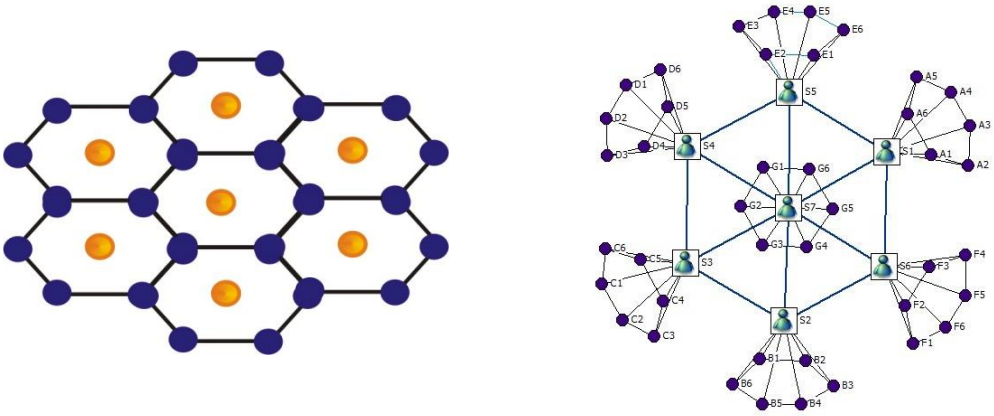

a) The extended network in the territory; seven interconnected units.

b) The same structure obtained by processing the mathematical model in VisuaLyrer2.2 application.

Figure 3. The network structure of the social economy enterprise, type honeycomb.
Source: Conceptual model proposed by the author.

This new approach of social economy enterprise treats network's actors as interdependent units rather than autonomous units, and the ties between them as transfer channels or resource flows (Borgatti and Everett, 2002). This socio-economic network, as a fractal enterprise composed of autonomous, self-organized units, has the possibility of replication on horizontal or vertical at the level of network coordinators.

Hexagonal fractal structure of the social economy enterprise, based on the collaboration and solidarity of the economic actors, generates over time a new way of life becoming, at the level of the local community, a germ of the knowledge-based society. Each fractal unit is individually organized and self-correlates with the other units in order to achieve the objectives of the enterprise, thus ensuring the operation of the network. The information circulates freely within the structure and can be accessed by interested persons.

The conceptual model of such a social economy enterprise has a double quality in the local community: (a) economic agent, shareholder, and developer of profit-generating activities; (b) material and moral support of the community in which it operates.

Social economy enterprise, type honeycomb, can carry out any legally regulated economic activity that is suited to the local specificity and covers a need for consumption, except for activities covered by special laws, as follow:

a) Networks in production, predominantly individual or family-business production activity;

b) Networks in services, including medical services;

c) Networks in education, culture, social activities;

d) Networks of activities for preserving resources and protecting the environment;

e) Innovative clusters around excellence in research: individuals, start-ups, research organizations, SMEs;

f) Integrated networks of producers, processors, and intermediaries of agricultural products;

g) Networks of local, national or international markets;

h) Conservation of local traditions and national identity through specialized networks;

i) Seasonal and permanently integrated tourism networks at the local and regional level;

j) Mixed local networks designed in the public-private partnership, for community projects of local interest;

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(Volume 18, Issue 2/ 2019), pp. 93-103
URL: http://www.reaser.eu
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k) Permanent or occasional networks organized for the specific issue generated in local communities.

5. Conclusions

From the perspective of a vector of progress in local communities and facilitator of the consolidation of collaborative communities, the conceptual model presented in this paper is the result of extensive research and is a pioneering work in approaching a social economy enterprise.

The conceptual model of the social economy enterprise, type honeycomb network, is a driver of economic growth that serves the general interest of the community, contributes to increasing individual empowerment and achieving societal harmony. This new concept of social economy network repositions inter-human relations in natural order, according to models that are found everywhere in the living world, considering that the current economic systems are based on false or falsifiable considerations. In this perspective, the implementation of the new conceptual model of social economy enterprise, type honeycomb, creates the premises for the sustainable development of local communities. Also, this innovative structure acts as a collector of values in the local community (economic values, social values, and moral values), facilitating development in any socio-economic environment.

The economic model proposed in this paper is an open, environmentally adaptable system, perfectly integrated into any community, both from rural and urban areas, starting for example, with compact communities such as a street, a classroom, or a residential neighborhood.

Finally, this paper opens the perspective to develop the theory of networks, directly applicable in management, especially in the management of the economic flow of values.

6. Acknowledgments

I would like to express my special gratitude to the Association Laboratory of Solidarity, where I have discussed the first findings of this research, and I was encouraged to continue the study and to present the research results to the 7th CIRIEC International Research Conference on Social and Solidarity Economy.

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ISSN: 2247-6172, ISSN - L: 2247-6172
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Manuscript received: 15.10.2019

Manuscript received in revised form: 13.11.2019

Manuscript accepted: 14.11.2019

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 104-117
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

The UN 2030 Agenda and Social and Solidarity Economy: toward a structural change?

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Abstract. *This paper was initially made public on the SSE Knowledge Hub for the SDGs in the form of a draft paper developed for UNTFSSE Call for Papers 2018 on "Implementing the Sustainable Development Goals: What Role for Social and Solidarity Economy?". The research illustrates the role of the Social and Solidarity Economy (SSE) in narrowing territorial, economic, and social imbalances while fostering resilience, economic growth, and sustainable innovation. Indeed, in a territorial framework characterized by spatial inequalities, the market economy and the public sector might supply an inadequate level of goods and services in socially and/or physically remote places due to insufficient demand and higher distance costs. Within such a scenario, SSE institutions might have a comparative advantage with respect to other institutions in addressing instances and needs of peripheral territories and marginalized actors. Therefore, a potential "institutional gap" shows up, i.e., relative underdevelopment of SSE institutions, and a lack of clear acknowledgment of the SSE aims and scopes within a broader institutional picture. A major finding is that when solidarity and social actions can foster the implementation of the SDGs, closer cooperation with other private and public institutions might foster mutual institutional recognition, while the observed distortions should be punctually assessed and corrected through appropriate policies. Based on these premises, five scenarios are illustrated, and policy recommendations are drawn.*

Keywords: Sustainable Development Goals, Social and solidarity economy, Territorial and social inequalities

JEL Codes: L31, Q01, R11

1. Introduction

This article was initially published on the SSE Knowledge Hub for the SDGs in the form of a draft paper (Salustri, 2019) developed in response to UNTFSSE Call for Papers 2018 "Implementing the Sustainable Development Goals: What Role for Social and Solidarity Economy?"[1]. The article illustrates how SSE institutions often have comparative advantages with respect to other institutional forms (local and central public administrations, market enterprises, financial intermediaries…) in minimizing trade-offs among the multiple dimensions of sustainable development and in promoting integrated approaches. This is due to the SSE's partially informal nature and to proximity to peoples' ethics and territorial needs, especially when considering peripheral settings where spatial inequalities and distance costs (Salustri, Viganò, 2017) might limit or distort the activities of market and public entities. However, the effectiveness of the SSE might vary over time and space according to the historical background, the local territorial and social scenario, the actors and the institutions involved, and to the technologies adopted. As an example, while market enterprises and public bodies might foster the implementation of the SDGs through the involvement of SSE institutions, biased

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[1] The draft paper is available at the following URL: http://unsse.org/knowledge-hub/toward-a-structural-change/

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 104-117
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

incentives might also contribute to worsen information asymmetries and generate an adverse selection. On the other hand, individuals and households might have incentives in fostering SSE institutions that might be revealed as misaligned with the common interest, generating forms of instrumentalization (Utting, 2018) of solidarity and mutualistic behaviors. Finally, infrequent or isolated social and solidarity initiatives are usually of scarce relevance when compared with the scale at which the SDGs should be implemented, therefore replication and scaling up of successful initiatives in other local settings are crucial to achieving effectiveness. However, the latter might induce some sort of isomorphism (*ibidem*), unintentionally raising cognitive biases that might decrease the proximity of SSE initiatives to the territorial and social fringes.

Without neglecting the existence of "solidarity and social failures," this paper aims at illustrating the theoretical optimality of the SSE in addressing instances and needs of peripheral actors. Specifically, this research addresses a potential "institutional gap," i.e., relative underdevelopment of SSE institutions and lack of clear acknowledgment of the SSE aims and scopes within the broader institutional picture. The debate on sustainable development has so far had mainly a global reach, and its multilevel, multidimensional and pluralistic nature has been advocated since its origins[2]. While at the global scale and theoretical level policymakers have achieved a clear comprehension of what sustainable development means and what tools to use to achieve it, at the national scale, several successful experiences have shown that much has been done, but also that private initiatives and public effort should be intensified. Also, considering the importance of Local Agenda 21 (LA21) and other initiatives mostly related to urban and territorial sustainability, the theoretical picture still lacks clarity at the local scale, and only a few relevant cases can be recognized when compared to the global scale of implementation of the SDGs.

While focusing on the local settings and advocating more qualitative approaches, most of the issues discussed in this paper come from a theoretical approach that reconsiders the SSE within a model-based framework of analysis with the aim of identifying the existence of an optimal space for implementing social and solidarity actions (Salustri and Viganò, 2017). It becomes evident that a model-based approach fostering sustainable development should not exclude the humanitarian, social, and political issues of democracy expressed within SSE institutions by implicitly focusing only on eco-efficiency and innovation. Furthermore, a model-based approach enables an in-depth analysis of people's motivations to participate in the SSE and the role that the latter might have in fostering the implementation of the SDGs within a complex institutional framework. Finally, theoretical tools might help to reveal the rationale lying behind the distortions in the effectiveness of the SSE related to episodes of isomorphism and instrumentalization (Utting, 2018), allowing the implementation of sound policy recommendations in support of policy action.

Based on these premises, the issues discussed in this paper mainly focus on Goal 8 (specifically on how SSE institutions might contribute to achieving economic development and decent work), but they are broadly related to the whole implementation of the 2030 Agenda as well. As an example, the research focuses also on reducing inequalities within and among countries (Goal 10), on promoting peaceful and inclusive societies and accountable institutions at all levels (Goal 16), and on creating partnerships between governments, the private sector and the civil society to implement the 2030 Agenda (Goal 17). Indeed, the SDGs are deeply intertwined, and SSE institutions might play a crucial role in identifying and fostering new connections among the multiple dimensions of sustainable development by offering a fresh perspective on their interaction in local (social and territorial) settings. While keeping in mind this general structure, it seems that scarce attention has been paid to the role of the SSE in fostering a bottom-up strategy for territorial and social cohesion, economic growth

[2] It means that global goals should be implemented by defining integrated regional, national and local agendas involving a plurality of actors characterized by potentially conflicting interests (research institutions, financial intermediaries, market enterprises, public institutions, social networks, local communities, individuals and, of course, the natural environment).

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 104-117
URL: http://www.reaser.eu
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and new job creation. Instead, this issue was analyzed more in-depth in several recent contributions (Viganò and Salustri, 2015; Salustri and Viganò, 2017).

Providing this general framework, it is worth noting that recent literature has focused on the risks of instrumentalization associated to the SSE's exposure to co-development processes involving market and public institutions and on the risks of isomorphism with private and public institutions (Bance, 2018; Utting, 2018). While these risks should not be ignored, the research supports the argument that it may be myopic to limit the cross-fertilization and the interinstitutional co-development and co-production implicitly assumed in the SSE's participation to the implementation of the SDGs to avoid political and economic biases. Instead, when solidarity and social actions can foster the implementation of the SDGs, distortions should be punctually assessed and corrected through appropriate policies and openness should be promoted to gain benefits of mutual institutional recognition without incurring unsustainable costs of isolation.

2. Research elaboration

This paper illustrates the main results of research investigating the role of SSE institutions in activating a process of transformative change toward sustainable development. The research heavily relies on previous analyses on the effects of the Great Recession initiated in 2008 and of the subsequent European sovereign debt crisis. While initial researches (Salustri, 2014, 2016) tried to identify the deep social and territorial effects of the crisis and to recognize a space for action in marginalized contexts mostly focusing on resilience, a subsequent stream of papers (Salustri and Miotti, 2015; Salustri and Viganò, 2017, 2018, 2019) illustrated and discussed the role of SSE institutions in narrowing social and territorial imbalances. Finally, recent analyses contribute to discover new connections between SSE institutions and the implementation of the 2030 Agenda (Salustri, 2018, 2019; Salustri, Miotti and Miotti, 2018), and this research mostly focuses on this issue.

The documentation process (results of which are widely discussed in the literature overview), merges: i) academic and institutional literature already surveyed in previous researches on non-profit institutions and social and territorial imbalances; ii) CIRIEC's reports on the consistency of the European SSE and researches on the involvement of the SSE in co-production processes with the public sector, and a recent literature on the involvement of SSE institutions in (local) sustainable development published in the UNTFSSE Knowledge hub. A specific goal of this research is to elaborate a framework of analysis encompassing most of the issues discussed within the three main streams of the literature surveyed.

Due to the specific (and limited) scope of this research, in the scenario analysis a narrative style is adopted, but several topics discussed have been investigated more rigorously in previous theoretical analyses (some of them unpublished, but illustrated in Scientific Conferences) based on standard microeconomic and sociological and political approaches[3]. Finally, the topics discussed in the regional case study illustrated for Italy, i.e., the analysis of the role of the SSE in the Lazio Region, are discussed more in detail in other analyses conducted by the author (consider, as an example, Salustri, 2016, 2019) and most of them are coherent with the view expressed in the *Forum Salviamo il Paesaggio per Comune di Roma, Provincia di Roma, Regione Lazio* Manifesto[4].

[3]. As an example, three pieces of research (Salustri, 2017, 2019 and forthcoming) provide an analysis of the EU-MENA region, while the Italian social and territorial imbalances are illustrated in Salustri and Miotti (2015) and Salustri, Miotti and Miotti (2018).
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ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 104-117
URL: http://www.reaser.eu
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3. Literature overview

An exhaustive overview of the academic and institutional milestones goes beyond the scope of this research. Instead, it is worth noting that in Europe, the frontier of sustainability is still placed at the country level. Besides the upcoming revision of the Europe 2020 Strategy, the 2030 Agenda is going to be implemented through the adoption of national strategies, as without the latter, it seems unfeasible to achieve improvements with respect to the baseline scenario observed in 2015 (Salustri, 2018). However, several countries have adopted their national sustainable development strategies (NSDS) only recently, and in some cases (Italy is among them), the latter has been almost ignored by politicians (ASVIS, 2018).

As several European countries are still far from being on a sustainable development path, the UN 2030 Agenda implies some sort of structural change involving technologies, markets, territories, networks, resources, and people. The issue has been discussed in several recent contributions (i.e., Giovannini 2018 and Raworth, 2017), but it is important to emphasize here that such a wide institutional framework necessarily implies a coexistence of multiple stakeholders and value holders and, therefore, requires complex and heterogeneous coordination mechanisms to work properly. Specifically, the wide array of principles, values, and interests involved also raise some concerns about the most appropriate coordination mechanisms and the optimal mix of good governance, multi-stakeholder global partnerships, and democratic and participative approaches developed in local settings. The heterogeneity of the actors involved is also reflected in the plurality of principles that should inspire the implementation of the SDGs. Actually, the latter should be placed at the foundation of a strategy aimed at improving the sustainability of global, national and regional systems while increasing societal and people's wellbeing and should activate some sort of "transformative resilience" (Giovannini, 2018) fostered by a “just transition” (ILO, 2015, UNFCCC, 2016; JTC, 2017) and an “eco-efficient innovation” (OECD, 1998).

Therefore, the achievement of the SDGs implies a mix of resilience and innovation as necessary but not sufficient conditions to move toward a sustainable path of development. In fact, in the absence of the former, innovation might backfire, causing new inequalities and conflicts in the short run and leading the economic systems on unsustainable and path-dependent trajectories in the long run. On the other hand, in the absence of innovation, resilience might fuel an unfair exchange between short-run achievements and long-run development, alimenting vicious circles and creating new fragilities (Salustri, Miotti and Miotti, 2018). Social progress lies between the two issues discussed, i.e., the institutional and individual capability of fostering a just transition and an equitable and decent level of wellbeing.

Notwithstanding such "in-between" role of justice and societal issues, the research advocates a mixed approach to the implementation of the SDGs in which a different level of priority might be assigned to resilience, justice, and innovation depending on the external context, the human and institutional actors involved, and the access to the global (spatial) patterns of technological progress. Based on these premises, the new and old linkages between sustainable development – that given the current scenario raises the need to innovate – and the SSE – habitually involved in resilient activities – might fuel synergic and integrated approaches aimed at connecting the global narratives of the challenges that the mankind will face in the medium and long run and the identification of those values and social norms able to foster and increase people’s participation and agency at a local level, facilitating a just transition toward sustainable development (Salustri, 2018).

In fact, as illustrated in Salustri and Viganò (2017), in a territorial framework characterized by structural territorial and social inequalities, the market economy and the public sector might supply an inadequate level of goods and services in socially and physically remote places due to insufficient local demand and higher distance costs. Indeed, on the supply side, progressively higher distance costs might increase total costs, reducing the efficiency of firms' supply, while on the demand side, a lower per capita (disposable) income and

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 104-117
URL: http://www.reaser.eu
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a lower population density might reduce the amount of revenues that firms can earn. As a result, market activities might leave numerous (and often basic) needs unsatisfied due to insufficient profit margins. Also, the public sector, in the process of implementing welfare policies, might incur specific distance costs of a territorial or social nature, and therefore might achieve sub-optimal results when serving peripheral territories or marginalized social groups. Finally, marginalized actors might have reduced access to the labor market due to higher social and physical distance costs.

Within this context, non-profit organizations can foster local, sustainable development rebalancing, or at least narrowing economic and social inequalities. In fact, in peripheral territories, and for marginalized social groups, the opportunity costs of solidarity and social actions are reduced because, due to distance costs, their access to market products and public services is reduced, while the goals that they can achieve are of higher (real) value, as several (often primary) needs and aspirations are neither fulfilled by the state nor by the market (Salustri and Viganò, 2017, 2018). However, in places where non-profit and social concerns inspire actions on the margins of a market economy supported by the public sector, territorial dualism might emerge between a core linked to global patterns of development and marginalized territorial and social peripheries. The rise of territorial and social dualisms and the need to foster equitable and sustainable development emphasize the mission of not-for-profit institutions (i.e., all those SSE institutions that can make profit while having a mission of different nature: cooperatives and social enterprises are good examples), as the latter exert a productive and distributive function that at the same time can facilitate market access for local initiatives, improve workers' employability and raise the factor productivity of market activities (*ibidem*).

Besides its human and social purposes, the SSE is also crucial in the provision of public services of general interest and in triggering commoning practices in local settings, as well as in nonmarket production of goods and services of recreational value. Furthermore, due to their capability of increasing landscape quality and people's quality of life, as a positive by-product, SSE institutions might also increase the touristic attractiveness of territories, enabling touristic operators to achieve higher revenues and to explore new business opportunities. Two recent contributions (Salustri, 2018; Cocco, Nardo and Salustri, 2018) discuss more exhaustively the relation between tourism, welfare policies, and the role of SSE institutions in raising human development and wellbeing. Here, it's worth noting that in local settings, the SSE might contribute to identifying the untapped territorial and social capital and might develop bottom-up initiatives to exploit its value. Finally, from being initially a final goal, touristic development might become an intermediate step needed to attract and accumulate resources in local settings that could be used to foster local, sustainable development by investing in more strategic public and private businesses.

However, as widely documented in the recent literature on the connections among the SSE, the public sector, the market, and the international institutions involved in the implementation of the UN 2030 Agenda, several "social and solidarity failures" could emerge in adopting an open and collaborative perspective (Utting, 2018). Specifically, a higher degree of openness to collaborative processes involving other institutional actors might raise the risk of contrasting a transformative change by the involvement in incremental changes pursued by instrumentalizing the role of SSE institutions and by fostering their isomorphism to other institutional forms (i*bidem*). In assessing the risk of instrumentalization, Utting highlights the importance of contextualization within the existing "policy regimes and development strategies" and refers to the "three ideal-type development pathways," i.e., market liberalism, embedded liberalism, and alter-globalization (*ibidem*, p.7). Of course, in all three scenarios, various sources of instrumentalization can be identified, and some considerations of economic nature are added here to those presented by the author.

In case of a market-liberal pathway, while devaluing the "associative and collective dimension of the SSE" (*ibidem*, p.7), the added value of SSE institutions could be at least partially exploited by the market and the state by way of requiring increased input productivity (usually, labor productivity) *coeteris paribus* the

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 104-117
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

level of input costs (usually wages), keeping a large share of population far below a decent level of wellbeing. In the second scenario, however, notwithstanding the achievement of a decent level of wellbeing, SSE institutions might be instrumentalized to transfer the risks (and the associated costs) from market or state initiatives to society through crowding-out effects (i.e., by raising efforts of SSE institutions in achieving goals of private or public nature while arbitrarily reducing the engagement of market and public institutions), so that the instrumentalization might rather consist in an unfair redistribution of the opportunities of achieving wellbeing, development, and economic growth (see also Viganò and Salustri, 2015). Finally, in the third scenario, while fostering some sort of structural change, in the absence of know-how to achieve a just transition toward sustainability, counterintuitive results could prevail despite egalitarian concerns.

When assessing the risk of isomorphism, on the other hand, the optimal dimension of SSE activities makes for a challenging issue. In a recent contribution (Salustri, Viganò, 2018), it was illustrated how SSE institutions were credibly committed to their nature and mission when they operated in-between pure humanitarian activities and market initiatives. By agreeing on this principle, at first glance, it seems difficult to consider optimal the large size of many SSE institutions, as they are exposed to a higher risk of losing their social and territorial connections that generally are place and group-specific. However, not all groups and places have the same dimension; therefore, the optimal size of SSE institutions might vary according to the degree of the universalism of their mission. Indeed, the performances of SSE institutions mostly depend on people's sentiments and territorial dynamics, as, at least in their philanthropic and redistributive concerns, they implicitly assume some degree of eudaimonia inspiring people's actions in social and political life (Easterlin, 1974; Becchetti, Bruni and Zamagni, 2015). However, other feelings (greed, envy, jealously to quote only a subset of them whose consequences have been analyzed using economic tools) might prevail, introducing biased motivations in social and humanitarian action and generating isomorphism with other market and public institutional forms.

In brief, the risk of instrumentalization or isomorphism is inherent in every institutional form and every form of institutional cooperation. Therefore, this research suggests focusing on intrinsic motivations that might justify the implementation of a strategy based on the empowerment of SSE institutions, rather than on assessing the effectiveness of interinstitutional cooperation. In fact, having recognized the existence of peculiar motivations for social and humanitarian actions, instrumentalization and isomorphism can be easily detected *ex-post* or *ex-ante* in all those cases where such motivations are absent or diluted. It is worth noting that the assessment should consider the SSE's effectiveness in fostering intergenerational and intragenerational equity while controlling for all those factors that might obstacle the SSE's action. Therefore, having a negligible role in economic development but endeavoring to increase its relevance sometimes might be considered as a positive outcome, i.e., a way of advocating the future achievement of a just, or at least fair, part in the process of co-development and co-construction of an equitable and sustainable society.

Furthermore, in all those cases in which solidarity and social failures might have been detected, the evaluation should account for the following counterfactual scenarios. First, SSE institutions might have improved people's resilience to change, including the transformational change advocated by the UN 2030 Agenda. Second, the SSE might have achieved its socioeconomic program at least within its institutional space, and in this case, the widespread diffusion of SSE institutions, even in cases of external instrumentalization, might improve its effectiveness. Third, SSE institutions might have developed some (not necessarily technical) know-how in specific fields of activity, improving people's capabilities through learning-by-doing processes and therefore contributing to their employability via increased productivity. Fourth, SSE institutions might have alleviated the costs of public administrations involved in the same (or in another) sector of activity, raising the sustainability of public finances for a given level of welfare and citizens' wellbeing. Fifth, SSE institutions might have achieved some degree of bargaining power that might be used to advocate a more sustainable and

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 104-117
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

socially responsible model of business. Finally, well-developed SSE institutions might have achieved in a democratic and legal way a political relevance that might be used to foster a just transition toward sustainability using a bottom-up approach.

Lastly, it is worth mentioning that considering the SSE as a means of implementation of the SDGs has something in common but is not the same as enabling the SSE through public policy and market access. Indeed, the former is about fostering widespread diffusion of institutions that by their nature are closer to people's ethics and needs as they usually originate from initiatives of individuals interested in pursuing goals of humanitarian or environmental nature that are currently neither satisfied by the market nor by public institutions. Public policies and improved market access might foster this process but should not dilute people's intrinsic motivation with disproportionate or inappropriate regulatory and monetary incentives. Saying it differently, incentives might be used to scale up successful initiatives but should not constitute themselves as a reason for SSE institutions to exist. In fact, the rationale for solidarity and social action should be found in the incentives provided by social and territorial fringes to a voluntary and collective action aimed at satisfying basic needs, increasing wellbeing and agency, creating new jobs, and advocating a transformative change toward sustainable development.

4. SSE institutions and structural distances

Based on these premises, the research focuses on the analysis of five scenarios that might fit well into a socially progressive "embedded liberal" policy framework (Utting, 2018) characterized by distance costs generated by territorial and societal issues (Salustri, Viganò, 2017, 2018). The exercise tries to identify a set of conditions under which, in a mild political scenario, the concept of sustainable development might consolidate its universalism despite the critiques of mainstreaming and fostering an "unjust transition", i.e. an equal distribution of burdens toward sustainability compared to the high concentration of political and economic power observed in the current global scenario and to the rise of distance costs of social and territorial nature with asymmetric impacts on territories and social groups.

4.1. The SSE in the Mediterranean Region

Wealth and income inequalities have grown in the Mediterranean region over the last four decades, increasing the number of poor and pushing development toward unsustainable patterns. The forced and economic migrations from North Africa and West Asia toward the EU are still far from the notion of sustainable mobility advocated in target 10.7 of the 2030 Agenda. Specifically, migration choices often depend on ongoing conflicts, human rights violations, extreme poverty, and negative effects of climate change on agricultural productivity. Moreover, migration flows are often vehiculated by illegal and criminal organizations that achieve consistent profits by trafficking migrants and by offering them support to pass the borders illegally (Reitano, Adal, Shaw, 2014; Reitano, 2015; Horwood and Reitano, 2016; Shaw, Reitano, 2014).

At the economic level, the austerity measures implemented to cope with the sovereign debt crises that afflicted several Mediterranean countries less than a decade ago are still binding, and in the absence of revived solidarity among people both in local settings and at the national and international level, they will continue to exacerbate the economic and social inequalities in the region, reducing employability and workers' rights, raising both inequality and poverty rates, and widening the existing social and territorial divides.

In this scenario, solidarity plays a role that, at the same time, could be over and underestimated. Indeed, solidarity is overvalued when humanitarian action and charity are thought of as the only means for fostering

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 104-117
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

human development and recreating preconditions that might enable the achievement of the SDGs in the region. On the other hand, solidarity is underestimated when national governments (sometimes, also grassroots movements) claim that they might achieve agency by themselves, without negotiating with the elites and without empowering those who have the resources (time, money, skills…) to help those in need without immediate returns. Lying on these premises, the role of the SSE institutions in the Mediterranean region is of the utmost importance, as they might identify and support new ethic frameworks for providing concrete support to those in need, fostering a just transition at the social, economic and political level, and improving eco-efficiency by narrowing the gap among the first movers and the left behind. Philanthropic and humanitarian initiatives might provide a base upon which to develop a market-oriented sector of the SSE.

4.2. The SSE in the European Union

Due to the scarce economic performances of many European countries and regions in the last decade, the shadow economy has increased in size, providing undeclared work partially as a substitute, partially as a complement of decent work (Williams and Horodnic, 2017; Horodnic and Williams, 2018). Therefore, many European workers have augmented their exposure to the risk of being exploited through various sources of illegal and informal work, especially in urban peripheries and in peripheral countries and regions, and that caused more poverty and new social and territorial needs.

Secondly, in most Southern and Eastern European countries, innovation has revealed insufficient both in qualitative and quantitative terms and the risk of "secular stagnation" is now affecting most of the economies in the area. Moreover, proximity innovation is creating wide productivity gaps within and between regions, and the mix of low and widely differentiated returns push in the short run for conservative rather than for progressive policies.

Given these premises, the role of SSE institutions as a "pole of social utility" is vital in "matching services to needs, increasing the value of economic activities serving social needs, fairer income and wealth distribution, correcting labor market imbalances and, in short, deepening and strengthening economic democracy" (CIRIEC, 2007, p. 7).

The structural nature of the sluggish growth and reduced space for public action in the European Union might narrow the intersection between the philanthropic and social approach to the SSE, creating new convergences on mutually recognized instances of economic and political relevance (i.e., activating sources of local and regional development, fostering decent work, especially in peripheral geographical areas and with respect to disadvantaged social groups). Finally, the empowerment of the SSE might turn sustainable development into a self-reinforcing (circular) process, fostering its universalism at least within the Union.

4.3. The SSE in Southern Europe

The accelerated process of economic, political, social, and cultural change initiated after the Second World War fueled economic growth in Southern Europe but also raised territorial and social divides among Southern European countries and continental Europe and among Southern European countries themselves (Sapelli, 2014). Especially in the last three decades, unsolved problems fueled a "process of modernization without development" in the whole area, mainly characterized by the "lack of relationship between economic growth and political institutionalization" (*ibidem*, p.1). Finally, during the last decade, Southern European countries "have been the most hit by the crisis and in response have cut social spending, among others, leading to increased inequality with many citizens still fearing that worse is to come" (Bughin, Pissarides, 2019).

In this scenario, SSE institutions might play a major role in fostering socio-economic resilience and in narrowing the wide territorial and social divides with the rest of Europe and within the region itself.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 104-117
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

Instrumentally, the SSE might contribute to increase the sustainability of public finances and factor productivity both in Italy and in the Balkans, while allowing to achieve a more equitable and sustainable level of wellbeing. Third, the empowerment of the SSE in Southern Europe might allow policymakers to cope with the increasing citizens' distrust in public institutions, fostering democracy and bottom-up approaches to the main social and territorial problems on the agenda.

4.4. The SSE in Italy

The social and territorial imbalances between the South and the Centre-North of Italy can be traced back to the Italian unification during the second half of the XIX century. During the last decade, the Great Recession initiated in 2008 exacerbated the process of divergence between the two macro-regions, generating differentiated impacts both at the territorial and social level, with an unequal burden of the crisis charged on the South. Furthermore, the process of fiscal federalism initiated in 2001 and the austerity measures that followed the sovereign debt crisis, while restructuring the macroeconomic scenario, reinforced the existing territorial and social disparities.

On the other hand, it is worth noting that the SSE in Italy has an outstanding tradition (Carrera, Meneguzzo, Messina, 2007), and its empowerment can find a legal legitimation and recognition in several articles of the Italian Constitution. Indeed, the empowerment of the SSE in Italy might contribute to narrow most of the social and territorial imbalances that still affect the country. Instrumentally, SSE institutions might increase workers' wellbeing and productivity, contributing to revitalize the economy and to foster a just transition toward sustainable development through a bottom-up approach.

At the political level, the empowerment of the SSE might contribute to promote democratic instances of inclusion and equal opportunities and to increase citizens' trust in public institutions. Finally, the SSE might compensate for the lack of technological innovation by fostering technological transfer from research centers and universities, by offering workers a capability-enhancing workplace (Viganò, Salustri, 2015) that could be used to achieve new skills and competences, and by promoting a process of reterritorialization and relocation coherent with the global trends.

4.5. Regional and local development in Italy: the case of Lazio

The Lazio Region has been interested in intense urban development, mainly related to Rome's urban sprawl, therefore often unregulated and not supported by the effective supply of public utilities. Furthermore, the built environment expansion has continued despite the loss of important natural and archaeological areas, reducing the current fruition of natural and cultural heritage and its availability for future generations. Moreover, the number of rural and peri-urban dwellers has consistently been increasing over the last decades, raising both the number of commuters and commuting distance between the place of residence and workplace, therefore alimenting new poverties related to lack of social capital, public services, and infrastructures. Indeed, many people in Rome are poor even if they have jobs, as their wage net of distance costs might not allow covering a decent standard of living, and because free time net of commuting and other incumbencies related to social and territorial distances might be insufficient to achieve a decent level of individual care, to cultivate social relations and to guarantee freedom of choice. Finally, the management of the regional natural parks and urban green areas has often shown to be ineffective due to a lack of financial resources and of sound programs and plans.

The issues considered are only one part of the problems afflicting the Lazio Region (for example, they only partially include social issues). However, they might be considered an important field of activity in which SSE institutions located in the region might increase their involvement, especially considering that Rome’s

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 104-117
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

municipal and metropolitan policies almost overlap with regional policies, therefore excluding substantial interventions outside the Metropolitan borders. While advocating the empowerment of SSE institutions, it is worth mentioning that the Municipality of Rome is still recovering from "Mafia Capitale"[5], and this evidence may constitute a case study for comparison with the positive action of many SSE institutions operating within the Region to discuss "without romanticizing" the role of the SSE in implementing the SDGs in local settings.

5. Concluding remarks

This paper supports the thesis that SSE institutions can facilitate the implementation of the SDGs, especially in local settings characterized by not-negligible distance costs of territorial and social nature. Indeed, territorial and social imbalances might discourage the actions of both profit-oriented firms and public institutions, while providing robust incentives for people's involvement in philanthropic and social initiatives. Therefore, SSE institutions can be empowered by public and private entities to pursue goals of common interest every time the entitled public institutions are unable to achieve their mission or when no institution is entitled to accomplish a goal that a community has a reason to consider valuable.

In fact, SSE institutions can foster (through a bottom-up approach) the achievement of decent work and economic growth, implicitly and explicitly advocating inclusiveness, pluralism, democracy, and equal opportunities. These issues are of the utmost importance in all those settings where territorial imbalances, social inequalities, and new and old forms of poverty might fuel citizens' distrust in state and market institutions. However, while fostering the involvement of SSE institutions in the implementation of the SDGs in local settings, it is also worth noting that more attention should be paid to the political, economic and social factors that might determine their instrumentalization for legal or illegal purposes, and/or the dilution of their intrinsic political and ethical roots.

Nevertheless, in the case of instrumentalization and isomorphism SSE institutions might achieve results aligned to their intrinsic purposes or at least valuable to other institutional actors. Also, it is worth noting how the risks of instrumentalization and isomorphism are inherent in every institutional form and every form of institutional cooperation. Therefore, rather than assessing the effectiveness of interinstitutional cooperation, this research suggests focusing on intrinsic motivations that might justify the implementation of a strategy based on the empowerment of SSE institutions, as instrumentalization and isomorphism can be easily detected ex-post or ex-ante in all those cases where such motivations are absent or diluted.

Furthermore, it is worth mentioning how considering the SSE as a mean of implementation of the SDGs and enabling the SSE through public policy and market access are distinct concepts, even if with some overlapping elements. In fact, the rationale for solidarity and social action should be found in the incentives provided by social and territorial fringes to a voluntary and collective action aimed at satisfying basic needs, increasing wellbeing and agency, creating jobs, and advocating a transformative change toward sustainable development. Public policies and improved market access might foster and support this process but should not dilute people's intrinsic motivation, i.e. incentives might be used to scale up successful initiatives but should not constitute themselves a reason for SSE institutions to exist.

Finally, it seems difficult to identify universal rules to empower SSE institutions in a specific context. Indeed, the mix of public and private policies might need to vary according to the social and territorial context, to the consistency of the SSE, and to the geographical scale adopted. Based on these premises, this research has identified several geographical contexts in which the SSE might have a pivotal role in fostering the

[5] Mafia Capitale has been depicted as a government structure of a stable and organized system of informal and illegal relations, exploiting a wide array of inputs to guarantee the accomplishment of illegal agreements, directing a wide network of illegal exchanges based on corrupting practices and involving also the political system (Vannucci, 2019).

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Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 104-117
URL: http://www.reaser.eu
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implementation of the SDGs. Here is worth mentioning how the public sector, when the gap between the available resources and the programmed goals is too wide, rather than operating in deficit should endeavor to improve the dialogue with the SSE to implement a joint action aimed at increasing people's wellbeing and improving territorial cohesion. Similarly, market actors, when the incidence of distance costs over total costs is high, might develop actions in close cooperation with SSE institutions to narrow the existing social and territorial divides.

Lying on these assumptions, further research might be devoted to analyzing more in-depth the informal connections among environmental degradation and crimes, illicit and illegal activities determining the emergence of a "grey area" between the legal (and sustainable) economy and the organized (unsustainable) crime. According to this perspective, the role of the SSE might be of the utmost importance in recreating a dialogue with the grey area, even at a cost of a certain number of failures, as the major risk is that of leaving its government to illegal and criminal powers, depriving a wide share of population of the necessary institutional context to look favourably at a structural change toward sustainable development. Solidarity and civic engagement are, indeed, intrinsic purposes of SSE institutions, as their mandate implicitly includes the enlargement of the public sphere and the contribution to a process of socioeconomic integration and democratic development. Furthermore, by contributing to the widespread availability of welfare services, the third sector might contribute to eradicating old and new poverties while creating new opportunities for employment and economic development. Finally, SSE institutions might foster a process of identification and exploitation of territorial capital within public and private economic initiatives of the legal economy, therefore fostering a self-reinforcing process of structural change toward sustainable development, independently from the initial level of territorial and social development.

Also, further research might be devoted to analyzing more in-depth the optimality of the welfare mix provided by SSE institutions, market institutions (firms and financial intermediaries), and the public sector. As already mentioned in recent research (Salustri, Viganò, 2019), while agreeing on the Pareto-optimality of a comprehensive welfare state, its implementation seems unfeasible in countries, such as Italy, affected by a high and unsustainable public debt, low or even negative GDP growth rates and stagnant labour productivity. Within this discouraging scenario, the Pareto-optimal scenarios are too far to be achieved in the short run. Rather, the tradeoff is between raising the level of current welfare at the cost of a higher public deficit and fostering the empowerment of SSE institutions to raise civic engagement and identify and exploit untapped social and territorial resources. While the two measures seem to pursue the same goal, in a context of low GDP growth and stagnant productivity, the former raises public debt and interests to be paid in the future at the cost of lower public welfare, while the latter provides an opportunity to move toward the welfare-efficiency Pareto-optimal frontier by cutting public expenditure (achieving sound public finances) and/or by reducing taxes (fostering economic growth) (Salustri, Viganò, 2019).

Moreover, further research should be devoted to framing the role of SSE institutions within mainstream economic theory. Indeed, environmental economics widely discussed how negative externalities determine an excessive level of market exchanges, potentially determining the overexploitation of resources, while positive externalities activate the opposite process. The existence of market failures related, rather than to the use of market power, to the externalities of the exchange process (and of production and consumption processes) on the socio-economic and environmental context has already being investigated within the public economics framework in terms of merit and demerit goods, but also within evaluation theories in terms of primary and secondary (economic) value of the objects analyzed. By recognizing that the total value of an entity might overcome or being underestimated by its economic value as the latter does not include its non-monetary and its intrinsic value, a wide field of analysis emerges in which SSE institutions, due to their focus on several non-economic instances, might play a pivotal role in assessing the non-monetary dimension of the phenomena

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Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 104-117
URL: http://www.reaser.eu
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under inquiry. Instrumentally, SSE institutions might play a relevant role in guaranteeing the efficiency of market-clearing by identifying positive and negative externalities affecting the exchange process, also contributing to the achievement of more sustainable consumption and production patterns (Goal 12).

6. Acknowledgments

I am deeply grateful to Federica Viganò for the fruitful research activity jointly. Special thanks go to UNRISD's reviewers and to the REASER anonymous referees whose comments greatly helped to enhance the quality of the paper.

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ISSN: 2247-6172, ISSN - L: 2247-6172
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Manuscript received: 16.10.2019

Manuscript received in revised form: 17.11.2019

Manuscript accepted: 18.11.2019

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 118-128
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

Urban Poverty in Europe – Poverty Reduction Policies and Measures

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Abstract. *This paper analyzes poverty reduction strategies and programs in 22 West-European cities. With the help of triangular-method-approach, the first results are presented. While major differences between cities can be seen in the aspects of poverty definition and measurement, the main risk groups are similar regarding urban poverty. The main causes of poverty (family structures, lack of labor market integration, migration, etc.) are mainly addressed at the micro-level. A big problem area in European cities is affordable housing. The fight against poverty is a multi-actor endeavor. On the local level, horizontal networking is essential. Nonprofit Organizations are a very important partner for reducing urban poverty. Concerning the success of poverty reduction programs both, poverty reduction, as well as prevention, is addressed. In addition, in the interviews with the city representatives, certain aspects that are important in the context of poverty reduction can be identified.*

Keywords: Anti-Poverty Policies, Best Practices, Networking, Poverty Measurement, Urban Poverty

JEL Codes: H75, I32, I38, I39

1. Introduction

Poverty is a much-described phenomenon and constitutes a complex fact, both scientifically and politically. As Nolan and Whelan (1996) show, poverty is not only an issue in undeveloped and developing countries, poverty also exists in rich European countries.

According to the European Union Statistics on Income and Living Conditions (EU-SILC[1]) data 112.9 million people or 22.5% of the population in the European Union (EU-28) were at risk of poverty or social exclusion (AROPE rate) in 2017 (Eurostat 2018). The AROPE rate uses the following criteria: at risk of poverty after receiving social benefits (income poverty), material deprivation, or a household with very low work intensity. A reduction in the number of persons at risk of poverty or social exclusion in the European Union is one of the key targets of the Europe 2020 strategy for jobs and smart, sustainable, and inclusive growth. One of the five headline targets is to reduce poverty by lifting at least 20 million people out of the risk of poverty or social exclusion by 2020. It is unlikely that the European member states will meet this target in 2020.

The fight against poverty is a multi-level government endeavor. In European member states, political responsibility is with the central government. However, in practice, an increasing number of responsibilities

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[1] EU-SILC is "a cross-sectional and longitudinal sample survey, coordinated by Eurostat, based on data from the European Union member states. EU-SILC provides data on income, poverty, social exclusion and living conditions in the European Union" (European University Institute 2019).

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 118-128
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

for social policy and social services are transferred to local governments (Kazepov 2010; Martinielli et al. 2017). There is a long tradition that local governments collaborate with Social and Solidarity Economy actors on the local level in European cities. Nonprofit Organizations (NPOs) have a very long tradition in providing services for the poor as well as giving the poor a voice in their advocacy activities in their role as Non-Government Organizations (NGOs).

In six EU-countries (Austria, Belgium, Denmark, Germany, the Netherlands, and the United Kingdom), EU-SILC data show in ma more year trend higher poverty rates in cities than in rural areas. This serves as motivation to focus on the local government level with the aim to identify municipal best-practice cases and to derive policy implications for Austria. The research questions are:

- How do local governments measure poverty?
- What are the central causes of poverty and challenges when fighting poverty?
- How is the configuration of the interaction between network actors implementing successful municipal approaches?
- What are the characteristics of successful urban strategies and interventions?

Urban poverty has not only substantial economic and budgetary implications but also endangers social cohesion. It is about making people live a better life in growing cities. A successful approach in reducing poverty is, therefore, also vital for local, sustainable development in line with the United Nations Sustainable Development Goals.

2. Research Design

The multidisciplinary nature of the research project demands a triangular-method-approach. The research project applies as research methods the systematic literature review, document analyses as well as expert-interviews with representatives from local government and administration, associations, NPOs, and academics.

Since the project had started in March 2018, 132 interviews with 173 different interview partners were conducted so far. At the European Level 6 interviews (6 people), in Austria 55 interviews (72 people, including 23 city representatives), in Germany 16 interviews (29 people, including 13 city representatives), in Belgium 15 interviews (25 people, including 14 city representatives), in Denmark 8 interviews (8 people, including 3 city representatives), in the Netherlands 20 interviews (21 people, including 18 city representatives) and in the UK 12 interviews (12 people, including 7 city representatives) were conducted. Additionally, we analyzed the best practice documents that were provided by our interview partners.

For interpreting the data, the project follows a qualitative-interpretive paradigm. Case studies are conducted in Austria, Belgium, Denmark, Germany, the Netherlands, and the United Kingdom. Individual municipal approaches are compared based on deductive, as well as inductive identified characteristics. Recommendations of appropriate municipal approaches are retrieved from best practice cases. Due to the fact that the data collection is supported by an Austrian research grant, the findings from Austria are contrasted with the findings in the other five countries.

3. Results and Discussions

The findings, presented in the following, concentrate on the interview results of the city representatives – with city representatives, we mean persons from the city politics, the city administration, or from municipal enterprises. At the time of submission of the paper, 49 out of 78 interviews with city representatives were coded. The following table shows the cities from which the already available information comes from.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 118-128
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

Table 1: Analyzed interviews, differentiated by cities

Austria = 19	Belgium = 10	Denmark = 3	Germany = 8	The Netherlands = 7	The United Kingdom = 2
5x Graz	5x Antwerp	2x Aarhus	1x Berlin	3x Amsterdam	0x Birmingham
2x Innsbruck	1x Brussels	1x Copenhagen	3x Duisburg	0x The Hague	2x Glasgow
5x Linz	1x Ghent		3x Cologne	3x Rotterdam	0x London
7x Vienna	3x Liège		1x Leipzig	1x Utrecht	0x Norwich

(Source: self-compiled)

3.1. Local governments' definitions and approaches to measure poverty

Within the literature, two main concepts of poverty exist: absolute and relative poverty. While the concept of absolute poverty is based on the idea of the subsistence level and is still used in the development context, the concept of relative poverty is used predominantly in affluent societies. Relative poverty means that poverty is always related to the level of prosperity of a society (Foster 1998). When speaking of poverty in Europe, it is relative poverty.

Concerning the **definition** of poverty, there are various approaches. The narrowest approach is one, which exclusively relates to income poverty. For example, the city of Utrecht uses the social minimum (WSM) – if the income is 125% of the WSM or lower, they speak of a low income (or poverty). In many EU states, 60% of a country's medium income serves as a cut of rate. In quite a few cities, the number of recipients of social benefits is used as a proxy variable. A broader approach includes social participation chances and, therefore, social inclusion. This approach is used in EU-SILC, which focuses on the risk of poverty or social exclusion. The broadest approach, which was no topic in our interviews, focusses on well-being and happiness. Additionally, to high reliability on proxy indicators, our interviews showed that even on the level of individual cities (e.g., Duisburg, Utrecht), local government agencies differ in their definition of poverty.

With regard to the **measurement** of poverty, two main approaches can be classified based on the interviews – a (narrow) pure financial one and an extended one, because of the inclusion of the social dimension.

Within the financial measurement of poverty, the following can be distinguished:

- ***Income***: What counts as a low income varies greatly across the focus cities; some cities use the EU-SILC quota of a country's 60% medium income. Differences arise if income poverty is measured before or after housing costs. Most cities measure income poverty before housing costs. Notable examples are Glasgow and Cologne. In Glasgow, the family-size adjusted cost of social housing is deducted from the income threshold. In Cologne, the EU-definition of income poverty is adjusted in order to include the higher cost of living in Cologne.
- ***Social benefits***: This approach focuses on the number of people receiving conditional social benefits. In all four Austrian cities analyzed (Graz, Innsbruck, Linz, and Vienna), as well as in some other cities (Amsterdam, Liège), the persons who are receiving social benefits are counted as poor. Duisburg and Berlin use an extended social benefit approach. People who are dependent on transfers from SGB II[2] (in Berlin additionally, SGB XII[3]) are used for their poverty measurement.

[2] Unemployment benefit II is the basic social security benefit for employable persons in Germany, according to the Second Book of the Social Code (SGB II).

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 118-128
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

- ***Combination of income and social benefits***: In Leipzig, the two indicators (income and social benefits) are combined for measuring poverty. Also, the city of Duisburg uses a combination of these two aspects.
- ***Combination of income and savings***: In Aarhus, as well as in Copenhagen, the income aspect is linked to savings. While the municipality of Aarhus has decided to use the OECD (Organization for Economic Cooperation and Development) definition in determining poverty, and added the criteria of family savings; in the city of Copenhagen, poverty is captured by people who three years in a row have: a) an equated disposable income under half of the median equated disposable income (nationwide), b) net saving per adult in the family beneath 100.000 DKR[4] and c) no adult students in their family.

The second and wider approach also includes the social dimension. This approach can be found in Ghent, Utrecht, and Brussels. Poverty measurement in the city of Ghent also starts with financial poverty (= people have less income to live a normal life standard), but then extended its measurement to the risk of poverty, and also the social inclusion. However, since there is no city-related data, they use the Belgian EU-SILC poverty rates. The city of Utrecht uses additionally to the income limit of 125% of the WSM whether people and families are able to pay for their basic living costs (basic package) and if they are able to pay for social participation (like birthday presents, participation in social activities, costs of traveling, etc.). In Brussels, poverty is recorded very comprehensively. In our focus cities, Brussel has the most elaborate statistical approach in the form of a Social Barometer. Poverty and at risk of poverty is measured in many dimensions. This includes indicators on income poverty, job market participation, educational status, health, housing, and also social participation and integration. Together with a socio-spatial analysis, the Social Barometer reveals strong and significant differences between municipalities and neighborhoods in the Brussels-Capital. In Antwerp, according to the interviewees, there is no measure of poverty in the city in general, but for evaluating poverty-reduction related services, the social administration uses a matrix that includes for the service recipients data in several domains: work, housing situation, finance, health, social network, activities of daily life, and domains in which people are working with individuals.

Irrespective of how wide the definition of poverty and how extensive the measurement approach is, a common finding is that the focus cites mainly have a statistical approach for evaluation poverty. The cities differ, how extensive the statistical approach is, and what local decision-makers' use as the main proxy (e.g., social benefit recipients, income poverty). The mere statistical approach provides several challenges for the cities. This starts with the issue of data availability. Although the EU-SILC data at the European level provide a basis for a comparison of the member states, there are often no corresponding figures for municipalities available. The full set of EU-SILC data is only available for the largest cities (e.g., London, Vienna, Berlin). The second point of critique is that indicators about the growing number of homeless people are not part of the EU-SILC data set. The figures on housing costs are also not city-specific enough. Another shortcoming is how social inclusion is operationalized and how the provided city infrastructure is accounted for. The Brussel example shows that for a more holistic statistical approach, a lot more dimensions should be included. Last but not least, it is necessary to move beyond a mere statistical approach. In order to guide urban anti-poverty policies, it is necessary to evaluate regular how successful the cities are in their fight against poverty.

[3] Social assistance is a state benefit to which people in need are entitled under certain conditions according to the Twelfth Book of the Social Code (SGB XII).
[4] Currency in Denmark: Danish krone.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 118-128
URL: http://www.reaser.eu
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3.2. Central causes of poverty and the main challenges

The causes, risk groups, and problem areas in terms of poverty are very similar across the cities studied. Our interview partners addressed the **causes of poverty** almost exclusively at the micro-level and therefore focused on the main risk groups. Exceptions were Leipzig and Glasgow. In Leipzig, the interviewee stressed the system change from the German Democratic Republic (GDR) to the Federal Republic of Germany (FRG), which resulted in high unemployment rates. The social welfare reform – ten years of austerity with substantive welfare cuts, the introduction of universal credits with its benefit caps, and the changing labor markets, resulting in an increasing number of working poor – were identified as a major risk in Glasgow.

The first and most frequently mentioned **problem area** is **employment and employability**. Loss of job, long-term unemployment, (too) low income, temporary jobs, low work intensity, inadequate labor market skills, lack of qualification, and education are very crucial poverty drivers. The risk groups are the (long-term) unemployed, the low-skilled and those with a low level of education (e.g., early school leavers), especially so-called NEETS (= Not in Education, Employment or Training). Especially the transition between school and work/education is seen as a critical event. Also, the difficulties of people with physical or psychological disorders to get a job were addressed. The limited labor market integration of mothers with young children, or relatives needing care, was also a topic. In-work poverty is increasingly a problem, which was mentioned by the interviewees from the Austrian, British, and German cities. Also, in the Netherlands, there is a rising awareness that in-work poverty presents a challenge.

The second critical topic is **housing**. Affordable housing, housing overburden rates, and rising housing costs are very big challenges in many cities. The increase in rents and prices for apartments and houses are well above the increase in the average income and the inflation rate. Compared to the other countries, the situation was seen by the Austrian interviewees as less dramatic than in other focus cites. Affordable housing was only identified as a major challenge in Innsbruck. In Graz and Linz, the situation is in the middle range. Linz has a long tradition of cooperative social housing, Vienna, with its hundred-year tradition of social housing, is seen as an international best practice example, due to the high number of social housing. The most dramatic aspect and often referred to as the most visible of poverty is the situation of being homeless. All cities are confronted with a growing number of homeless people, despite their initiatives, prevent homelessness.

The third topic concerns the two ends of the age pyramid: **children and old people**. Almost every interview focused on child poverty. Child poverty is usually defined as children growing up in a poor family. According to interviewees (nearly in all cities), children are born into poor families, and therefore, there is the social challenge of inherited poverty. Growing up in a poor family increases tremendously, the risk of persistent poverty that is usually passed on to the next generation. The poor children of today are the poor adults of tomorrow. Regarding child poverty, the situation of the parents is usually referred to. Here main risk groups are single parents and families with three or more children. There are large country differences with respect to old-age poverty. While the topic seems to have arrived in other European cities (Antwerp, Duisburg, London), it is mainly addressed as a future challenge in Austrian cities. Minimum pensioners are the main risk group here. Unlike in the case of children and teenager poverty, the situation of minimum pensioners was portrayed by some interview partners as hopeless. For children and teenagers, education and labor market integration are seen as key drives to get out of the vicious poverty circle. Old-age pensioners do not have these options.

Occasionally divorces/separations, debts, addiction problems, and high living costs were mentioned as causes. Drug abuse was a particular topic in Denmark as a cause of poverty in Aarhus and Copenhagen. Aarhus also identified problems of social and cultural integration as a major cause of poverty in the city. In

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 118-128
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

Copenhagen, also social inequalities in health care are mentioned. According to different city representatives, also migrants and refugees have a big chance of ending up in poverty. In the Dutch cities, the self-employed were also identified as a key risk group. When it comes to the gender issue, the interviewees refer to the women as a vulnerable group. Especially in conjunction with other factors such as e.g., migration, the risk is higher. In general, the interviews pointed out that the causes of poverty are usually linked.

3.3. Interaction between network actors on the municipal level

In the interviews with the city representatives, **the importance of horizontal and vertical networking** was always emphasized. The fight against poverty is a multi-level governance endeavor, as well as a multi-stakeholder endeavor. Anti-poverty policies are designed by the regional or central states, and the cities often lack policy-making competencies. With respect to the collaboration with the higher up government levels, the city representatives often felt quite powerless. This was stressed by most interview partners in Austria, Belgium, Germany, and Great Britain. The British interview partners felt particular powerless. Cities are often executing agents without sufficient human and financial resources. Other obligatory local government tasks, debt ceilings, and tight city budgets often leave very little room to finance their own programs.

Concerning the local level, the interview partners often emphasized the importance of good cooperation between the different local actors, namely the political actors, the different departments within the city administration, local government-owned enterprises, the social and solidarity economy in the form of NGOs and NPOs, citizens as volunteers and private sector actors. Concerning the relationships between the actors, it can be said that the cooperation of individual actors in the interviews was frequently classified as good but nevertheless as worthy of improvement with respect to resources, frequency of interaction, and the degree of collaboration.

Irrespective of the underlying welfare state concept, i.e., the liberal, the corporatist, or the social welfare state, there is a long tradition of collaboration with partners of the social and solidarity economy. In the focus cities, **NPOs** are the **most important system partner** of local governments in implementing anti-poverty policies by providing social services. NPOs have different roles in the fight against poverty. They carry out programs commissioned to them by the cities and higher up governmental levels, they augment the services provided by the public sector providers or they act as advocates for the poor and as a lobbyist to improve the effectiveness of anti-poverty policies.

Across the cities, great variations exist, how the responsibility for reducing urban poverty is divided within local governments, and how the collaboration with the local civil society actors is organized. The local governments see themselves as lead-stakeholders and, therefore, in steering or coordinating role.

The differences between the cities and how the other local actors are involved in the **local policy design** and service provision process start whether a city-wide plan to reduce poverty exists or not, and how such a plan is developed. Only a few cities have such a city-wide plan in one or across the relevant policy areas. City-wide plans exist in Amsterdam, Glasgow, and Leipzig. Since 2017, local governments in Great Britain must have a homelessness prevention strategy. Some Belgian cities have special anti-poverty networks for reducing child poverty. Additional to the involvement of social and solitary economy actors, a few cities also involve those who have experienced poverty in the local design of anti-poverty programs. Belgian and British cities are more advanced than in other countries.

Within the local governments, many cities still have a silo approach when it comes to the **intra-administrative division of labor**. One city department is responsible for poverty-related services, for children and young people, another one for social benefits, the third one for labor market-related issues, and

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 118-128
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

another one for housing issues and fighting homelessness. The various city departments or agencies often have long-established partnerships with (selected) area-specific NPOs. Only a few cities have a more compressive approach, although poverty reduction should be integrated as a cross-sectional communal task. For example, in Innsbruck, a social coordinator is responsible for improving collaboration across the city agencies and beyond.

On the **service provision level**, the collaboration approaches between the cities and the other local civil society actors can be clustered as follows. The narrowest one is regular or event-driven information exchange meetings between city departments and other service providing actors, in particular, social service NPOs. The New Public Management approach is the second option. Here the provision of social services is contracted out to private partners, predominately in the area of poverty reduction to NPOs. A third one is the Public Governance approach. The responsibility for implementing anti-poverty programs does not mean any longer rest exclusively with the local administration but involves the engagement of many local actors, ranging from NPOs to volunteers and support by service clubs (like Lions and Rotary) and private companies in their community engagement activities. The different actors provide complementary services in line with their particular expertise. In the interviews, there are divergent opinions regarding the involvement of volunteers in the fight against poverty. On the one hand, NPOs and city representatives did draw the attention to the lack of (professional) expertise of volunteers and the limits of volunteering to compensate for budget cuts in the NPOs. On the other hand, interview partners addressed the special position (an anchor function) that a professional cannot and should not take. Compared to full-time employees, volunteers can go further and build friendships, while full-time employees must maintain a professional distance. Some anti-poverty initiatives, like the foodbanks or the mentoring and buddying projects for pre-school and school children or families with a migration background, would not be possible without the voluntary engagement of citizens.

3.4. Characteristics of successful urban strategies and interventions

According to city officials from Rotterdam, there are two approaches for combating poverty: fighting the causes of poverty and mitigating the consequences of poverty. For both, not only the financial aspect should be considered, but also other areas of life, such as health, work, education, etc. This brings us to the first point for successful poverty reduction strategies and programs. The fight against poverty is a cross-cutting issue and therefore needs a **holistic approach**. The cities of Amsterdam (Plan of Attack on Poverty), Glasgow (People Make Glasgow Fairer Strategy) as well as in Leipzig (Urban Development Strategy 2030) have implemented city-wide anti-poverty strategies. According to the city representatives in Antwerp, it is also necessary to think along the cross-sectional dimensions, which are not necessarily associated with poverty. The holistic approach to combating poverty is also addressed in the interviews in Vienna with regard to the accessibility and extensiveness of services offered.

The central role of **networking** was addressed by many interviewees. The city representatives from Liège stressed the importance of establishing poverty reduction as a cross-cutting task for improving the effectiveness of poverty reduction programs. According to the city of Leipzig, it is also important for the sustainability of anti-poverty initiatives that experts from different thematic areas collaborate in order to move beyond the high degree of fragmentation. A successful public action network needs the involvement of many local actors, among them local government/municipal companies, NPOs, and private companies. The underlying concept is the idea of public actions by a collaborative public governance network. Belgium is a showcase for collaborative governance approaches to reduce child poverty. In recent years, Belgium has established collaborative governance structures in which specialists and generalists in the fight against child poverty work closely together. In Belgium, the organization for public welfare services often acts as a

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 118-128
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

principal, and the networks are steered by a professional network coordinator. Some interviews also addressed the importance of those affected by poverty (as experts in their own situation). According to the interviewee from Glasgow, the involvement of those affected is the 'key to success'. In Aarhus, it was pointed out that cooperative arrangements are also desirable in the financing of poverty programs, which contribute to relieving the burden on the local budget. The continuous provision of funds is an important factor in the financial sustainability of (successful) programs. British cities are experimenting with social value baskets. The guiding idea is to link public procurement with voluntary initiatives of private companies for the neediest ones. **Broad political support** is another important ingredient for successful approaches.

In an interview in Utrecht, the **exchange** with other countries, with regard to the success factors and failure factors of poverty reduction programs, was identified as a success factor. The improved data exchange between the actors involved in the fight against poverty is considered important in the interviews with city officials in Glasgow. Successful EU-funded urban model projects, like for example, housing first for combating homelessness or the information exchange of cities engaged in the Eurocities, were referred to by the other interview partners as opportunities to learn from other cities.

As mentioned above, a reoccurring topic was the misalignment of the de facto responsibilities of the cities and the **policy-making competencies of cities**. The lack of decision-making competencies was particularly criticized in the area of housing policies, labor market policies, and the design of the social benefits system (including corresponding austerity measures). An interview partner in Glasgow illustrated that in the area of labor market integration. In Liège, the interview partner stressed that the fight against poverty in Belgium is a federal competence and that the city is limited to implementing programs designed at up government levels. According to interviewees in Rotterdam, it is important for that reason that the municipal targets are also designed in such a way that they are within the communal sphere of opportunity. Berlin and Vienna as city-states are in a better situation, due to the fact that they are cities and regional states at the same time.

In terms of sustainability, the **long-term implementation of poverty reduction programs** is something our interview partners would like to see. Changing political priorities at all levels of government creates structural tensions for a sustainable social inclusion policy. Politicians want to see success before the next elections. Cities also complain between a mismatch about the delegated responsibilities and the budget provisions for the anti-poverty programs. Furthermore, according to the city representative from Leipzig, there is often a "projectoritis". Successful initiatives are often running out after a too short period of time. The project character prevents the sustainability of the initiatives, according to the interview partners in Graz. In the case of short term projects with a duration time of up to three years, a lot of time is initially lost with lobbying for the projects, their conceptual design, establishing service provider networks, and the creation of access to the target group. The requirement that it is an innovative model project, which is included in many funding programs, prevents effective projects from continuing. Failures can be reduced according to Leipzig city representatives, by funding programs that are planned over a longer period and by building on the experience of previous successful projects.

As another aspect that is linked to the sustainability of local anti-poverty reduction programs is the way of financing and the institutionalization level of **everyday facilities of the welfare state**, e.g., the provision of childcare facilities. Even if institutionalized childcare facilities are not directly linked to poverty reduction, the risk groups in particular profit from institutionalized childcare services, according to our interview partners in Linz and Leipzig. A sufficient mastering of a country's language is essential for a good start at primary school. The ambitious European aims for social inclusion cannot be achieved without a well-established social infrastructure at the level of the cities.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 118-128
URL: http://www.reaser.eu
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When it comes to social benefits, **accessibility** is important. The non-take-up rates have been a reoccurring topic in Austria, Belgium, Germany, and Great Britain.The requirement for this is that people know the range of services and what they are entitled to. The bureaucratic burden of obtaining (especially financial benefits) is a major obstacle for those affected. For this reason in Leipzig and in many other cities, the importance of the low-threshold access to the benefit reference is addressed. This aspect is central to reach the target group.

City representatives in Graz stressed that the 'distribution of charity' is helpful in the acute crisis situation, but in the long run, it does not lead to a sustainable approach. – With regard to sustainability, **prevention** is very important. A re-occurring welfare state paradigm was that of the **social investment state**. The anti-poverty policy must start very early to prevent unsuccessfully educational careers, or in the areas of housing that people are becoming roofless. In Linz and in other analyzed cities (Vienna, Amsterdam, Antwerp, etc.), the focus on poverty prevention is very strong. In Berlin, Cologne, Ghent, and Rotterdam, there is a desire to increase prevention activities. As an essential element, education is seen here. Education should help prevent poverty, especially among the group of children and young adults. The interview partners in Ghent stressed, 'if you work with the children, you are working on the future because you are helping people at this moment, which will have an impact on these people's actions and lives in the future.' The poverty spiral can be broken through education and qualification. These early investments should take place through institutionalized childcare. This also allows parents, especially mothers, to increase their labor market participation or have time for qualifying for the labor market. This indicates a change in the welfare state towards the social investment state with its target groups, primarily children and women (Dobrowolsky 2002; Hemerijck 2013; Morel et al. 2012). It is about strengthening people's opportunities by investing in human capital to ensure their participation in society and the labor market. Another critical transition period, referred to by the city representatives, is the transition from school to the labor market. Cities have here a complementary role, as labor market policies are designed at the federal government level and are predominately executed by federal and regional labor market agencies. Cities carry out quite a few (qualifying) projects for young people up to 25 years in order to improve their employability. The interview partners also stressed the importance of programs for the long-term unemployed. Here most interview partners stressed the responsibilities of the higher up levels of governments. Regarding skills and abilities, the topic of e-inclusion in connection with digital illiteracy was also addressed, even though digital skills are not automatically associated with poverty. Since today's society handles a large number of areas via the digital network (including applications for social benefits[5]), the area is quite relevant.

Additionally, to a preventive anti-poverty policy in line with the social investment state paradigm, the interview partners also saw a particular need to address to lack of **affordable housing**. Today, in nearly all cities, the lack of affordable housing is a challenge not only for the poor but also for middle-class persons. With respect to housing policies, the market-oriented paradigm, with its high trust in the private sector provision of affordable housing and its focus on homeownership as an effective poverty prevention strategy, has failed. With respect to affordable housing, the British cities are in performing the worst ones, followed by Germany. In Germany, tax benefits for social housing were abolished in the 1980s. Many cities have privatized their housing stock in the last decades (e.g., on a large scale, German and British cities). The UK is rated by the European Commission as a country with the most overheated housing property market. A holistic approach includes the prevention, or homelessness and mitigating the consequences of being roofless. Amsterdam, Copenhagen, Glasgow, and Vienna were first-movers with respect to the 2011 EU-

[5]. A city representative from Linz adds that the high bureaucracy involved in applying for social benefits means that people arrive and stay in poverty.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 118-128
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

funded “Housing first”-initiatives that combine getting people off the street with intensive social counseling. To reduce the lack of affordable housing, an increase of the market share of social housing is necessary by building new apartments. Depending on their financial situation, cities can either increase their activities as owners of council houses, support nonprofit housing cooperatives, and have policies in place that when a city sells the land, a certain percentage is earmarked for social housing projects (e.g., in Vienna 60%). In our sample, only the cities of Amsterdam and Vienna can look back on a century-old tradition of social housing. This shows that a very long term approach is necessary. "Wiener Wohnen" is an international best practice example with its 100-year history of social housing. Most of our interview partners who focused on affordable housing also stressed the importance of a mixed social structure in the city quarters. The trends of the gentrification of the inner cities need to be reduced. Nonprofit housing cooperatives are also seen as a relevant provider of social housing. Some cities are also experimenting with new forms of housing cooperatives. Additionally, an interview in Antwerp suggested a kind of area-specific ‘Tinder’ – People who want to live together can find each other through this platform and thus save money on rents. Nearly all interview partners called for legislative reforms, which substantially reduce the building costs.

Summing up, a successful local government approach to reduce poverty is a multi-level and multi-stakeholder endeavor. The municipal approaches are embedded in the national welfare state arrangements, the risk group-specific policy design competencies as well as the fiscal and regulatory autonomy delegated to the local governments. On the local level, it is necessary to establish a holistic anti-poverty policy, addressing the specific challenges the particular city has to deal with. Under sustainability aspects, long-term orientation and a focus on prevention are called for. In line with the public governance approach, successful urban initiatives are a collaborate undertaking of the local civil society actors.

4. Conclusions and Recommendations

Summing up, the findings show that cities define poverty primarily as income poverty, and mainly use the number of social welfare recipients for measuring poverty. More elaborated approaches are based on a broader set of indicators for measuring social inclusion and for capturing central causes of poverty. In order to get a better picture of the effectiveness and trends in urban poverty, it is required to move beyond the statistical measurement approach. Additionally, to the statistical approach, it is necessary to evaluate on a regular basis the success of a city's specific anti-poverty strategy.

With regard to the causes of poverty, the interviewees focused primarily on the micro-level. Single-parent families, families with at least three children, un-skilled persons, long-term unemployed persons, migrants (first and second generation), and refugees were frequently mentioned as main risk groups. The three most frequently mentioned urban poverty challenges are the lack of labor market integration (unemployment and in-work poverty), the lack of affordable housing (social housing and homelessness), and child poverty. Old-age poverty is more pressing outside Austria. However, in Austria, old-age poverty is seen as a future challenge.

Means-tested conditional social assistance payments are one side of the approach to how welfare states deal with poverty. The British cities operate under the most restrictive welfare state system, in line with the ideas of the liberal welfare state. Corporatist welfare states, like Austria, Belgium, and Germany, rely to a varying degree on labor market integration. Denmark, with its tradition of the social-democratic welfare state, has a very restrictive policy against non-EU migrants when it comes to the entitlement towards social assistance. In line with the social investment state paradigm, education and labor market integration are key drivers to reduce poverty. Therefore, the fight against poverty must start very early at the level of pre-school children. Quite a substantial number of local in-poverty initiatives are targeted at children and unemployed

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 118-128
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

young people (up till the age of 25). Mitigating the consequences of homeless is another main area of municipal programs. The lack of affordable housing in urban areas needs a multi-government approach across all government levels. Those cities which have not sold their social housing stock to private investors now have better conditions to tackle those particular challenges.

Successful local approaches to reduce poverty is on many shoulders. The social and solidary economy is the most important system partner at the city level, by providing its expertise on the structural and individual causes of poverty and for designing local anti-poverty strategies. Furthermore, they are carrying out government-commissioned social programs and by complementing the city-run programs with their own initiatives in the areas of social service provision and social housing.

5. Disclosure Statement

Supported by funds of the Oesterreichische Nationalbank (Austrian Central Bank, Anniversary Fund, project number: 1 7 6 4 8).

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Manuscript received: 15.09.2019

Manuscript received in revised form: 14.10.2019

Manuscript accepted: 16.10.2019

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

Challenges for SSE-networks supporting local sustainability: lessons-learned of an IEP Site experiment in Mechelen (Belgium)

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Abstract. *In this paper, we report the first lessons learned of an Inclusive Economy Participation or IEP Site experiment realized in the city of Mechelen (Belgium). An IEP Site is a geographically concentrated location where profit, public, and social profit organizations join forces to stimulate the inclusive economic participation of vulnerable citizens. Because stimulating inclusive economic participation is one of the basic dimensions of sustainability, an IEP-site can be depicted as the physical residence of a network that supports local sustainability. As Social and Solidarist Economy organizations fulfill a key-role in this location, the IEP Site network can be depicted as an SSE-network. Although the experiment in Mechelen did not correspond entirely with the fundamental features of an IEP Site, the encountered endeavors did generate useful and relevant lessons learned. As such, we have experienced how difficult it is to join forces successfully and to create a well-functioning local network for economic inclusion. Additionally, unexpected setbacks have challenged the partners to continue to come up with creative and on-the-spot solutions. At the same time, these setbacks have put their motivation, commitment, and resilience repeatedly under pressure. Fortunately, there were also unexpected strokes of luck. Thus, the partners have experienced how a diversified methodological approach and active participation of vulnerable citizens themselves in the spatial design of the site, has triggered the competences of self-reliance and personal growth of the vulnerable citizens involved. In short, the experiment in Mechelen generates useful new insights that stimulate further development and successful implementation of the IEP-site concept in Belgium.*

Keywords: Inclusive economy, IEP-site, experiment, Belgium

JEL Codes: L2, L3, J6

1. Introduction

The notions of sustainability and sustainable development have different meanings. One of the earliest definitions was presented by the World Commission on Environment and Development (WCED) in the now generally known Brundlandt reports (1987). According to this definition, sustainable development is the development that meets the needs of the present without compromising the ability of future generations to meet their own needs. In addition to strong ecological engagement, this definition also implies engagement in three other areas: politics, culture, and economics (Pearce, Markandya and Barbier, 1994; Scott Cato, 2009; Mishra, 2017; Shapiro and Verchick, 2018). The exploration and development of the economic dimension often associate the notion of sustainability with other, existing economic concepts. The economic dimension, for example, is often linked to inclusive economic growth, an inclusive economy and a highly

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ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

developed Social Solidarity Economy (SSE) (Defourny, Develtere and Fonteneau, 1999; Bouchard, 2009; Conforth and Brown, 2014; Hasmath, 2015; Van Meijl, Ruben and Reinhard, 2017). The common thread that runs through these related notions is that everyone in our society has the right to participate in economic life. This means that both the economy and economic models and/or policies must be explicitly geared towards the creation of (participation) opportunities for everyone – including the most socially vulnerable among us – and at achieving mutual economic solidarity.

With an eye to this economic inclusion, we at the Faculty of Design Sciences of the University of Antwerp (UAntwerp) have come up with the concept of the IEP Site. The acronym stands for Inclusive Economic Participation. An IEP Site, in other words, is a place where different organizations join forces to support and inform socially vulnerable citizens, both as consumers and as producers. Because SSE organizations – along with the public (mainly local governments) and private actors involved – are the main stakeholders of these sites, we define IEP Sites as local SSE networks in organizational terms (Vallet, Bylemans and De Nys-Ketels, 2017; Vallet, De Nys-Ketels and Bylemans, 2018). In addition to a priority focus on the economic dimension, an IEP Site also respects the ecological, political, and cultural dimensions of the notion 'sustainability' (see below under 3.2). In short, conceptually, an IEP site is very much in line with an integrated notion of sustainability, but it mainly emphasizes the economic dimension.

This contribution focuses on the meaning of the IEP Site and the inductively generated lessons learned from its de facto operation. The lessons learned are the result of the first pilot project that was realized in the city of Mechelen (Belgium). With respect to its structure, we will successively address (2) the development of the IEP Site concept, (3) the concrete meaning of the IEP Site and its overlap with the notion of sustainability, (4) the experiences gained during the IEP Site pilot project in the city of Mechelen, and (5) the lessons learned in Mechelen. It is important to emphasize that our contribution mainly shows how difficult it is to realize economic empowerment through the entwining of network forces. In our opinion, however, the interim results are inspiring and make future follow-up research and projects on IEP-sites worthwhile.

2. Why Is There a Need for IEP Sites?

In the first section, we reflect on the reasons why we launched the IEP Site concept in the first place. On the one hand, these are reasons that refer to ongoing exploratory research in the Flanders SSE sector. This sector consists of organizations whose economic activities comply with well-defined principles, namely (i) the primacy of labour over capital, (ii) the guarantee of democratic and transparent decision-making, (iii) the generation of products and services with pronounced social added value, and (iv) respect for the quality of the environment and the life of several generations worldwide (Defourny, Develtere and Fonteneau, 1999; Bouchard, 2009; Conforth and Brown, 2014). On the other hand, these are reasons related to the social commitment of academic research. Both allow us to embed the IEP Site concept in a broader framework of disciplinary movements, publications, and existing research.

2.1. Existing Spatial Barriers

We began studying the Flemish SSE sector more than ten years ago. We have tried to obtain insights into the long-term challenges this sector faces, as well as into the ways in which SSE organizations deal with them (Vallet, 2010a and 2010b; Vallet, Van Wymeersch and Bylemans, 2018). In concrete terms, this resulted in research into strategic policymaking by SSE organizations.

However, some five years ago, we broadened our initial disciplinary focus in close consultation with the professional field. On the basis of semi-structured interviews and focus groups consisting of experience

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

experts, including SSE entrepreneurs, SSE employees, political and administrative SSE policymakers and coordinators at the local and Flemish policy level, we learned that the successful implementation of strategic policies is closely related to the spatial design of SSE initiatives. By 'spatial design', we mean the location and design of both economic meeting points and meeting places (for example markets, shops, forums, and information desks) as well as economic, educational facilities and workspaces (for example classrooms, studios, coaching spaces and shop floors). Because, according to the experience experts involved, spatial design can either break down or raise barriers for the target group, we have gradually broadened the strategic focus with a design-oriented focus based on the disciplines of interior design, architecture and urban development (De Nys-Ketels, Vallet and Bylemans, 2015; Vallet, Bylemans and De Nys-Ketels, 2017).

One particular spatial challenge – which was also recognized on the national and international (research) platforms at which we presented our advancing insights – caught our attention. According to the experience experts mentioned above, the number of initiatives associated with the economic inclusion of socially vulnerable citizens in Flanders had increased considerably over the past ten years. However, this did not result in the target group's being helped in a (more) prompt, predictable, and precise manner. According to the experience experts, geographical fragmentation was a major problem: initiatives were and are located in different locations throughout the Flemish countryside as well as set up by different bodies. This geographical fragmentation presents a barrier to socially vulnerable citizens, because they generally find it difficult to bridge spatial distances mentally (for example, due to a need for proximity and security), physically (for example, due to restrictions on movement) and financially (for example, due to the lack of affordable and easily accessible modes of transport). In addition, the organization of initiatives by separate bodies requires extra coordination efforts: What support can I, as a citizen, get from whom and at what location, exactly? In short, the spatially dispersed nature of the economic inclusion initiatives in Flanders risks, according to the professional field, undermining their accessibility and, therefore, also their (positive) effects.

To find a suitable solution to this particular problem, we sought inspiration from the sociologist and urbanist Manuel Castells (Castells, 1989, 2000, 2010; Stock, 2011). He says citizens can (only) participate in and thus become part of social fabric by connecting, for example, information, people, and capital. People who do not find ways to connect are inevitably left behind. Following Castells' ideas, we came up with the idea of creating spatial nodes that bring together initiatives for the economic inclusion of socially vulnerable citizens. We named these nodes IEP Sites or Inclusive Economic Participation Sites (see more under 3). IEP Sites can be created anywhere in principle, but our focus is on the urban environment

2.2. Scientific Foundations: A Matter of Scientific Commitment

As mentioned above, our IEP Site research was not only inspired by the needs and requirements of the field, but also by our own discipline and its tradition of engaged academic research. In concrete terms, this involves the disciplines of economics, organizational theory, management, and design sciences. They are, therefore, the building blocks of our scientific commitment and foundation.

First of all, this scientific foundation can be associated with the concept of an economically inclusive society in which everyone is equal and can and may participate fully in the economic process. The economy belongs to everyone including those who, in the currently dominant ideological system, are characterized as vulnerable because as producers they do not have sufficient marketable competencies and means of production, and as consumers, they do not have the coveted purchasing power and needs that can be satisfied by profitable products. Moreover, their vulnerability runs the risks of becoming a vicious circle. Because of their vulnerability, they are in danger of losing their full citizenship and independence. Others – read: economically stronger fellow human beings – often determine what is good for them. Others determine the

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

structures and the rules of the game. Similarly, others also determine the organization of the economic and public space, often in the service, or so they think, of what vulnerable fellow citizens need and what motivates them. This may well be meant for the best, but it does not benefit the strength and resilience of vulnerable people. A more emancipatory approach is needed, one in which socially vulnerable citizens learn to 'read' and 'write' economically and spatially so that they can challenge others to explore and take new paths together and on the same footing. The ambition to develop an emancipatory approach to economics to create an economically (more) inclusive society is in line with the work of various academic researchers, especially of colleagues active in the niche of the SSE (Spear et.al., 2001; Moulaert and Ailenei, 2005; Monzon and Chaves, 2008; Certo and Miller, 2008; Conforth and Brown, 2014)**.** In parallel with the above, our scientific engagement is also linked to attempts to develop new and alternative economic models (for example, Alter-Globalism). In this respect, too, we follow various academic researchers in the field of economics (Sanders, 2000; Krugman, 2008; Stiglitz, 2010 and 2012; Piketty, 2014; Yunus, 2017)**.**

The second type of scientific engagement is related to the spatial design process. Most spatial design processes have introduced different optimizations, improvements, or refinements to give users a say. In the design disciplines, these initiatives generally fall under the heading of user-fit design (Siu, 2003). When we evaluate these methods of participation in the design process and especially their actual applications, the results appear to be somewhat disappointing. After all, the dominant design logic often remains that of designers themselves and/or that of the (financing) client (Sanders, 2000; Freeman, Nairm and Sligo, 2003; Friess, 2010; Luck, 2018)**.** This is also the case with regard to the design of public and social profit spaces that accommodate economic inclusion initiatives. With respect to the public space, for example, classical hearings are commonly about designs that are actually largely finished and will only address small or general grievances (for example, a request for a bus stop in front of every entrance, for a location other than an industrial estate, for more green in the public space or for Fabrication Laboratories or Fab Labs at which creative citizens can make their own products). Or co-creation moments that are limited in time and space operationally address people's direct wants, rather than ask further questions and possibly expose people's underlying needs. In short, designers and their own (functional and technical) expertise and assumptions and opinions about what is good for 'the' vulnerable citizen and how they do and will behave in a space often still occupy center stage. Although intentions are sometimes good, designers and clients together quite autonomously decide what is actually 'good', 'suitable', and 'beautiful' for the vulnerable citizen and thus for society. Using a new design logic that we also developed and applied at the IEP Sites, we of research group Henry van de Velde (Faculty of Design Sciences, UAntwerp) try to transcend this traditional design approach fundamentally. The new design logic starts from the vulnerable users themselves; their experiential expert role is transposed, through spatial awareness and literacy, into energy and action potential. They themselves actually become the starting point of the design process. They create their own space.

3. What is an IEP Site?

Having explained our motives and embedded them in existing academic research, let us return to the characteristics of IEP Sites. By analogy with the ideas of Castells (see before), an IEP Site is a geographical hub in the urban fabric that gathers organizations that work on the integrated economic participation of socially vulnerable citizens together and connects them spatially. SSE organizations play a key role in this process.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
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3.1. Many, complementary functions

During our successive research projects, we found that IEP Sites fulfil various functions (Vallet, Bylemans and De Nys-Ketels, 2017; Vallet, De Nys-Ketels and Bylemans, 2018; Vallet, Van Wymeersch and Bylemans, 2018):

- The basic function of an IEP Site, first of all, is to accommodate various organizations that work on inclusive economic participation. In addition, certain spaces can be shared and thus used in an optimized or ecologically responsible manner.
- Secondly, IEP Sites are easy to locate and easy to reach by socially vulnerable people.
- Thirdly, IEP Sites offer socially vulnerable people a range of opportunities to participate in the initiatives on offer as well as in designing the location. We think this is a very special feature. A well-considered setting, affirmative architecture, and open design can ensure that these sites are interesting, attracting poles that socially vulnerable citizens themselves can help build. By means of actual co-creation, such sites become their sites.
- Fourthly, the physical proximity of like-minded organizations also stimulates the necessary synergies and innovations. The realization of joint or integrated projects is a very special, but hardly self-evident feature. After all, previous research has shown that the fact that organizations are settled together on a single location does not always lead to mutual encounter and cooperation.
- Finally, well-considered design and setting of the site, for example in a poor or vulnerable urban area, can also contribute to neighbourhood-oriented development

3.2. Connection to sustainability

Based on the above definition and functions, there are various ways in which the IEP Site concept is in line with the notion of sustainability:

- Through economic inclusion, IEP Sites link up with the economic dimension of the notion of sustainability.
- Through the explicit involvement of public partners and the creation of organization networks, IEP Sites also play on the political dimension of the notion of sustainability.
- Through their geographical setting and anchoring in urban neighbourhoods and districts, IEP Sites also touch on the cultural dimension. IEP Sites feed or create, as it were, local communities with their underlying norms and values (for example, inclusion, solidarity, emancipation).
- Through the presence of SSE organizations, IEP Sites also touch on the ecological dimension of the notion of sustainability. After all, an important organizational characteristic of any SSE organization is an explicit focus on the quality of life of a number of generations worldwide and, therefore, on the quality of the environment. That is why various SSE organizations are also active in ecological sectors such as circular economy, green energy, ecological water management, and environmentally safe mobility.

3.3. Developing Strategic-Spatial Blueprints Using Qualitative Exploratory Research

Pursuant to the launch of the new concept as well as the expertise of the research team (see 2.1), our research was and still is focused on the exploration and development of models or blueprints that can further specify and concretize the IEP Site concept and its strategic and spatial design. Such blueprints would help local policymakers and interested SSE organizations make more deliberate and targeted policy decisions about the sustainable, inclusive economy. On the one hand, exploratory research consists of inspiring case studies taken from the Belgian SSE sector and on the other, of realized pilot projects in Flemish cities.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
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A first pilot project (2015-2017) was to be realized in the former colony of Wortel-Merksplas, which considered reallocating five buildings to create an IEP Site focused on the sectors of sustainable agriculture and horticulture (including a pick-your-own garden, local products and therapeutic animal care) and sustainable tourism (including collective accommodation for equestrian tourism). However, its actual realization was discontinued prematurely due to shifts in the local political agenda.

A second pilot project took place in the city of Mechelen (2017-2019) [1]. With the financial support of the ESF (European Social Fund), a temporary IEP Site was set up on the third floor of a former boarding school. This IEP Site focused on socially vulnerable young people (that is, with a low level of education, unemployment, replacement income, housing problems, serious social and/or medical problems, and absent or unclear future prospects). The site focuses on the development of a sustainable care sector. In concrete terms, this involves the niches of (i) healthy and cheap food and hospitality industry, (ii) accessible neighbourhood-oriented maintenance and repair services, (iii) an affordable circular user economy (that is, recycling-based interior design and small-scale urban agriculture), and (iv) the development of accessible informative digital platforms. This IEP Site provides training, coaching, and practical experience [2]**.** The following sections will further explain its setup, progress, as well as the insights it generated.

Methodologically, the pilot project uses a qualitative research setup that in concrete terms uses action research (that is, into successive decisions as well as interventions), observations (that is, of behaviour shown by the young people and the partners before and after the interventions) and open interviews (that is, about perceptions and experiences of the young people and the partners) (Charmaz, 2014; Yin, 2017). As such, the pilot project takes the form of a case study that, in line with its pilot character, is gradually developed and designed.

4. What have we found at the IEP Site in Mechelen?

The IEP Site in Mechelen is (for the time being) the only pilot project that has actually been able to test run. Because the test only ran for six months and because the pilot project has not yet been fully completed at the time of this writing, these are ‘findings under construction’. This means that the lessons learned must be read with due caution. This is even more advisable in light of the methodological framework of exploratory qualitative research (see above). We are not proving anything, but we are developing additional insights that gradually bring us closer to a better understanding of our initial IEP Site ambition.

Below, we successively address our findings regarding the explicit profile (4.1), the course of events and the challenges that manifested (4.2), and the way in which we made additional choices and carried out additional activities to deal with the challenges of the pilot project (4.3).

4.1. Focusing on Socially Vulnerable Young People in a Growing Care Sector

It is, in line with our previous research results, important to make strategic choices about target groups and economic activities at the launch of the IEP Site (Vallet, Bylemans, and De Nys-Ketels, 2017; Vallet, De Nys-Ketels and Bylemans, 2018). These choices are made explicitly for the purpose of meeting specific local challenges and of the support available among the partners involved. It is important to note that the decision-making process worked out significantly different than we expected. More about this in sections 4.2 and 4.3.

The profile of the IEP Site in Mechelen clearly centers on the economic reintegration of socially vulnerable young people (that is, the target group). They are young people between the ages of 18 and 25 who not only have special needs as consumers (for example cheap housing, accessible training and coaching,

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

healthy basic food) but also as producers (they have, for example, difficult access to the regular labour market and lack financial investment resources).

In accordance with conceptual guidelines, the choice of the target group was mainly made by the two local public partners involved (Vallet, Bylemans, and De Nys-Ketels, 2017; Vallet, De Nys-Ketels and Bylemans, 2018), which also substantiated their decision. According to the City of Mechelen and the VDAB (Flemish Employment and Vocational Training Office), the number of socially vulnerable young people in the Mechelen region is large and growing. A total of eight young people were recruited into the IEP Site project over a period of six months.

As we mentioned earlier, the selection of economic activities targeted some niches in the care sector as a whole, in concrete terms the sectors (i) healthy and cheap food and hospitality industry, (ii) accessible neighbourhood-oriented maintenance and repair services, (iii) an affordable circular user economy (that is, recycling-based interior design and small-scale urban agriculture), and (iv) the development of accessible informative digital platforms (for example, where to go to get your needs met).

The aim of the IEP Site was to recruit young people and train them for work in these sectors as much as possible, but the training goals were not entirely fixed in advance. In the course of the project, we made a deliberate decision to build in more space and openness to ensure that the young people could also be trained for other niches (see below under 4.3).

4.2. The course of Events and Emerging Challenges

The launch and incremental development of the experimental IEP Site in Mechelen actually ran a different course than we had planned. This was the result of unforeseen circumstances that consisted of challenges of a threatening nature as well as of an opportunity-creating nature.

Moreover, we faced turbulent circumstances that made it necessary to add the necessary water to the initial conceptual wine (see below at An Unexpectedly Difficult Start-Up, and also at 4.3). The main question is whether such unforeseen and turbulent circumstances are unique and exclusive to the Mechelen experiment, or self-evident and inevitable at the setting up of an IEP Site in general. That is why it is important to report explicitly on these circumstances. A detailed explanation of the circumstances or context also fits in with the explicitly exploratory and qualitative character of the IEP Site research.

- **A Restraining as well as Inspiring Context**

First of all, some contemporary developments that are taking place in the entire public and SSE sector are not actually unique to the city of Mechelen, for example the need for far-reaching cutbacks, the scarcity of (financial and human) resources, the limited public space left to be allocated freely, the need for directly visible (electoral) results and a pronounced (policy) priority meant to quickly correct the requirements of the labour market. Risky exploration, reconnoitering, testing, and gradual development are therefore not really in demand and are sometimes even impossible.

In the case of the IEP Site project in Mechelen, these developments regularly led to tensions between, on the one hand, the need to learn and acquire insights (that is, the need to explore and experiment) and, on the other, ambitions and expectations – particularly on the part of the ESF financier and the city council involved – to achieve visible results (that is, the necessity to perform).

On the other hand, the IEP Site in Mechelen was set up in a relatively favorable local context. After all, there are many organizations in Mechelen that are committed to the target group concerned. They guaranteed the local availability of a great deal of target group-oriented expertise.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
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- **An Unexpectedly Difficult Start-Up**

A second challenge was created by the difficult and repeatedly delayed start-up of the IEP Site project. The reasons were diverse.

First of all, there were challenges related to the location. The original location was suddenly declared uninhabitable shortly after the commencement of the project. After a few months of negotiations, a second location suddenly proved not yet to be available. This was a pity because we, in accordance with the guidelines of our initial concept, had already begun exploring the neighbourhood and contacting interesting local partners (a social restaurant, a sport and boxing club, for example). Given the original concept, the third and final location, namely an empty floor in a former boarding school, was not exactly ideal from a spatial point of view, but a further search was undesirable given the project's by then limited time span.

Parallel to the challenges presented by location, the partners involved presented us with challenges as well. The gradual refinement and choice of a target group (i.e., youngsters) and economic activity (i.e., sustainable health-care sector) required an additional search for expert partners, preferably in the SSE sector. As a result, the initial consortium (comprising the city of Mechelen, UAntwerp, AMS and VDAB Mechelen) was expanded by two SSE partners who had the necessary expertise about the target group (Arktos and Emino) and by two partners who not only had expertise about the sector, but could also provide access to other local SSE organizations active in the selected sector (the SSE organization Groep Intro and care company Rivierenland).

Shortly thereafter, more problems arose, this time with regard to the finding and actually recruiting of target group members. Although we had made the necessary agreements with the facilitating partners (including VDAB Mechelen) in advance, things turned out to be much more difficult than we had expected. Recruiting and holding on to a substantial group of young people proved difficult. Also, an additional problem arose concerning the correct administrative-legal statute under which the young people could and had to be appointed at the site (see under 4.3, methodical customization).

All in all, the launch of the IEP Site in Mechelen turned out to be much more complex and difficult than we had expected. In an ever-shrinking timeframe, the partners had to creatively and benevolently look forever different and (more) feasible solutions. Fortunately, we usually found them (see 4.3).

- **A Less than Ideal Final Location**

The final (third) location presented a special challenge. It was, for one thing, on the third floor of an otherwise largely unused building, which dulled the conceptually desirable liveliness, attractiveness, and accessibility to young people and local residents. The site was hardly visible from the street and could only be reached by stairs (that is, there was no lift). The location was also a problem for the partners who, for the same reasons, were only present on the site on a part-time basis (two or three days a week).

All in all, the location of the IEP Site in Mechelen was used as a part-time operating base rather than as an easily accessible, attractive, and intensively used or active place for both the young people and the partners, as our initial concept would have it.

- **A Temporary Experiment with an Eye to the Future**

Another feature was the pronounced temporary nature of the IEP Site. On the one hand, the IEP Site was established in a temporary emergency location (see above). On the other, its lifespan was as limited as its ESF funding. This was not in line with our initial concept either, in which a continuous character and long-term perspectives for both the young people and the partners were prioritized.

We have tried to compensate for this temporary character in different ways (see 4.3). For example, all partners searched extensively for ways to continue the operation of the IEP Site, also after the termination of

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

the ESF funding. In this respect, they explicitly expressed their support to a future-oriented engagement to the IEP Site consortium. What complicated the situation was that the ESF did want the continuation of the pilot project but insisted that financing had to be found elsewhere entirely. The partners of the IEP consortium felt this was a somewhat distorted state of affairs.

4.3. Additional Choices/Activities to Meet the Challenges

So much for the challenges; now on to the choices made and activities carried out to successfully meet them.

- **Writing and Registering to Learn**

Regarding the noted tension between exploratory learning on the one hand and result-oriented performing on the other, we have, in line with the innovative nature of the granted ESF funding, mainly focused on the learning. However, the pressure to achieve visible results (that is, to reach a large number of young people) remained high. This was mainly due to the influence of the public partner (the city council of Mechelen). Two election moments, specifically the local elections in the early autumn of 2017 and the Flemish, federal and European elections during the realization of the pilot project in the spring of 2019, at times considerably increased this pressure. In concrete terms, the ambitions included reaching a large or larger group of socially vulnerable young people and actually offering them permanent employment.

The most important activity was the creation of a scenario in which the partners wrote down fairly meticulously what exactly they experienced during the different stages of the project (that is, which challenges they faced) and how they dealt with these (that is, by which activities and methods). Each activity was also accompanied by an explicit evaluation (comprising insights, learning effects, and advice for the future).

In addition, the learning process was also stimulated during steering committee meetings during which we not only regularly discussed operational developments, but also talked about desirable and obtained learning effects (for example, the problems of and alternative solutions with respect to the administrative-legal statute). After these meetings, records of the discussions would be included in the minutes and in the developed scenario.

A third and final activity that prioritized learning overachieving was an exercise concerning the compulsory development of a business plan. The ESF made drafting a professional business plan in the course of the project compulsory. Together with the Antwerp Management School (AMS), which provided coaching on the subject, we decided to organize a half-day workshop to provide the IEP Site consortium with a 'guiding canvas'; this allowed us to express relevant experiences and learning effects jointly.

- **Joining Local Forces to Create More Breathing Space**

We managed to partly solve the difficulties we experienced recruiting and activating socially vulnerable young people by making intensive use of the rich local landscape of specialized organizations and existing initiatives in Mechelen. We have always tried to match the range of activities available at the IEP Site with that of existing local organizations.

In concrete terms, for example, we were able to call on regular students in technical education programs in Mechelen (TSM) to devise a logo and signage on the IEP Site itself and the Mechelen Parks and Public Gardens Department helped us set up a small vegetable garden on the outdoor space of the IEP Site. To find suitable assignments and trainee posts for the young people of the IEP Site, we collaborated with an urban wood workshop as well as with community workers (that is, with J@M). To realize a more outreaching approach to the recruitment of young people, we also consulted with the penholder of another ESF project in Mechelen, namely the Samenlevingsdienst. To de facto furnish the IEP Site; finally, we purchased materials

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

and furniture from local retailers and other SSE organizations in Mechelen (including a local do-it-yourself shop and the Ecoso thrift shop).

- **Simultaneous Stocktaking, Identifying, Activating and Designing to Create a Visible and Attractive Site**

The difficulty of finding a suitable location as well as the hardly ideal profile of the location we finally settled on led to the following activities and interventions.

The first activity was the drafting of an inventory of the minimum conditions that a location must meet in order to (be able to) be suitable as an IEP Site. A first condition is the presence of consultable information for interested initiators about freely available spaces in the city. A second condition is the availability of basic facilities regarding the utility infrastructure (water, electricity, lighting, heating, and sanitary facilities). A third condition is related to minimum accessibility and visibility from the street. In this respect, we prefer locations that are on the ground floor, with at least a minimum of signage and appropriate features (for example, a large open entrance door, few communicating doors, many glass walls and/or windows, no sills or stairs and lots of infrastructural signposting).

Some minimum conditions can also be met by the participants of the IEP Site themselves. It is therefore not necessary that all the conditions are met in advance. At the IEP Site in Mechelen, this applied to the signposting, which we provided together with the young people of the IEP Site as well as with third parties (such as TSM).

A subsequent set of activities concerns the activation and actual furnishing of the location. On the basis of our experiences, we can say that the IEP Site coordinator and the partners play an important part in this. By his presence and by the weekly work meetings of partners and young people, the IEP Site coordinator was the main driving force behind the activities that took place on the site itself, for example (i) the practical organization of workshops (for example woodworking, wall finishing and kitchen garden layout), (ii) the provision of materials and tools, (iii) the provision of required infrastructure (such as a table tennis table and a projection screen), (iv) the calling in of extra help (for example that of the local wood workshop and the Mechelen Parks and Public Gardens Department), and (v) the follow-up of the furnishing activities. Enterprising, anticipating, and motivating coordinators who are willing to roll up their sleeves provide an important stimulus. In addition, there is the dynamic part played by the partners. Based on our experiences, we can say that it is very important that the partners carry out their activities (that is, counseling or coaching, training, production activities, and service activities) on the site itself as much as possible. In concrete terms, this means the site itself requires sufficient supporting infrastructure (for example, studios, office spaces, and coaching and relaxation spaces).

Like the signposting, such spaces can also be created by the young people of the IEP Site themselves. At the IEP Site in Mechelen, for example, the young people designed and de facto furnished the various spaces as well as the terraced urban kitchen garden. In most cases, the design assignments were carried out without a hitch, this in contrast to the practical realization.

- **Customized Communication for the Improved Recruitment of Young People**

The difficulties in recruiting target group members for the IEP Site in Mechelen resulted in a number of additional interventions. One set of interventions was aimed at the improvement and optimization of communications. Generally speaking, we opted for more customized communication.

At the start of the project, for example, we made an extra effort to develop simple, clear messages for different types of media (for example brochure, info session); these were mostly used by the VDAB Mechelen. Despite our best efforts, it was very difficult to get a positive response from the target group. On the basis of informal conversations with the young people (that is, also with those who eventually dropped

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

out), we strongly suspect that this had something to do with the image and the part that the public authorities play in the general counselling process of these young people. After all, they are controlling and sanctioning bodies with which the young people involved did not always have a positive relationship outside the IEP Site. It is only logical for these public bodies to play this part and to do so in the IEP Site project as well. However, on the basis of our experiences, we can say that this probably creates some reservations and distance between the target group and the IEP Site. Further research is recommended.

Subsequently, we increasingly opted for a more personal and trusting approach to communication. In concrete terms, we offered individual, personal counseling through the coaches of the SSE organizations Arktos and Emino (in response to the 'need for a face'). From the moment the young people were informed about the project via the VDAB Mechelen, they could count on a personal welcome and further explanation at the IEP Site. It was important, according to the coaches, that this happened as soon as possible. After all, lengthy-time intervals could result in young people staying away, perhaps never to come back. We also repeatedly noted that if the coaches were not present on the site, the young people they were supervising would not show up either. This confirms the theory that the development of a personal relationship of trust is a prerequisite for a successful approach.

The need to overcome the short-term and temporary nature of the IEP Site is related to the development of a relationship of trust. On the basis of the coaching we provided, we found, for example, that socially vulnerable young people are often fed up with finding themselves in one temporary project after another. The temporariness erodes their motivation and engagement. What they need are more tangible and sustainable future perspectives. That is why all of the partners involved in the IEP Site project went out of their way to find additional financing and/or follow-up projects during the course of the IEP Site project. However, this was not properly communicated to the young people involved, and this aspect could certainly be improved upon.

- **Customized Methods for the Improved Recruitment of Young People**

Based on our experiences at the IEP Site in Mechelen, we can say that the success of the recruitment of young people also depends on the method used, which must be customized to the life rhythm, priorities, and needs of the target group. On the one hand, this implies the use of a sufficiently *broad* method and on the other, the use of a sufficiently *flexible* method.

In concrete terms, we have undertaken three types of activities to ensure this broad focus. They are also activities directly in line with the scientific engagement mentioned above (see 2.2).

To recruit young people, we first initiated intensive, individual talks to map candidates ‘dreams’ (life) talents and (life) ambitions. The recruitment method was thus explicitly geared towards the overall growth of the individual, this with guarantees with regard to the freedom to explore and interpersonal equality (that is, the young people are equal partners in the IEP Site project and are, from the outset, allowed to indicate which route they actually want to take or which paths they want to explore). Among ourselves, we succinctly called this setting up ‘dream sessions’.

In addition, we focused on the second type of activities on the development of the spatial literacy of candidates to stimulate their broader social awareness, development, and self-reliance. In concrete terms, we realized this through two workshops. Using simple reference photos that we collected, we invited the young people to join us in the furnishing of the IEP Site, including all desired and/or required spaces. Using the photos as a source of inspiration for a talk/dialogue, we tried to make them aware of the dimensions of a design that can change (for example, color, light, material, circulation, and so on). Through talks and reflections about the function of the various spaces and the choices they made and preferences they had, they gained insight into the way different aspects of a design can influence people's experience and the resulting

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
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behavior (for example, some people can relax better in space X, some people like to be coached in space Y, some people are motivated to learn in space Z, and so on). In short, space can be changed, and this change can have positive and desired effects on people's experiences (that is, space can have an atmosphere) and thus also on their motivation for things like training and/or work. Moreover, change does not have to be expensive or complex. Once raised, this awareness also stimulated their self-reliance (for example, they became aware they could actually do certain things themselves, or make certain purchases themselves, or ask their boss). Last but not least, they also increasingly realized that they could use their growing spatial awareness and self-reliance in their personal lives (for example, they realized that they also wanted to make certain changes in their own living environment, changes that would help them recover and make them feel at home) and in their social-spatial commitment (they realized for instance which changes at the community center would make them want to visit it much more often and make themselves heard, or they realized they would like to do something about the seating on the square now that they saw the many possibilities, and/or they realized that maybe they would like to go to the community centre meeting after all). In this respect, spatial literacy and self-reliance also supported and activated their emancipation and strength.

The third and final type of activity implied that the IEP Site in Mechelen also provided space for general relaxation and the fulfilment of basic needs (for example, it had a multifunctional space in which young people and their coaches could eat their homemade lunches together and a mirror- and jungle room to relax in that they designed and furnished themselves). In short, the site certainly had a lot more to offer than spaces aimed directly at training, coaching, and work.

So much for the broad focus of the approach, we have subsequently undertaken three activities to ensure its flexible focus.

First, we abandoned the initially formulated recruitment process (that is, the one we developed during the preparation of the trial run stage), which used a strictly linear incremental plan that had the candidates go through the entire six-month trial period together as a group. Instead, we opted for a more continuous and adaptable recruitment approach, with limited or even absent sanctioning implications for candidates who were absent for a while or dropped out. After all, if we want to restore their relationship with society definitively, sustainably, and trustingly, we must be prepared to offer them, over and over again, opportunities to pick up the thread. This way, their involvement and engagement with the IEP Site can slowly grow as well. Their generally unpredictable and at times, very impulsive and searching behavior has meant that, throughout the six-month period, they have seldom been continuously present on the site as a group. Moving away from the prescribed steps of the incremental plan also means that the exact content of the process can be reviewed in the interim. Being part of a trial also implies: being allowed to change your mind (for example, a candidate who initially thought he wanted to be trained as a warehouse attendant because he couldn't think of anything else realized, after trying some other things, that he would much rather do something creative and sporty with young people and that becoming a warehouse attendant was not his cup of tea at all). Admittedly, such flexibility is not self-evident to public partners who, as a controlling body, are expected to take the reins and, if necessary, sanction (for example, the VDAB Mechelen). As a result of this methodological choice, these public partners occasionally experienced role conflicts.

A second activity implied that throughout the project, we searched intensively for a suitable administrative-legal statute, that is, a statute that would allow a flexible and broad exploratory and financially remunerated labour market trajectory for the target group (see 4.2). However, such a statute does not currently appear to exist in Flanders. The VDAB Mechelen, therefore, examined whether the so-called BIS statute could possibly offer a solution in this respect? This is a statute that allows for additional financing and also has a varied duration (for example, a minimum of one month and a maximum of six

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
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months). However, the formally existing BIS statute needed to be adapted in order to achieve the desired flexibility in terms of content. To this end, the local VDAB Mechelen drafted a proposal for a kind of 'generic' BIS status and submitted it to the Flemish central office of the VDAB. Unfortunately, the proposal was not deemed acceptable by the central office of the VDAB, which, moreover, indicated that they wanted to keep the statutes for training on the one hand and work on the other clearly separate. This is not without consequences. If a young person wants to attend the unique IEP Site labor market training trajectory, there is no single, conclusive, and all-encompassing statute to refer to. It now takes a consecutive set of different statutes, each application for a short period of training and/or working, as well as statutes with regard to different sectors and/or positions. This implies that candidates face a complex and probably inimitable tangle of changing short-term statutes and that the partners involved encounter a considerable administrative burden.

Finally, a third activity implied that we gradually opted for a flexible management model of the IEP Site consortium, this in line with the needed flexible employment trajectory. After all, if the recruitment trajectories have to be flexible, then the partners of the consortium who develop, manage and support these trajectories must also be able to deal with flexibility in terms of their organization and policy. In concrete terms, this implied, for example, that we (i) (continuously) recalibrated the essence of our ambitions, (ii) translated these into general guidelines rather than advance descriptions at the operational plan level, (iii) gave guidance in accordance with developments that occurred, (iv) left sufficient room for adjustments and revisions, (v) (dared to) develop pragmatic and creative solutions, (vi) tested these and further adjusted and revised them on the basis of actually found results, (vii) had sufficient eye for small successes or changes, and (viii) coordinated a great deal through direct personal talks. This management model is very much in line with the so-called behavioural incremental management paradigm as recognized in the management sciences (Vallet, 2018 and 2019). It is very well-suited to organizations that find themselves in unpredictable and dynamic environments. After all, by itself, the behaviourally incremental management paradigm guarantees the necessary resilience and inventiveness needed to survive in such an environment. This was also the kind of environment in which the Mechelen IEP-site consortium found itself as a result of the difficult start-up and the emphasis on learning instead of performance.

5. What did we learn in the IEP Site in Mechelen: results and discussion?

Although there are different types of gained insights, we can group most of them into the following four clusters of lessons learned.

First, there is the importance and strength of the location. The pilot project teaches us that the spatial characteristics of the location are clearly crucial for the success of the IEP Site's mission. This, in itself, is not a completely new fact. After all, we have suspected this for some time now, which is why the spatial characteristics play an essential part in the strategic-spatial blueprints developed earlier (see 3.3). Reflecting on the nature and quality of the spatial characteristics mentioned in the conceptual blueprints, we could actually have foreseen that the two (perforce) alternative locations were essentially unsuitable. However, given the pilot nature of the project, we decided, on the basis of our experiences in Mechelen, to examine the extent to which we could still remedy this unsuitability through the furnishings (for example, the activities to improve the signage). We have found that this is possible to some extent, but unfortunately never convincingly, and certainly not in a short period of time and by young people and partners who are not active on the site full time. In short, it is unwise to compromise on spatial requirements, especially during a pragmatic and forced (quick) search for a suitable IEP Site location. On the basis of our experiences in

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

Mechelen, we have also gained more insight into the spatial requirements at the operational, technical level (see 3.3, drafting of an inventory of the minimum conditions). These requirements make a useful complement to the information in the strategic-spatial blueprints, which was rather more general and less concrete. In this respect, we have already gained more hands-on inspiration. On the basis of our experiences in Mechelen, we have finally also gained more insight into the required overall profile of the site: what should the site actually radiate (e.g., to be a lively, attractive, and accessible place, both to the young people and to the partners).

The second set of lessons learned concerns the complexities of recruitment and commitment. The pilot project in Mechelen teaches us that recruiting socially vulnerable young people is not easy, not even when the subject is discussed well beforehand with the professionals involved (e.g., VDAB Mechelen). Moreover, the concept of 'recruitment' appears to have two meanings. On the one hand, it involves drawing young people to the site itself, that is, finding candidates, enthusing them, attracting them, and making sure they stay. On the other hand, recruiting them means ensuring these young people become active in the labour market. When we look at drawing young people to the site, we find this has, first of all, to do with the liveliness, attractiveness, and accessibility of the location (see above), so to speak, to the hard or material side of the story. But there is more; there is a soft or immaterial side to it as well. Thus, successful recruitment also involves partners getting to know the target group well, understanding it, and being able to guide its members in the right direction. We found we had underestimated the behaviour of the target group members, which was rather unpredictable. They also had trouble uniting and committing. We knew this was going to be difficult, but we thought that we would be able to overcome this by the consortium itself. Based on our experiences, we had, however, to gradually adapt also our IEP Site methodology in a way that felt acceptable, trusting, and respectful to them. Finally, successfully drawing young people to the IEP Site, furthermore, turned out to be related to the way the partners behaved on the site. In order to restore young people's confidence in themselves, in others and thus in society, partners had to be prepared to do more than just execute a relatively strict, specific, and streamlined plan to ensure that these young people became active on the labour market. The approach had to centre on increasing the holistic strength of the integrated emancipation of the participants. On the basis of our experiences in Mechelen, we also learned that partners must be given sufficient time to acquaint themselves with this approach. Also, expert partners or SSE organizations apparently need time to learn to combine all the insights and learning effects (for example, to appreciate the methodology we developed with regard to spatial literacy, which had an important, but unexpected, effect on the young people's realistic perception of desirable employment trajectories). Whether partners learn easily and quickly or rather difficultly and slowly apparently has to do with their respective organizational cultures. In this respect, the IEP Site in Mechelen taught us that temporary, project-based, and above all short-term financing of an IEP Site is not really suitable. Learning effects can only be achieved and profitable if an IEP Site can be active for a sufficiently long period of time. In sum, we can say that the IEP Site in Mechelen teaches us that the economic inclusion of socially vulnerable young people is a complex challenge and that it is probably very important to be able to fall back on a dynamic consortium, eager to learn, in which knowledge, experience, and attitudes are bundled. The characteristics of the location or space can reinforce this (even more).

Thirdly, there are the lessons learned concerning the resilience of a motivated hub. The project in Mechelen teaches us that despite setbacks, barriers, and question marks along the route, an enthusiastic or motivated and engaged consortium can right a lot of wrongs. It is very valuable always to be willing to look for solutions that remain in line with the essence of the IEP Site concept and its mission. Despite what some would presumably call 'meagre results' (for example, results reached by a small group of eight young people in only six months' time), partners should continue to seek respectfully and trusting connections with young

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
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people. This shows a willingness to 'think outside the box' if required and necessary, like a partner once stated at an informal meeting. Finally, it is important to mention that many reforms in some institutional partner organizations (for example, the VDAB and the SSE-sector) sometimes resulted in a loss of resilience (e.g., they lose their most knowledgeable team members due to rationalization and financial reforms. In these circumstances, the risk of a brain drain or broken engagements and trust within an IEP site consortium is high.

6. Conclusions

This paper focuses on the impact of SSE-networks on the economic dimension of the concept of sustainability. In particular, it focuses on the pilot project of a so-called IEP Site in the city of Mechelen. Although the IEP Site in Mechelen was not an ideal-typical pilot project for a number of reasons, we did manage to learn some interesting lessons.

Taken together, the lessons-learned demonstrated how difficult it is to create well-oiled networks and partnerships to realize the economic empowerment of young vulnerable citizens. The most important preconditions for the successful establishment of an IEP Site are the availability of a suitable location (one that meets certain spatial characteristics), the realization of a successful recruitment (that is, using several complementary channels and partners) and the presence of a resilient consortium (organizations that are steadfast, creative and mutually supportive). SSE-organizations are key in this respect, but they, too, depend on the goodwill, expertise, and enthusiasm of other local actors. Moreover, they need sufficient space, time, and money to slowly learn and incrementally grow into their central network role.

As the IEP Site in Mechelen is the first pilot project ever being realized, the reported lessons-learned contribute considerably to the further development and practical implementation of this new concept. Hopefully, it is the start of a long list of additional research initiatives and projects that eventually will generate an inductively elaborated model on successful SSE-networks for inclusive economic participation.

7. Acknowledgments

This research has been made possible thanks to the funding by the European Social Fund – Belgium (Priority OP 5 Innovation by adaptation).

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ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 129 - 145
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

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(Volume 18, Issue 2/ 2019), pp. 129 - 145
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Endnotes

[1] The total duration of the project is two years; the actual trial is six months.

[2] Due to the short period of time available for the trial run, on the one hand, we gained practical experience through a number of sector-related applications on the site itself. In concrete terms, this involved setting up, using recycled materials, of a terrace vegetable garden, a reception and coaching area, two small relaxation areas, a multifunctional meeting place with collective eating facilities, and three small work areas for the conceiving, preparing and performing of assignments. On the other hand, we gained practical experience through the realization of two external assignments. In concrete terms, this concerned the construction of a summer outdoor bar, using recycled materials, for an accessible hospitality outlet at the Den Deigem service centre and the creation of extra consumption and meeting spaces, using recycled materials, at the De Refuge social restaurant. Unfortunately, the second assignment was cancelled due to a lack of time.

Manuscript received: 08.11.2019

Manuscript received in revised form: 17.11.2019

Manuscript accepted: 18.11.2019

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 146 -159
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

A comparison of cooperative ecosystems: what institutions can bring transformation?

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Abstract. *The social and solidarity economy has become part of serious economic discourse on 'downsizing' our economies towards more local and sustainable development. The focus on localizing our consumption, supply, trade, and demand offers a counterpoint to the automated belief in the global market. This article explores the challenges and opportunities for a social and solidarity economy to be built on cooperative organizations by discussing what institutions are vital to the cooperative ecosystem in local and sustainable development. The institutions needed to facilitate cooperatives are addressed in two dimensions. First, what are the internal and external challenges to the cooperative organization as an inclusive social business model? This part of the inquiry distinguishes between cooperatives as either emancipatory or context-dependent organizations. Second, what is, in practice, the role of the institutional context in cooperative business strategy formulation? This section discusses the dichotomy between cooperatives as community-based or market-driven organizations. Findings provide insights into the dynamics that create balance in community-driven ideas, economic ambitions, institutional infrastructures, and the cooperative model. In conclusion, it is suggested that, paradoxically, a strong centralized government is a major determinant of the success of a more localized and sustainable economy.*

Keywords: business ecosystems, cooperatives, institutional analysis, Indonesia, Thailand, The Netherlands.

JEL Codes: M14; O13; 017; O35; O52; O53; O57

1. Introduction

Ideas on a social and solidarity economy that can replace our current growth-based, competitive market-models have been gaining traction after the banking crisis and under the threats of climate change. As different types of enterprises tend to flourish in distinct environments, this renewal of our economic models may also include the creation of a facilitative institutional environment for the development of more social economy enterprises working on more local and sustainable development (Schneider, Kallis & Martinez-Alier, 2010). As for entrepreneurial ventures or technology start-ups, therefore, we assume that we can identify a business ecosystem that will facilitate social business in the social and solidarity economy. Important aspects that help structure this complex adaptive ecosystem's dynamics are, among others, the entrepreneurial culture for social organizations, government support in subsidies and inclusive actions; the presence of resources for funding and production as well as service providers and relevant training for social business creation (Mason & Brown, 2014). This social and community-based business ecosystem, here defined as an infrastructure of the formal and informal institutions that affect social and solidarity-based entrepreneurial ventures during their lifecycle, will need distinct actions to be built (Pelontiemi & Vuori, 2004).

The social business model assumed to fit best into a social and solidarity economy is the cooperative. Cooperatives are based on the values of self-help, self-responsibility, democracy, equality and solidarity. This article aims to explore which institutions may be considered critical in the social business ecosystems

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ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 146 -159
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

facilitating agricultural cooperatives. The question is addressed in two dimensions. First, what are the internal and external challenges for the cooperative as a social organization? This part of the inquiry distinguishes between cooperatives as emancipatory or context-dependent organizations in a study of their strengths and weaknesses in current Northern and Southern economies. Second, what are the challenges in building an institutional ecosystem that supports and facilitates cooperative organizations in a social and solidarity economy? This section discusses the range of market opportunities available to the cooperative business model. The aim is to add to existing theories on the solidarity economy by providing a critical discussion of the ways in which the commons can be instrumental in the envisioned economic transformation towards local markets and sustainable development.

As social organizations, cooperatives are assumed to enable us to participate in a more sharing system that can be juxtaposed to a society in which economic and power inequalities are growing, and the need to compete for resources increases market influence (Majurin, 2012). This article understands the social and solidarity economy as a layer of the economy that may emerge along a pole of social utility between the capitalist sector and the public sector. Showing the potential for this emergence, for instance, research has shown that a thriving social economy sector evolves from reciprocal relationships between governments and social economy enterprises (Dorward et al., 2004). A sharing economy is defined as consisting of a social business ecosystem in which governmental and social organizations have strong reciprocal relations. It can be distinguished by its foundation in a decreased need to compete for market resources as, being more inclusive, inequalities in power relations, wealth and access to resources are reduced.

Being part of a social and solidarity economy allows for an in-between position for cooperatives and other social organizations that can form an active ‘bridge’ from communities towards both governmental organizations as well as for-profit organizations. The focus is on cooperatives as ‘brokers’ that are assumed to be able to establish connections between a new political economy and the commons (International Labour Organization, 2018; Raworth, 2017).

There are many distinctions that can be made between types of cooperatives based on, among others, their financial structure, type of membership, decision-making structures and size as well as the nature of the work that they are based upon. This study concentrates on one of its founding marketing models, which is the small and medium-size producer organization in agriculture, mainly from the dairy sector. Among the types of cooperatives (for instance, consumer cooperatives or worker cooperatives) the producer cooperatives marketing a perishable food product like dairy, tend to enlist the highest level of participation and engagement by its independent members and therefore allows for a fundamental exploration of cooperative potential in a solidarity economy (ILO, 2018).

Results will contribute to our understanding of the complexity of making social change happen and enhance the effectivity of our attempts to development and change towards sustainability and local economies. The theoretical framework of institutional sociology will help us to identify what is required for resilient cooperative ecosystems in a future economic system.

After a brief discussion of the theoretical framework and the methods, the main section consists of an introduction based on inherent tensions in the cooperative organizations that helps us to identify the current challenges that cooperatives face. The trade-offs made in practice are illustrated with empirical examples. In the discussion that follows the institutional requirements to bring about transformative change may impact on these trade-offs allowing for more detailed answers to the research questions. Finally, the implications of this exploration are considered, and issues for further research are suggested.

ISSN: 2247-6172, ISSN - L: 2247-6172
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URL: http://www.reaser.eu
e-mail: editors@reaser.eu

2. Research Elaboration

2.1 Theoretical framework

A cooperative can be defined as an autonomous association of people united voluntarily to meet their economic, social and cultural needs and aspirations through a jointly owned and democratically controlled business (International Co-operative Alliance, 1995). Members, which could be consumers, producers, or workers, set up or join a cooperative to benefit from their transactions with the cooperative enterprise. Members have double status as both joint owners of the enterprise and individual users of the goods and services provided by the enterprise. Ownership implies providing (part of) the capital that the cooperative needs to run the enterprise and to decide on the strategies and policies of the cooperative through a democratic process. This approach to the cooperative shows how it can be perceived as both a market-based business that aims to optimize its result for its members as well as a social organization that is built and owned by its members. Depending on the aims of the cooperative, the trade-off between these two strategies will be balanced differently. Several other trade-off tensions also affect the cooperative model.

A first tension is related to the social qualities of the cooperative organization that can be defined in both internal and external components. On the one hand, based on its endogenous capacities, cooperatives are considered to have the potential to advance a social economy through the empowerment of individual actors by creating the economies of scale, collective voice and negotiating power that they are not able to generate individually. Cooperatives are considered emancipatory organizations based on the idea that even marginalized people can create their own economic opportunities in a collective. Thus, cooperatives are considered to be instruments to create more equality in Northern and Southern societies (Cheney et al., 2014).[1] For instance, in many emerging economies the assumption of a 'cooperative advantage' that can result in the emancipation of rural populations and poverty reduction has been a driver in the governmental support to cooperatives (ILO, 2018; Worldbank, 2012; Validivia, 2001).

On the other hand, based on its dependence on exogenous factors (such as government policies, societal legitimation and the biophysical environment) the cooperative organization can be considered an institutional microcosm of the formal and informal rules that govern a society at large (see, among others, the discussions in Basu & Chakraborty, 2008; Bernard & Spielman, 2008, and; Dohmwirth, 2014). This implies that, because of this interdependence and multileveled embeddedness, a cooperative cannot function as an independent playground for individual social experiments unless these are deliberate efforts by committed members and local stakeholders in engagement with a wider societal context. Inherently, it is suggested, cooperatives reproduce the social relations they are embedded in, and the change of cooperatives requires context-specific approaches.

The last tension that merits consideration was already mentioned in the introduction to this section. At the organizational level, cooperatives are caught in a clash of discourses on social organizations and investor-owned firms (Haddad et al, 2017). In a non-profit and social understanding of cooperatives, their main function can be understood as having the legitimacy to fill in institutional voids and respond to market failures in serving the interests of producers, users, and other stakeholders by providing services and products that are otherwise inaccessible (Committee for the Promotion and Advancement of Cooperatives, 2017).

For others, the cooperative is considered as a direct competitor of investor-owned enterprises and meant to add to the diversity of economic and social entrepreneurship in the global marketplace. This understanding acknowledges that cooperatives do not serve all social interests. For instance, cooperatives are not necessarily inclusive organizations as they prioritize the needs of specific stakeholder groups with the

[1] The North-South divide I refer to is here considered to be a socio-economic and political divide.

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 146 -159
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

exclusion of others (Bernard & Spielman, 2008). In this understanding, the cooperative needs to provide a return on members' financial investment and make a profit by being competitive in the marketplace.

For the discussion in this article, these distinctions are considered relevant. We assume that it will make a difference if the cooperative organization is considered as emancipatory, and thus capable of transforming a societal context, or context-dependent, having no own agency to make change happen. Also, for its role in the solidarity economy, it will make a difference if the cooperative can be considered an inherently inclusive and social organization or, rather, if we should approach it as a business that is aimed at maximization of profit. The trade-offs that are made can be considered as indicative of the institutional demands that these choices are based on.

2.2 Methods

This article systematically discusses cooperatives' institutional contexts, based on literature study, empirical findings in own research, and the implications of existing theories. It is a focused exploration of the ecosystem requirements for the 'resurgence of cooperatives' in a solidarity economy. Central to the discussion is the juxtaposition of the empirical reality of the cooperative movement in The Netherlands, Indonesia, and Thailand as related to theorizations on the social and solidarity economy. This discussion can form a catalyst to our thinking on what cooperatives would require fulfilling their potential in a solidarity economy, based on fact-based research on agricultural cooperatives. This article contributes to academic knowledge generation for organization and management studies and cooperative studies. For the future, it will fill a gap in our knowledge on what we need to consider if cooperatives are to play their role in the social economy.

3. Results and Discussions

3.1 An emancipatory organization or a microcosm of society?

It is often assumed that cooperatives can serve as redistributive structures by being inclusive and democratic membership-based organizations that support social equality and community development (Majurin, 2012). Working within a collective system is considered to have the potential to empower marginalized groups, providing them with a support system, allowing their own agency and opening up markets that they cannot reach as individual producers. The emancipatory effect of cooperatives, however, is constricted by barriers in both the organizational structure and the institutional context of the organization. Two examples of gender mainstreaming in dairy cooperatives can illustrate some of the problems with the emancipation of marginalized groups by the cooperative.

1. India: gender empowerment in a single-sex and a mixed dairy cooperative

Dohmwirth's research (Dohmwirth, 2014) studies the potential of dairy cooperatives for women's empowerment in South India. Dairy production is of great importance for rural economies in India, and women contribute significantly to dairy farming. On the one hand, the results of her study indicate that there are economic benefits for women participating in dairy cooperatives. However, the outcomes for women's empowerment are ambiguous. Only in some domains do women in dairy cooperatives rank their empowerment status higher as compared to non-members. The results point to the conclusion that economic gains provided by cooperatives may not always lead to greater empowerment for women.

Dohmwirth used a control group from a single-sex cooperative to check if this all-female cooperative could enhance the emancipatory effect. This control group, however, indicated even lower levels of empowerment as compared to non-members. Looking at studies about other single-sex groups with similar

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Review of Applied Socio- Economic Research
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findings, Dohmwirth proposes that the following arguments can be supported. First, women in single-sex cooperatives may be 'forced' by men to participate in an income-generating program since it is the only option to access its benefits. Second, men may feel threatened to lose their dominant position within the household or village, if income-generating activities are only provided to women. These effects frequently lead to increased control of men over women's activities and incomes, especially under conditions characterized by a lack of employment and resources (Dohmwirth, 2014).

2. Indonesia: inequality regimes in an Indonesian cooperative

Wijers (2019a) conducted research on the inclusion of women in dairy cooperatives. Women are important actors in smallholder farmer milk production. Therefore, female input in dairy cooperatives is essential to dairy development in emerging economies. Within dairy value chains, however, their contributions are often not formally acknowledged or rewarded. A multileveled institutional perspective is used to explore the case of dairy development in the KPBS Pangalengan mixed-sex dairy cooperative on West Java, Indonesia.

Highlighting the impact of the institutional context on the assumed emancipatory effect of cooperatives, she finds that the ambitions for pro-poor and inclusive development that are voiced in recent Indonesian governmental strategic plans have not materialized in concrete measures. In politics, it seems, the scant rhetoric of gender mainstreaming seems to outstrip efforts to develop projects aimed at equalizing gender relations. Social inequality persists as an important barrier to economic development at all levels of society, including in gender relations. The cross-cutting dimensions of education, property ownership, human capital and social class at work at KPBS seem to diminish the 'cooperative advantage' as access to resources is captured by the selected 'elites' instead of offering equal access.

The study shows how, formally, no explicitly gender-inclusive formal policies and regulations as imposed on cooperatives. Informally, social norms projected on gender positions by the Indonesian patriarchal system and the Islamic revival are generally accepted. These can be considered important to maintain mechanisms that sustain a diversity of inequality regimes. Gender disempowering norms have re-institutionalized in recent processes of deepening political and religious austerity.

She summarizes by proposing that culture, mentality, local history, and climate are strong predictors of the structure, representation, and identity of the cooperative as well as the opportunities open to its members (Wijers, 2019a).

These examples seem to underline the embedded nature of the cooperative. 'Empowering' marginalized groups and 'being empowered' are not isolated acts but are embedded in institutions at multiple levels of society as well as co-dependent on the human capital accrued in, among others, social class and education (Batliwala, 2007). The effect of functioning within an emancipatory organization, therefore, cannot be separated from the wider societal norms and values this organization is embedded in or its formal institutional infrastructure. In the life-cycle of cooperative formal legal aspects may even be considered of critical importance to the organization's survival (Cook & Burress, 2009). Formal institutional constraints to empowering marginalized groups affect cooperatives. They can be categorized with Nippierd (Nippierd, 2002) as constraints related to:

- Property ownership
- Inheritance rights
- Control over land
- Membership rights

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Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 146 -159
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

Systematic and explicit empowerment for distinct groups is thus required within the cooperative organization to provide opportunities for more social equality.

Important for the cooperative as a social organization is the aspect of its inclusiveness. The heterogeneity or homogeneity of its membership can be considered indicators for this inclusiveness. On the one hand, for a long time, a positive critical role has been assigned to the homogeneity of member interests for the sustainability of a cooperative. Having identical needs and objectives does lower influence costs and increases the connections between member. Member commitment is considered critical because it can be a measure of how well a cooperative is able to differentiate itself from an investor-owned firm (Fulton, 1999).

Heterogeneity in membership, in contrast, is said to lead to a divergence of interests, higher transaction costs, and problems of common ownership. This has long been understood to mean that a well-functioning cooperative needs to be homogeneous in its membership base.

As the market-driven business model is becoming more influential in cooperative strategies; however, the homogeneity argument is losing force to the innovative energy that heterogeneity can bring [27]. As Cook and Burress (2009) argue, this is related to, on the other hand, the business adage that heterogeneity may stimulate creative problem-solving capacities, better decision-making, and organizational resilience. Also, it may be the most important factor for a cooperative's emancipatory actions and inclusion of marginalized groups. The positive attitudes towards the heterogeneity of membership in cooperative agribusiness are growing, as is illustrated by the multistakeholder cooperative (Höhler and Kühl, 2018).

3. Multistakeholder cooperatives

Gonzalez (2017) explores an alternative and, in theory, a more inclusive cooperative model, the multistakeholder cooperative (MSC). As opposed to conventional agricultural cooperatives made up of farmer members only, the multi-stakeholder model is defined by bringing together producers, consumers, and other stakeholders in one single enterprise. In practice, this collaboration should be able to overcome the limitations of farmer cooperatives to be more focused on the economy than social and environmental benefits. Heterogeneous in membership, the challenge is to bring all stakeholders together to support the cooperative's mission and strategy. Generally, the mission statement of the MSC will reflect the interdependence of interests rather than singular objectives. In practice, as Gonzalez finds for his case study, this turns out also to be a weakness as difficulties in reaching agreement absorbed transaction costs, and social relations were prioritized over market competitiveness.

As Gonzalez summarizes: "cooperatives do not exist in policy or economic vacuum, but as today struggle to survive in capitalist societies rules by the laws of the market" (Gonzalez, 2017, p. 279). Also, he finds that the MSCs are more motivated to change the market than to adapt to it, showing their institutional entrepreneurship. Considering these assets, the MSC may hold real potential as a foundation for our transformation towards a solidarity economy.

3.2 A community-driven or a market-driven business?

The founding needs for cooperatives have been captured in contrasting definitions, as this study already made clear.

Traditionally, agricultural cooperative's emergence has been understood as the convergence of producer collaborations by farmers attempting to improve their socio-economic position and find access to a competitive market. The driving element in perspective on the establishment of the cooperative is the economic justification for collective action (Cook & Burress, 2017). Cooperative ideology on the solidarity and social organization, however, is also considered an important factor, as the history of most agricultural cooperatives involves more than just the resolution of market failures. Farmers members of cooperatives

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(Volume 18, Issue 2/ 2019), pp. 146 -159
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e-mail: editors@reaser.eu

were also concerned about the larger economic, political, and social environment they were part of. In countries like Canada, the United States and The Netherlands, political movements associated with class struggles and resistance to the capitalist economy were at the roots of cooperative formation (Fulton, 1999). Typically, in these Western countries was the bottom-up nature of the cooperative movement. In emerging nations, in contrast, cooperatives are often established based on the top-down. Governmental regulations structure the cooperative movement and restrict cooperative business models as they are instrumentalized to implement social policies. Both in the North and South, all types of cooperatives seem prone to politicking and external interference due to their intimate relation to local communities, regional infrastructures, and national interests.

4. Thailand: a centralized dairy sector

Wijers (2019b) published her research on the ways in which institutional barriers hinder innovation in the cooperative dairy sector in Thailand. Findings include the conclusion that the competition between dairy interest and government control does not lead to an efficient and well-functioning internal dairy market. In practice, the friction between these interests seems to result in the politicization of the cooperatives as well as dependency relations that impede farmer entrepreneurship. As in examples presented in the last section, in Thailand, the cooperative organizations, to a large extent, have been imposed on the agricultural sector as a preferred organizational model by the government. Ideas on development, poverty reduction, and social inclusion stimulated the adoption of the cooperative for the implementation of governmental strategies to support the dairy sector. However, the relative success but lack of follow-up on this government support is said to have contributed to a distinct lack of capacity at the farmer level on the one hand and fragmentation in support services by different stakeholder groups on the other hand. Wijers concludes that this combination of fragmentation and strong government control is currently still ailing the dairy sector and may inhibit progress and innovation (Wijers, 2019b).

The Thai example shows how context-dependent our general understanding of the balance between individual and a collective priority in the cooperative sector can be. While the cooperative is hailed as an important instrument for agrarian change and emancipation, often, the innovation and efficiency needed to optimize its performance may be hindered by a centralized government. Also, the politicization of the cooperative organization can affect its solidarity- and community-based nature. Thai cooperative leadership seems primarily motivated by individual interests rather than collective outcomes. The overemphasis on economic gains seems to appeal to the ‘elite’ members and can thus impede the farmers’ capacity for collective action. These elements of ‘elite capture’ of the cooperative’s governance structure have been identified by other authors in a range of cooperatives around the world (See, for instance: .Basu & Chakraborty, 2008; Dasgupta & Beard, 2007; Minah & Carletti, 2019; Paranque & Wilmott, 2014; Wynne-Jones, 2017).

5. The Netherlands: a facilitative institutional environment

The Netherlands is a country with a long-standing tradition of growth in the cooperative sector. Smaller agricultural cooperatives have developed and then merged into large cooperatives, most of which are now holding significant market share. Dairy cooperatives have existed in The Netherlands for more than 130 years. They hold a joint market share of more than 80% since the 1950s. Based on the finding that most farmers are a member of, at least, one cooperative, Bijman (Bijman & Hanisch, 2012; Bijman, 2018) concludes that Dutch farmers, in general, are very cooperative minded. This is facilitated by an institutional environment formed through a long history of decentralized government and the need for self-organization that may have helped form this cooperative mentality.

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Bijman's research shows that collaboration out of self-interest is a dominant characteristic of the Dutch farming industry. Moreover, the Dutch cooperative movement has benefited from flexible, cooperative law which offers flexibility to internal governance structure, financial structure as well as the type of activities the cooperative is allowed to take up. In addition to favourable elements in the tax system and competition law and a relatively high level of agricultural education, this leaves much space for the cooperative sector to develop their business. While, as Bijman states, it is hard to attribute the performance of Dutch cooperatives to one or two factors, the complementary attributes that have formed itself into a fertile institutional system for agricultural, and other, cooperatives are a defining characteristic of The Netherlands (Morfi, Nilsson & Österberg, 2018).

The Dutch example shows that an important requirement for the cooperative as a community-based form of organizing may be a cooperative mindset within a decentralized governmental system that leaves room for self-organization out of entrepreneurial self- interest. In a recent Swedish research, this same self-interested motivation was also found to drive the leadership of the cooperatives that were part of the study. Morfi, Nilsson and Österberg (2018) have shown how these representatives involve themselves mainly in order to get personal benefits, and not because of a co-operative belief or social concerns (as is often assumed).

In comparison to other countries, this example goes to show, that a civic culture based on trust and solidarity that grows out of the necessity for self-organization, can be considered a part of a social business ecosystem. With this, it merits noting that entrepreneurial cultural may be most difficult to establish in fragile or post-conflict nations as well as countries in which authoritarian governments are prolonging their rule based on the principle of 'divide and rule' (Haddad et al, 2017). This implies that countries in which political regimes are gaining and maintaining power by breaking up larger concentrations of power into pieces will not produce a facilitative environment for cooperatives as social organizations. On the other hand, however, as the Thai illustration shows, a strong and centralized government seems important to highlight the community-driven aspects of the cooperative as the natural tendency of this business model is for efficiency and a market-driven strategy.

In conclusion to this section on the cooperative as a social or commercial business, we need to acknowledge the false dichotomy in this question. Based on the research findings we have presented, it seems that the cooperative is distinguished by being both a social and commercial business. Depending on the stakeholders' commitment and support for these functions as well as the characteristics of the business ecosystem it is embedded in, the cooperative can show up to be both community- and market-driven in a mutually constitutive dynamic that has the potential to be both a strength and a weakness. As the Thai situation shows, a centralized controlling institutional context leaves little space for genuine social action, and rather, the cooperative becomes an instrument for policy implementation. In The Netherlands, in contrast, the cooperative mindset in both its farmers and the institutional context has evolved over history and seems deeply ingrained. Remarkably, however, is the determining role that self-interest has had in this Dutch evolution. Is the cooperative as we perceive it here actually suited to function in a solidarity economy?

4. Conclusions

This article set out to explore which institutions may be considered critical in the social business ecosystems facilitating agricultural cooperatives if they would become central to a social and solidarity economy aiming at more local and sustainable development. This question was addressed in two dimensions.

First, what are the internal and external challenges for the cooperative as a social organization? This part of the inquiry showed examples of cooperatives as less than emancipatory organizations in India and Indonesia that were aimed at gender empowerment. In these countries, a mixed and single-sex cooperative

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 146 -159
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

were studied as to the perceived levels of 'empowerment' it could attribute to female cooperative members. In both cases, however, this group that is marginalized in their own societal hierarchy did not enjoy better inclusion in these cooperatives. In contrast, this section also showed the potential of multistakeholder cooperatives to become more inclusive organizations with an emancipatory function.

Next, the tension of cooperatives as social organizations or market-driven businesses is addressed. Considering the cooperative model as an organization in which people unite voluntarily to share ownership and democratically decide on the best way to reach the market, aspects of cooperatives as the community- or market-driven structures are juxtaposed. The comparison of Thailand and The Netherlands brings forward the roles of the institutional environment in allowing for the mobilizations of the farmers, and the members and leaders' motivations that may also be driven by self-interest.

Second, and at question here, is what the challenges are in building an institutional ecosystem that supports and facilitates cooperative organizations in a social and solidarity-based economy. To evaluate this, we have defined this as a sharing economy in which government and social organizations have strong reciprocal relations based on a decreased need to compete for market resources. Being more inclusive, inequalities in power relations, wealth, and access to resources are reduced.

The descriptions of emancipatory action make clear the cooperatives understudy all make different trade-offs in their social and economic missions. The hybridity of the organizations shows us that each cooperative is a social construction embedded in distinct local circumstances. Their hybridity can concern, among others, levels of democratic decision making, the delivery of commercial and social benefits and the optimization of a 'cooperative advantage' (Paranque & Wilmott, 2014; Flecha & Ngai, 2014; Forney & Haberli, 2017).

Given the examples of gender inclusion in Indonesia and India as well as the illustration of pro-poor growth as a cooperative mission, the assumption of a cooperative to promote social equality merits some adjustment. The findings imply that the cooperative is not necessarily an 'equalizing' organization that supports a solidarity society but, instead, a relatively neutral configuration of homogeneous members that requires an egalitarian social, institutional framework and deliberate strategies to transform itself into a more inclusive organization. Even so, as the Indian situation shows, even explicit emancipatory action by the establishment of a single-sex cooperative to support women, empowerment does not necessarily lead to societal impact.

For inclusive strategies to reach their objectives, moreover, modalities, and stakeholder groups need to be identified. Inherently, cooperative will need to prioritize the needs of specific groups of stakeholders in deciding on the kind of inequality they seek to address. In the capitalist economy, setting up a successful business always involves exclusion, and this has also been the case for rural producer organizations in their inclusion of, for instance, the poorest groups in their communities (Bernard & Spielman, 2008). The multistakeholder cooperative, however, does seem to offer different stakeholders a membership-based on the heterogeneity of interests and potential for institutional change. This type of cooperative may offer a cooperative way forward toward emancipatory action.

The nature of the organizational 'microcosm' we have just identified could be the driving force for realizing the cooperative advantage depending on a facilitative context. If society-at-large is transitioning towards a more equal and solidary framework, will not the organizations embedded in it also change? Assumed in this is an organizational capacity for flexible change and adaptation that can respond to local supply and demand requirements. The question is how resistant the agricultural cooperative is to change.

The examples of Thailand and The Netherlands have illustrated the different impact of institutional contexts on cooperative organizations. In Thailand the whole sector seems fragmented and highly politicized as the institutional infrastructure builds on top-down, centralized decision making, intermediate

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 146 -159
URL: http://www.reaser.eu
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organizations that can support the cooperatives with capacity-building and resources are missing, and at the community level, the cooperative model is rather used for individual political gain than collective action.

Findings on the ways in which dairy cooperatives are functioning in emergent economies raise serious doubts about the assumption that all cooperatives are suited to become egalitarian social organizations. There is no indication that emerging economies will become more equitable as their markets grow, as their institutional framework is still building, among others, on traditions of patronage and corruption that are deeply engrained in society. Thailand shows a case in point of the ways in which elite capture can form a barrier to emancipatory actions that can realize the cooperative advantage. The social relations that underlie the cooperative model can thus form an impediment to change.

Important in all of this seems the role of the public sector. The solidarity economy discourse suggests that the government is crucial in the transition to a sustainable, localized economy away from the demands of global markets (Raworth, 2017). Several paradoxes will have to be overcome to strengthen their role.

On the one hand, a solidarity economy is theorized to require bottom-up community-based action and a united people-base for change, while, on the other hand, strong governmental structures are critical in operationalizing these structures from the top-down (Emery, Forney & Wynne-Jones, 2017). The role of the state in cooperative success remains a topic of debate and is not clarified yet for the solidarity economy. As the section on cooperatives as a social or commercial business has shown, centralized government control over the cooperative sector can prove detrimental. In contrast, however, to create a facilitative institutional environment may be a work of ages anchored in distinct cultural contexts and linked to the fragility and stability of the local economy.

The simple assumption that a cooperative is founded on a need for collective action towards a shared interest in a formalized democratic structure can be at odds with the perception of the cooperative as functioning in a mix of endogenous and exogenous factors in which self-interest, interactive strategizing and local politics form an important framework for interpretation (Giacnocavo, Gerez & Campos i Climent, 2014) .

According to Mooney, the cooperatives' democratic political structure exists in tension with a capitalist economic structure. He suggests that the paradoxes mentioned above and the frictions inherent in the cooperative model may indeed cause tension, but these can be productive. The institutional friction between the cooperative and its context can facilitate innovation, flexibility, and long-term adaptability. Frictions Mooney mentions are, among others, the tension between the global and the local, the traditional, and the new social movement and the social relations of production and consumption (Mooney, 2004). The complexity of these tensions in distinct local circumstances has been discussed and illustrated in section 2.

We can carefully conclude that there is no dichotomy to be made between market- and community-driven business as separating business from the social cannot actually be accomplished in the real world. Even a social organization will need to make a profit in order to survive. This raises the question if and how, in the social and solidarity economy, we can 'return' to a world without markets? As Polanyi proposed, the old and embedded economy is a historical construction in a distinct time and in distinct places (Polanyi, 2001). Considering the globalization and interconnectedness that are determinate of our world today, it seems we cannot recreate these circumstances. It is possible, however, to limit the play of market forces and help its stakeholders to survive without it by compensating them. Also, we can choose to stimulate the social and solidarity segments of our economy by promoting inclusiveness of marginalized groups and democratic decision making. The only actor who seems able to achieve this is the government.

Findings suggest, paradoxically, that for the creation of a true social and solidarity-based economy, governments have to play a central role. The demise of the market-driven economy in which a government's

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 146 -159
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

'laissez-faire' allows market forces to rule the economy, would then result in a community-driven economy that is strictly structured and enforced by governmental organizations and regulations. As this article has shown, dedicated support to a community-driven business strategy is needed as the natural tendency of even the cooperative is to maximize its benefits, be homogeneous in membership and unequal and exclusive in its organization. This is a paradox, as the centralized governmental control this implies can also be said to impede the cooperative movement that is based on solidarity and trust. Assuming a democratic regime, it seems that the actions of strong and responsive government institutions can be important enforcers of the social, solidarity, and equality aspects of the cooperative. This artificial governmental 'correction' of the cooperative model at the outset of the social and solidarity economy could stimulate the self-sustaining capacities of the cooperative in the long term.

This artificial governmental 'correction' of the cooperative model at the outset of the social and solidarity economy could stimulate the self-sustaining capacities of the cooperative in the long term. As research shows, a homogeneous membership can encourage stronger social and economic ties to build trust and commitment (Höhler and Kühl, 2018). Thus, in the close ties between governmental institutions and social organizations, a vibrant democratic representation is required to work both top-down and bottom-up. In this model, it is suggested that, rather than undermining the group action, the friction between individual and collective needs can create avenues for the realization of cooperative 'know-how' (Wynne-Jones, 2017). The question we explored can then be answered in two phases. At first, the social business ecosystem that can support cooperatives needs to be a centralized institutional infrastructure that is aimed both at intensive regulation, support, and enforcement of the foreseen cooperative model. In time, second, the cooperative system may become embedded and create an own, localized, social, and more sustainable dynamic.

5. Acknowledgments

The author gratefully acknowledges the support of the Netherlands Organization for Scientific Research' Science for Global Development organization (NWO-Wotro) through the Global Challenges Fund for the LIQUID program (Grant number W.08.205.204) in preparing this paper. See also: http://liquidprogram.net.

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Manuscript received: 15.09.2019

Manuscript received in revised form: 25.09.2019

Manuscript accepted: 27.09.2019