

## Editorial

### For a solidarity-based service economy

The globalized world economy is increasingly becoming a service economy. Furthermore, in the so-called developed countries, the middle classes are tending to dwindle in number and, proportionally, there are more rich people and more poor people. This is the phenomenon of the "egg timer society" (cf. Alain Lipietz). In this way the wealthy population has become a consumer of services, the main area in which the solidarity-based economy (SBE) has developed immensely in recent years.

We could well rejoice at this development, but if we were to do so, then we would also be forgetting that the prime aims of the SBE are to respond to the needs of people, particularly those that are the most destitute, to strengthen the social fabric and democracy at a local level. Whilst commercial enterprises take up a position on the market to offer services in an area in which there is a good level of demand, the solidarity-based economy is more concerned with guaranteeing access to services to the largest possible number of people. It is very much the type of development that we aspire to that is at stake: a solidarity-based society that distributes labour evenly and promotes solidarity, or a society in which only economic performance counts and in which there is the real danger of heading towards a society comprised of the wealthy and those that serve them (André Gorz).

That is why the European Union's Services Directive, which is now due to be transposed into national legislation, presents us with so many important challenges. Different types of services cannot be considered to be equivalent to one another in terms of their democratic values (Jean-Louis Laville).

*Eric LAVILLUNIERE*

### "Brussels 2007 – a different type of economy does exist: the innovations of the social solidarity economy"

In order to promote the social solidarity economy, actors in this sector from several continents have set up a common instrument, the Inter-continental Network for the Promotion of the Social Solidarity Economy – INPSSE (cf. [www.ripess.net](http://www.ripess.net)). The INPSSE was founded following a series of international meetings. The first meeting was held in Lima (Peru) in 1997, the second in Quebec in October 2001 and the third and final meeting was held in Dakar at the end of November 2005. The Network's main mission is to organise international meetings and to develop further networks amongst the SSE actors in the north and in the south (intra- and inter- continental networks).

The fourth meeting was due to be held in Brussels, Belgium in April 2007, but will now be replaced by an academic-type event that will have the task of preparing the next meeting in 2009 (in a venue yet to be decided).

We will keep a close eye on future developments...

## For your diaries:

### "How do we wish to produce and to live? The solidarity-based economy in a globalized capitalist system".

This German meeting (with the participation of international guests) on the solidarity-based economy will take place at the Technical University of Berlin from 24 to 26 November 2006 (cf. [www.solidarische-oekonomie.de](http://www.solidarische-oekonomie.de))

## Interview with Jacques Defourny

### Social Economy Centre at the University of Liege and President of the EMES European Research Network and perception of the solidarity-based economy in Germany

#### What does EMES represent and what are its aims?

EMES is a European Network that brings together approximately ten university research centres and a dozen individual researchers who have been working together since the mid-1990s on the concept of the social enterprise and its concrete expressions. Indeed, its name comes from the first project on the emergence of social enterprises. One of its most recent projects has led to the identification, in 11 countries, of more than 40 forms of social enterprises, solely in the field of the social integration through the provision of working activities. However, EMES carries out work across the whole of the "third sector", comparing different approaches that are linked to the cultures and realities of the various countries in the European Union, looking well beyond the sensitivities of the "social economy" and the "solidarity-based economy". It also promotes the development of academic or vocational training in this field.

#### What are the challenges in Europe regarding the recognition of social enterprises and the creation of specific statutes for them?

National and regional policies are the most effective means to promote the development of social enterprises. Moreover, these enterprises are first and foremost local enterprises that respond to societal challenges in a specific area. At a European level, it is important that globalisation, which is calling for homogenisation across the board, is not allowed to prevent the public authorities from making choices in favour of this type of enterprise that often combines commercial production and community services without being answerable to the dictates of the market.

In terms of European policies, then there are certainly some programmes that encourage social enterprises, although these programmes tend to practically limit this type of enterprise to the fight against exclusion, whereas they have a huge amount of potential in areas such as the provision of human services, local development, culture, leisure activities, environmental activities and many more. In fact, a social enterprise is primarily a new, dynamic force that is present across large parts of the third sector and is given concrete expression in many different ways, sometimes in a cooperative or associative form (non-for-profit-organisation) or sometimes even within the host of new legal frameworks that have been introduced across many countries in Europe for these enterprises that are driven by social aims. It is quite clear, therefore, that social enterprises are not a separate entity and they are certainly not in competition with the rest of the social economy. As far as we are concerned, the real challenge lies in achieving explicit recognition of a plural economy. Today, a lot of time is spent extolling the virtues of private companies that seek maximum profit on a competitive market that is deemed to be stimulating for producers and advantageous for consumers. Of course some exceptions are made for general interest services and the not-for-profit sector is often supposed to repair the damage caused by capitalism or to make up for the shortcomings of public action. However, just like INEES, we also believe that, in reality, there exist several sectors in our economies and that these economies are driven by profoundly different logics: a capitalistic, private sector, a public sector and a third sector, all of which have different aims, organisational methods and types of financing.

Pluralism is of fundamental importance in economics, just as it is in many different areas. At the moment, the only form of pluralism proposed by our capitalistic systems is the plurality of products to be found on shop shelves and competition between a plurality of enterprises that, it should be said in passing, is being rapidly eroded as a result of all of the concentrations we are seeing take place at the moment (mergers, acquisitions, etc.).

## A review of the progress made over the last six months

When we launched our working programme in January 2006, we felt almost as if we were embarking on a journey into the unknown. With a view to responding to the needs of the actors in the solidarity-based economy and in order not to merely duplicate other networks and initiatives, we have spent the last few months making ourselves known, becoming acquainted with the work carried out by other networks and putting down a few markers for future partnerships. Indeed, it is in this way that we have interviewed the following for our newsletter: Jean-Louis Laville – Laboratoire Interdisciplinaire pour la Sociologie Economique (LISE, CNRS-CNAM – France), Gilda Farrell and Samuel Thirion – DG for Social Cohesion at the Council of Europe and the European Platform for ethical and solidarity-based initiatives (EU – Strasbourg), Suzanne Elsen – Fachhochschule Munich (Germany) and Jacques Defourny – Centre d'Economie Sociale Université de Liège et European Network of Researchers for the Emergence of Social Enterprises (EU – Belgium). Similarly, in the future we will be carrying interviews that give a perspective on the third sector in the United Kingdom and in Italy, as well as an article on Cooperative Societies of Collective Interest (SCIC – France). This general overview of the sector also corresponds with our intention to provide an educational input, since this newsletter is sent to a readership comprised of decision-makers, local development practitioners or sympathisers, not all of whom are necessarily experts regarding networks at a European level. We also have significant involvement in the sector in the country in which we have our head office, namely Luxembourg. This is of dual importance to us: first of all we are connected with a social reality that provides us with information (through our partnership with the Réseau Objectif Plein Emploi) and secondly we feel that the Grand Duchy is an excellent testing ground for experimentation in our sector and that, from this point of view, it may become a driving force in Europe. We have also developed a partnership with one of the major daily newspapers in Luxembourg (the Tageblatt) in which we write a twice-monthly article on the solidarity-based economy (in both French and German). This is, of course, in keeping with our concern to make the solidarity-based economy a topic of public debate and it was with this in mind that we took part in the Ecosolies (mass event on the solidarity-based economy) in Nantes. We have taken the decision not to prioritise networking for the time being and have preferred, instead, to launch an invitation for expressions of interest in setting up working groups in different areas. In order to avoid multiplying the amount of time spent in meetings, we have opted to integrate our work within the dynamics of "Brussels 2007" and to provide it with an international flavour, since we are well aware of the fact that we have a lot to learn from countries such as Brazil, Canada and Senegal, for example. However, this process has been somewhat delayed and will only start in October 2006. In any case, we hope that we continue to be of interest to you and we will remain attentive to all of your comments and suggestions.

### Areas of work that are still open

- the management of solidarity-based enterprises: enterprises in the solidarity-based economy require management tools that are suited to their search for performances that do not respond to market or public service logics.
- the statutes of solidarity-based enterprises: if these enterprises were to have an appropriate working framework, then this would improve the way in which they are able to operate. It is not enough to merely add a social section to conventional private company statutes.
- new indicators of wealth: or what can we do to improve the way we take into account socio-economic added value brought about by the solidarity-based economy at local level and how can we build tools that can help the public authorities in their decision-making and evaluation processes.
- pooling alternative economic thinking: the solidarity-based economy sector must reinforce its theoretical corpus and must strive to improve the way it legitimises its activities from a scientific point of view.

*Eric LAVILLUNIERE*

## Interview with Jacques Defourny (continued)

### Is there not a risk of social regulations being entrusted to the private sector to the detriment of the collective interest? What do the social enterprises really contribute to the EU?

If we look at things from a purely statistical point of view, then employment, which is said to be a priority for Europe, is increasing much more quickly in the not-for-profit private sector than in the capitalist private sector. Even though there is often an element of public funding in these jobs, they are also based on other types of resources, some of which, such as voluntary work or donations, are practically beyond the range of other economic actors.

Furthermore, the actions undertaken by the third sector make a significant contribution to the population's general sense of well-being and to the whole of the economy, due to all of the indirect effects that these actions generate. Finally, we should not forget that these enterprises attempt to function according to democratic rules and regulations that often integrate the various stakeholders and this serves to maintain and to uphold the initial collective interest.

### INEES has decided to approach matters from the point of view of the solidarity-based economy. Do you consider this to be a relevant approach?

Several major approaches have been developed over the last 20 years in order to come to terms with a certain number of realities of the third sector that are still not particularly well known. These approaches have focussed on the notion of the social economy, the "solidarity-based economy" approach or the notion of the "non-profit sector". Despite the differences that exist between them, I refuse to set them against one another, since I really do believe that each one has its strengths and its weaknesses. Moreover, at a scientific level they feed off one another.

When the time comes to encourage some form of movement, then of course it is quite legitimate to make greater reference to one approach rather than to another, but none of them has the monopoly of being the most virtuous. If we are too exclusive in the way in which we raise our flags, then rather than uniting our forces we run the risk of pointlessly playing them off against one another. We then end up creating confusion amongst the general public, the media and the decision-makers...and this gives them the best possible alibi to do nothing, or at least to do very little. It does not really matter if one approach is deemed to have the upper hand for a certain amount of time, since it is the underlying tendencies that remain important in the long run. In our field, for example, how can we possibly deny the importance and the richness of a scientific and ideological pluralism that we are calling for at a macro-economic level?

In any case, looking beyond our differences, it is true to say that in the scientific world there is an implicit agreement at international level to refer to an ecumenical term: "third sector" that everyone then interprets in his or her own way, according to their viewpoint.

### What forms of complementarity, partnerships and relationships can be envisaged between EMES and INEES?

First and foremost, the EMES European Network provides a space for partnership-based research projects carried out by researchers from different backgrounds and between researchers and practitioners. From this point of view, it is therefore quite easy to envisage forms of collaboration with INEES, particularly since it has the advantage of having excellent links with the German speaking countries and provides a gateway towards Central and Eastern Europe. Luxembourg is at the crossroads of different European cultures and, as you will already appreciate, the most important thing for us is to gather together all of the various elements that may contribute to our efforts to enrich the conceptualisation and the recognition of the third sector.

Compiled for INEES by *Eric LAVILLUNIERE and Romain BIEVER*