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# Note de lecture

# The New Social and Impact Economy. An International Perspective

Under the Direction of Benjamin Gidron and Anna Domaradzka Springer, 2021

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"Crises require us to find solutions to daily problems in a different context, they serve as a trigger for change which was blocked before and provide a context for creative thinking; crises may also overthrow predominant ideologies" (Gidron and Domaradzka, 2021, p. 4).

The starting point of this inspiring book is the role of the 2008 global economic crisis in challenging the liberal economic model based on the separation between economy and society. Crises provide an opportunity to highlight the social economy's importance in responding to the environmental, economic, and social challenges raised by sustainable development. They enhance and stimulate the hybridization and the renewal of social economy's organizational forms. The book's redaction and publication right at the heart of another crisis, the Covid-19 pandemic one, add weight to this founding argument which brings together the contributions.

Benjamin Gidron is an Emeritus Professor at the Guilford Glazer School of Business & Management of Ben-Gurion's University of the Negev, Israel. He is a pioneer in third-sector research in Israel, as a participant in the Johns Hopkins Comparative Study of the Nonprofit Sector. He had already published work proposing an international comparative perspective on third sector development (e.g.: Gidron and Bar, 2009). Anna Domaradzka is an Assistant Professor and the Associate Director for Research at the Robert Zajonc Institute for Social Studies at the University of Warsaw, Poland. She specializes in civil society organizations and social movements. They are the two editors of this newly published collective work which comprises twelve contributions as well as introductory and concluding chapters. Twenty-five authors propose rich insights on the social economy's dynamics in ten national contexts covering Europe, North and South America, and Asia. This work was conducted through the FAB-MOVE research program funded by the European Commission between 2016 and 2018, which many contributors participated in<sup>1</sup>.

#### 1. https://www.uni-muenster.de/IfPol/FAB-MOVE/Project/

# Toward a New Social and Impact Economy? The Book's Project

The book carries the ambition to open a research agenda on the so-called *new social and impact economy*. The need for new terminology, or more accurately the juxtaposition of the old term of social economy with both the adjective *new* and the recent *impact economy* term, is advocated for in the introductory chapter. It proposes a clarification of the concepts of social economy, social entrepreneurship, and impact economy. Before opening the way for the *new* social economy, the *former* one's historical and political roots are richly described, from its links with and distinction from socialism to the frictions between its solidarity project with philanthropy-based competing perspectives, which influenced Corporate social responsibility (CSR) approaches. Social economy is reshaping itself through hybrid organizational forms (*social enterprise*) and new tools aiming at both social utility and financial profitability (*impact investment*). This reflects a global shift from a communal orientation of social economy to the proliferation of more individual-based and individualistic ways of engaging in social change (*social entrepreneurship*).

Social economy roots in a European-centered tradition dating back hundreds of years, associated with the predominant forms of cooperatives and associations. The editors demonstrate how its trajectory has always been punctuated by the European crises. According to the editors, the choice to evoke the *new* social economy underlines the renewal of its organizational forms driven by the 2008 crisis, which may be accelerated by the Covid-19 one. Bringing together this well-anchored concept with the emerging one of *impact economy* would enable us to comprehend the diversity of unique social economy evolutions as being the localized and context-specific signs of a macro-scale, global transformation of capitalism. The book's proposal is thus to understand the global social economy's dynamics linked to crises in proposing an international approach that considers the local contexts' uniqueness, variety, and specificities



(institutional environments for the development of social economy, welfare regimes...). This permits to include a wide range of contexts and is a highly valuable attempt to decenter social economy from its European historic cradle. Contexts where the social economy is not conceptualized as such, is less formalized or less organized, can be analyzed thanks to this engagement. This lens makes it possible to focus on the emergence of the new economy underlined as an ongoing process (its organizing), rather than on its formal structures (its organizations). The conceptualization of the inter-organizational space as a field -taken as a Strategic Action Field following Fligstein and McAdam (2011) - rather than as a sector, is consistent with this focus on the social economy's dynamics. The book ambitions to open a research agenda framed around the proposed merged concept of *new social and impact economy*, which "encompasses the production of social value through business activities with financing mechanisms enabling its development" (Gidron and Domaradzka, 2021, p. 7).

## Panorama of the Contributions

The first ten chapters are each structured around country cases and propose a thick contextualization of the studied country: description of the social economy's historical roots, of its legal, political, economic, and cultural environment, and its links with the welfare State regime and evolutions. This rigorous work allows the readers deep insights and a clear understanding of the social economy's mutations whatever their initial familiarity with the given national context was. The chapters' long format facilitates the displaying of this information. The last two chapters are not anchored in a geographical area and propose broader reflections on the social economy's change in a globalization context.

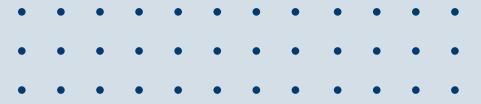
In the first chapter, Gabriel Berger and Leopoldo Blugerman focus on the case of Argentina. They study the emergence of new hybrid organizational forms following the multidimensional crisis in the early 2000s and its acceleration since the mid-2010s. Supranational and national government incentives for business creation and the structuration of a private sector ecosystem valuing hybridity have stimulated social entrepreneurship as a new form of engagement, especially among the younger generations. However, the still inadequate legal framework restricts these initiatives' full development.

The second chapter, written by Jorge Sousa, analyzes the Canadian case. The conceptualization through social entrepreneurship introduced in the 1990s is now dominant in the country. The extension of the social economy's scope of action enabled by this entrepreneurial approach has called into question the traditional representation of social economy organizations restricted to the margins of society. While new organizational forms could offer opportunities to respond more efficiently to diverse social needs, it has destabilized a more communal vision of the social economy. The authors conclude that the complex effects of this individualization of the social economy must be studied further, beyond a caricatural opposition between a traditional communal social economy and a new and individualistic social entrepreneurship.

In the third chapter, Maria Nindita Radyati and Benny Tjahjono offer us one of the two chapters dedicated to a Southern country, devoted to the Indonesian case. The European social economy terminology was adopted lately under supranational and foreign influence, mainly driven by the United Nations' Sustainable Development Goals. Yet, the social economy is well anchored in the Indonesian local wisdoms and its ancient cooperative movement. This continuity between tradition and modernity has enabled the development of Credit Union, impact investing, and sustainable banking. The authors draw on intersectoral complementarities and synergies between CSR and the social economy that can be exploited further. This chapter is original in advocating for researchers' bridging role between these different actors.

The fourth chapter, written by Ronny Manos and Benjamin Gidron is devoted to the Israeli case. It explains the shift from a traditional collective-oriented social economy led by a quasi-socialist ideology, as represented by the kibbutz and the Moshav, to an individual, high-technology centered framing, embracing the *Start-up nation* narrative, as represented by the social-tech entrepreneur as a solution-oriented, pragmatic perspective refusing an overarching ideology.

In the fifth chapter, Anna Domaradzka focuses on the Polish case by showing how the current social economy landscape results from the combination of an ancient cooperative system appropriated by the communist regime and new forms of social entrepreneurship promoted by multiple influences. The European Union has had a major role in spreading the social economy concept among policymakers and practitioners. The current institutional framing allows flexibility to fit with highly diverse social entrepreneurship organizational forms but lacks a clarification of the field.



The sixth chapter, written by Didier Chabanet and Laurence Lemoine addresses the case of France. It is focused on the tensions between the traditional Social and Solidarity Economy and social entrepreneurship as a new rising way to frame the answer to social needs. Social economy actors distrust and resist social entrepreneurship, often seen as a Trojan horse of State disengagement from funding social policies and as a risk of depoliticizing social economy. Yet, the synthesis of these streams is often advocated as possible and necessary to scale up the sectors' impacts and stimulate social innovations.

The seventh chapter proposed by Millán Díaz-Foncea and Carmen Marcuello focuses on the Spanish case. Drawing from the ancient history of cooperatives in the country, it shows the structuration efforts for the emergence of a social economy sectoral advocacy. New forms of social economy emerged in the wake of the 2008 crisis and the following 15-M movement. They complement traditional social economy forms. Yet, two different tendencies are going to be fundamental for the future landscape of the Spanish social economy: on the one hand the deepening of the collective foundations of the social economy by the solidarity economy movement, and on the other, a more individualistic movement characterized by social entrepreneurship. Will these trends polarize the social economy sector or even lead to a split or are there ways to articulate them?

The eighth chapter explores the Italian case with a contribution from Mara Benudusi, Giulio Citroni, Teresa Consoli, Deborah De Felice, Irene Falconieri, Francesca Mazzeo, and Carlo Pennisi. The authors discuss the links between the new generation social enterprises and the old social economy forms, drawing on the case of the Arcolaio Società Cooperativa Sociale. They defend seeing these new forms as spaces for transition and crossing traditional sectors rather than as a rebirth of the social economy.

The ninth chapter by Hanna Schneider and Ruth Simsa analyzes the Austrian case. They show that traditional economy organizational forms are challenged by the decline of social policies' public funding. Social entrepreneurship appears as an answer in this context of scarce resources. The authors highlight a polarization dynamic between the new organizational forms adapted to the market logic and traditional ones facing more difficulties to adapt. They underline that this shift encompasses sociological changes: the differences between the new and the old actors of the social economy are generational, educational, and ideological.

The tenth chapter written by Thomas Persson offers insights into the case of Sweden. The social economy appears as a backbone of the welfare state. The growing interest in social entrepreneurship does not overshadow associations as traditional dominant forms of social economy. Collaborations between these new and old actors and between sectors and the hybridization of funding tools will be central for the sector's future transformations.

With the eleventh chapter, the book leaves the description and analysis of geographically located changes in the social economy to address its organizations' internationalization strategies with a contribution from Ignacio Bretos, Anjel Errasti, and Aurélie Soetens. This thematic may seem surprising due to the traditional representations of the social economy organizations as small, linked to a specific territory, and reluctant to grow. Depending on the reason these organizations have decided to scale their activities up, the authors propose a 3-category typology of cross-border scaling strategies, namely control-based, altruism-based and hybrid strategies. They are linked with specific challenges to preserve the organizational values.

In the twelfth chapter, Michael Roy questions the possibility of social entrepreneurship being the driving force behind the emergence of a well-being economy on a global scale. He proposes an interesting discussion on the potentiality of this new framing to constitute an alternative to capitalism.

The conclusion offers perspectives on the renewal of the social and impact economy past the Covid pandemic and more largely facing the economic and ecological crisis. Though the editors underline the necessary prudence to analyze the impacts of an ongoing crisis on social economy, they highlight rich research avenues and perspectives to pursue their work.

# Contributions, Limits and Future Perspectives

This remarkable book is more than an article collection documenting social economy in different geographical contexts. While the links between crises and the social economy have been the subject of long-standing attention, both regarding the impacts of crises on its organizations and their role in the resilience of societies during and after a crisis, this book remains original by its ambition and scope. It keeps its initial promise to analyze the renewal of the social economy in and through crises. The representation of the uniqueness of local contexts



and their inclusion into a global dynamic of social economy renewal is a crucial milestone in bringing into conversation scholars from different geographical backgrounds and practitioners. The book is complete and clear for widespread use among academic communities, students, and field actors. In regard of these qualities and of the ambition of this research project, the following remarks and limits must be understood as future possible extensions.

Firstly, while the sample proposes a diversity of national cases, only a minority of contributions are anchored in global Southern contexts; especially there is no contribution focused on the transformations of social economy in an African country. It is regrettable regarding the dynamics towards social economy institutionalization in diverse African national contexts (e.g. Tunisia, which just adopted a Social and Solidarity Economy law), the structuration of social entrepreneurship, and the efforts toward a social economy sectoral advocacy (e.g.: the African Network for Social and Solidarity Economy as a transnational regional creation in 2010). The book-length of course sets a limit to the inclusion of more cases if the very valuable long chapter formats are preserved. Extending the work opened by the book to the new social and impact economy in the South can thus be considered as an important avenue for future research. Moreover, the presented cases have in common a territorial unity around national borders. Regarding the cross-border dynamics of the social economy and transnational cooperation around it - as it is the case for Social and solidarity economy in several Latin European and South American countries -it would be interesting to build cases structured around different geographical boundaries in future works (e.g. in economically integrated regions).

Secondly, the pedagogical synthesis attempt within each chapter, including very readable non-narrative presentation formats such as tables and graphics could have been extended to a concluding chapter proposing a more explicit comparison of the ten cases. Beyond the uniqueness of local contexts and similar global trends, is it possible or not to distinguish different regional models, different paths and trajectories for the social economy?

Thirdly, the book offers promising avenues to further discuss the links between the old and the new social economy and the emerging impact economy. The extension of the social economy to new organizational forms, actors, and logics via practices and tools largely inspired or imported from the private sector

seems at first presented as a logical adaptation to transformed social expectations and globalization. Yet most contributions directly or indirectly evoke the tensions between the old and the new economy and between the social economy and the impact one. The ambiguous links between the traditional communal social economy model and the new individualistic approach as represented by the popularity of social entrepreneurship in all the studied contexts could have deserved a dedicated cross-contributions chapter. Is social entrepreneurship a neo- or a post-social economy, i.e., can it be considered as a renewal rooted in the traditional one or as a split from it? There are great opportunities to extend the theorization of the new social and impact economy as a strategic action field with new hybrid and corporate actors interacting with the traditional ones. Is impact economy an extension or subdivision of this field, a concurrent one on its way to absorb it, an opportunity to import new tools to extend the field and make more connections with other fields? The (conditions for) reconcilability between traditional and modern social economy would benefit from a longer discussion. How are the actors, old and new, getting involved in solving the tensions which can appear between a communal approach and a more individualistic and a-ideological self-proclaimed one? The influence of new social economy forms as collaborators, but also competitors of traditional organizations could be discussed further. The important reflection on hybridization, largely focused on organizational form may be broadened more explicitly to the hybridization between the traditional social economy and the new one.

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