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## **What is the Social Economy?**

Lans, Cheryl

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## **1-1 Definitions of the social economy**

Côté and Fournier (2005) and Fontan and Shragge (2000) claim that the original social economy paradigm with its dominant tendency of utopianism and social change experienced two intellectual defeats in the 19<sup>th</sup> century that relegated it to the rank of a minor philosophy. One was the dominance of Marxism; the second was the revival of the paradigm in its pragmatic/reformist form by the conservative wing of the Catholic Church including the Quebec church, by the French and Belgian governments and then later by the EU in the 1980s. It was revived as a concept by French academics Henri Desroches and Michel Rocard, Charles Gide and Léon Walras. This revival was not based on the potential of the social economy to achieve change but on its potential to address the crisis in the welfare state and the negative effects of globalization. Neamtan (2002) claims that the social economy got a boost from the World Social Forum held in Porto Alegre in February 2002.

Below are various definitions of the social economy:

1. The social economy refers to all initiatives that are not a part of the public economy, nor the traditional private sector, but where capital and the means of production are collective (Neamtan, 2002). The social economy consists of an ensemble of activities and organisations, emerging from collective enterprises that pursue common principles and shared structural elements (Neamtan, 2002):

- *the objective of the social economy enterprise is to serve its members or the community, instead of simply striving for financial profit;*
- *the social economy enterprise is autonomous of the State;*
- *in its statute and code of conduct, it establishes a democratic decision-making process that implies the necessary participation of users and workers;*
- *it prioritises people and work over capital in the distribution of revenue and surplus;*
- *its activities are based on principles of participation, empowerment, and individual and collective responsibility.*

2. Mullan and Cox (2000) state that:

“the social economy is that spectrum of activity located between the public and private sector (and so driven neither by the logic of capital nor by that of the state) which is a form of economic organisation aimed at addressing social need. It is economic activity which has social impact, and as such embodies the principle of placing social viability on a par with economic viability, social sustainability being equal to economic sustainability and the two being interdependent.”

“In Ireland, the social economy is represented in nascent form by community-driven efforts to provide essential services which improve the quality of life and to address the gaps in facilities and services which communities have been deprived of but which are essential in terms of day-to-day living. A large number of social economy enterprises constitute the adding of an economic

dimension to work performed which has been historically undervalued, unvalued and unpaid: caring services, maintenance services, cultural activity and community banking. It presents the opportunity, if developed, for services to be provided by and for communities on a basis which is more sustainable than simple subsidised service provision.”

3. The International Center of Research and Information on the Public, Social and Cooperative Economy (CIRIEC) in Spain has the following definition: “a group of private companies created to meet their members’ needs through the market by producing goods and providing services, insurance and finance, where profit distribution and decision-making are not directly linked to the capital contributed by each member, each of whom has one vote. The social economy also includes non-profit organisations that are private non-market producers, not controlled by general government, produce not-for-sale services for specific groups of households and whose main resources come from voluntary contributions by the households as consumers, payments from the government and income from property” (Monzón Campos, 1997; Chaves and Monzón, 2000).

### **1-2 Macro-economic perspective and the social economy**

Sätre Åhlander (2001) analyses the role of the social economy in changing societies from a macro-economic perspective. Sätre Åhlander (2001) looked at the role of the social economy with respect to employment, welfare, rural development and as a model of societal change. She defines the social economy from a macro-economic perspective as the user-oriented third economic system beside the centrally managed planned economy and the market economy, where supply is determined by demand. The social economy then comprises activities for which users take economic decisions. Mutuality or close connections between producers and user are critical for the social economy. This strengthens its territorial characteristic – meaning local jobs, individual services and no impact on international exchanges. Sätre Åhlander (2001) calls it a third system rather than sector and claims that the way of functioning is more important than the organizations involved. Also important is the growth of co-ops that have created opportunities for the socially excluded. The focus is therefore on the dynamic process of societal change and the role that the social economy plays in that change.

Westlund and Westerdahl (1996) formulated three hypotheses on the social economy in the EU. The vacuum hypothesis holds that the social economy can fill some empty gaps that arise when the public sector is reduced and the private sector does not take up the slack. This hypothesis holds in Russia where the lack of support is taken up

by informal networks between neighbour, friends and relatives<sup>1</sup> (Sätre Åhlander, 2000). The influence hypothesis assumes that the social economy takes on the former roles of the public service through contracts (similar to the social investment state). The local-identity hypothesis states that the social economy grows in the form of local initiatives in a reaction to globalization – there is a growing need for local and regional identity so people join in projects, societies and associations to strengthen local identity.

### **1-3 Government support for the social economy 2004**

There are two parallel trends taking place across Canada that reflect the increasing integration of worldwide economies due to the forces of globalization and neo-liberal governments in power at provincial and federal levels. One is the increasing integration of Canadian businesses and industries into largely US-based conglomerates. Monzón Campos (1997) says that involuntary unemployment is capitalism's most costly market failure and that the unsatisfied demand for social services cannot be solved by traditional public action on its own. The second trend is the rise of an alternative economy in response to these phenomena which is composed of co-operatives and NGOs working on small projects for community economic development, ethical business initiatives, providing services like holiday camps for families, daycare centres, community media, co-operative housing, women's centres, ethical financing and new co-operative forms of finance such as multi-stakeholder co-operatives. The social economy plays a key part in the social-professional reintegration of disadvantaged groups, often in partnership with public authorities or social partners.

Other groups working in this sector include credit unions, women's groups, aboriginal and anti-poverty organizations, Community Futures Development Corporations, non-profits, the trade union movement, and other businesses that include social and environmental values into their corporate accountability and bottom line.

Quarter et al. (2003) claim that the social economy in Canada includes at least 175,000 nonprofits including 78,000 with a charitable status that generates revenues of more than \$90 billion annually and employs paid staff of 1.3 million. There are also 10,000 co-ops that generate \$37 billion a year and employ 150,000 people.

### **1-4: Social Economy and the Federal Government of Canada**

The Federal Government of Canada brought the social economy in Canada into focus with the February 2004 Speech from the Throne, agreeing to support “the efforts of the people who are applying entrepreneurial creativity, not for profit, but rather to

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<sup>1</sup> Unfortunately Sätre Åhlander, 2000 does not completely understand what social capital is and links it only to the formal economy.

enhance the social and environmental conditions in our communities right across Canada.” In his opening speech to Parliament, Prime Minister Paul Martin announced that social enterprises would be assisted by a fund of CAD\$152 million and they would have access to the government’s small business programs and business financing programs. Budget 2004 also provided new funding through pilot programs focused on strengthening existing support in areas that social economy and community economic development organizations have identified as their highest priorities, namely, capacity building, financing, and research. Specifically this means \$100 million in credit and "patient capital" over the next five years. In addition, the budget earmarked \$17 million over two years for community capacity-building pilots and \$15 million over five years for community-university research funding (to be administered through SSHRC). The budget also gave an expanded mandate for Community Futures Development Corporations.

Responsibility for the social economy initiative (along with community development) will fall under a new Ministry of Human Resources and Skills Development – this means that there is a shift in focus by the government to the capacity of the social economy to generate employment. The rest of the voluntary sector initiative is in the Ministry of Social Development that is responsible for income support and other social services.

In his speech, Martin gave his history of involvement in the social economy initiative <http://www.accord.org.au/social/infobriefs/canadianpm.html>. He revealed that since the beginning of his political career he had been involved in RESO, a successful collaborative venture between unions, businesses, and community groups in a large rundown area of southwest Montreal that was transformed into a dynamic part of the city through the tools of the CED and the social economy. As Regional Development Minister for Québec in the early '90s Martin made multi-year funding available for the core operations of RESO, the community development corporation. Federal money also contributed to the success of the Southwest through human development support. Martin next helped bring the federal government into a partnership with the Province of Québec and the Québec Solidarity Fund to create a *\$5 million equity investment pool* for RESO development projects. These actions supported what Mike Lewis a founder of the Community Economic Development movement calls the three Cs of CED - capacity building, community capital, and competence (Lewis, 2004).

Other initiatives announced in the Canadian 2004 budget included:

- A new Not-for-Profit Corporations Act, designed to reduce the regulatory burden on the nonprofit sector and improve financial accountability,
- Acceptance of most of the recommendations on the tax treatment of charities made by the Joint Regulatory Table (between the government and the voluntary sector), established as part of the Canadian government/voluntary sector ACCORD,

- A government investigation into the feasibility of establishing a bank for the charitable sector. ([http://www.wd.gc.ca/ced/se/default\\_e.asp](http://www.wd.gc.ca/ced/se/default_e.asp)).

Social Development Canada defines the social economy as a grass-roots entrepreneurial, not-for-profit sector, based on democratic values that seeks to enhance the social, economic, and environmental conditions of communities, often with a focus on their disadvantaged members.

[http://www.sdc.gc.ca/en/cs/comm/sd/social\\_economy.shtml](http://www.sdc.gc.ca/en/cs/comm/sd/social_economy.shtml)

Pilot initiatives on capacity-building and financing will be delivered by Industry Canada and regional development agencies (i.e., Atlantic Canada Opportunities Agency <http://www.acoa.gc.ca> , Canada Economic Development for Quebec Regions <http://www.dec-qed.gc.ca/> , Federal Economic Development Initiative for Northern Ontario <http://fednor.ic.gc.ca> , Western Economic Diversification Canada <http://www.wd.gc.ca/>

Social Development Canada is responsible for developing the federal social economy policy framework that will guide efforts of the federal government to support the social economy.

Social Development Canada supports the Parliamentary Secretary to the Minister of Social Development with special emphasis on the Social Economy, who is providing federal leadership in the development of current initiatives, as well as the development of the framework.

Social Development Canada is leading the National Roundtable on the Social Economy, involving leaders in the social economy. A key objective is to foster ongoing dialogue and engagement of key partners as they develop and implement initiatives to support the social economy.

Regional roundtables were held by Industry Canada and the regional development agencies to engage stakeholders in identifying regional needs and priorities for the capacity-building and financing initiatives.

### **1-5: The Social Investment State**

The federal government is increasingly turning to community-based processes and initiatives to provide local problems with local solutions because of the increasing complexity and diversity of neighbourhoods. This policy has been called the Third Way by Anthony Giddens or the social investment state where expenditure is put into human capital investment (Perkins et al., 2004). This policy recognizes that competing in the global economy can take two forms:

- (1) a race to the bottom in terms of the welfare of citizens or
- (2) providing a highly adaptable, skilled and educated workforce that can respond to the 21st century's flexible knowledge-based economy.

In this framework Canada is said to be more competitive than the US because its medical plan is state provided and thus makes its factories more competitive than those with increasingly unaffordable employer-funded health plans (stated in numerous New York Times articles by economist Paul Krugman Professor of Economics and International Affairs at Princeton University).



The social investment state is a response to the neo-liberal critiques of social spending as wasteful and an economic drain (Perkins et al., 2004). This has led the push to fund only those programs deemed to be economic rather than strictly social and to state that they are more cost effective than anti-drug and anti-crime spending (Perkins et al., 2004). However it is seen as an antidote to welfare or other income support programs. The social investment state is criticised for focussing on children as the worker-citizen of the future rather than on retraining adults, for being gender-biased, and for continued adherence to the neo-liberal macroeconomic framework with all that that implies in terms of lack of concern for the environment and commitment to efficiency and a smaller role for the state.

The Irish version of the social investment state “partnershiping” has been called “co-optation by the state, converting activists into subcontracted civil servants” (Mullan and Cox, 2000). These authors claim that the price paid by activist organizations to become part of the national project was to redirect its energy to writing funding applications and taking measures such as legal incorporation, financial auditing and restructuring and competing with sister organizations. This diverted energy away from understanding structural problems and developing broader alliances. They also lost touch with their clients since they needed to hire credentialed outsiders to manage the grants (Mullan and Cox, 2000).

In Ontario, pilot programs in support of the social economy will be delivered by the Regional Development Agencies (RDA). Industry Canada/FedNor (FedNor) will deliver the Capacity Building and Financing Pilot Programs in Ontario. FedNor (2005) claimed that their roundtable on January 26, 2005 was well received by the stakeholders who were new and needed assistance and asked for funding for capacity building. FedNor claimed that Ontario did not have a policy framework to develop the social economy.

### **1-6: The Social economy and CED**

The Canadian CED Network had asked for a broader federal investment in CED and the social economy. CCEDNet was founded by 16 CED organizations in 1999, had drafted a national policy framework that was finalized after a series of regional discussions and held a national policy forum in Vancouver in 2001 (Lewis, 2004).

A new government in Manitoba took up the agenda to create an effective approach to multi-year investing in community capacity. They also created a cabinet committee to examine all government activities through a CED lens.

In 2002 CCEDNet allied with the *Chantier de l'économie sociale*, Québec's social economy "network of networks". They lobbied federal politicians to create a "Three C" policy environment:

- multi-year funding

- tax credit incentives to mobilize community financial capital
- policy changes and increased funding aimed at solving several serious problems hampering the effective development of human capital

The response of the Canadian CED Network to the 2004 Budget announcement seems to be the encouragement of the government into social investment state policy.

### **1-7: The Social economy in Quebec**

In Quebec, there are an estimated 6,200 social economy enterprises that together employ 65,000 people and generate annual sales in excess of \$4 billion.

[http://www.sdc.gc.ca/en/cs/comm/sd/social\\_economy.shtml](http://www.sdc.gc.ca/en/cs/comm/sd/social_economy.shtml)

The social economy in Quebec refers to all of the co-operatives, mutual benefit societies and associations, which are linked to the Desjardins credit union movement, and other community based organisations. Excluding both the Desjardins movement, and the two largest agricultural co-operatives, the Quebec based social economy contains more than 10 000 collective enterprises and community organisations which employ over 100 000 workers (Neamtan, 2002).

These organizations have responded to the Quebec government's initiatives by becoming more business-like, and are being recognized for their ability to perform community services, environmental protection, etc., that are being downloaded by the state. These organizations have developed new organisational methods and new market relations (multiple enterprises and partnerships, fair trade, alternative trade, networking), as well as new types of enterprises with new legal statuses such as social co-operatives or enterprises for social purposes (Neamtan, 2002).

### **1-8: The Social economy and gender**

Côté and Fournier (2005) claim in their paper that gender-based approaches and organizations present in the social economy from 1996 – 1999 generated more total jobs, more jobs for women and better paid jobs than in the subsequent period when the Quebec government became involved in regulating and financing the third sector after the Socio-Economic Summit of October 1996 (Status of Women Canada, 2004). Prior to 1999 the social economy was funded by 17 regional funding committees (CRÊS) and women were represented on the management boards alongside provincial government employees. These boards ensured that projects with social ends were funded. The prevalence of women is echoed in Europe where women find co-ops to be a convenient way to organize work, to share responsibility and to have democratic management (Såtre Åhlander (2000). Côté and Fournier (2005) claim that the Quebec government instituted a gender-neutral approach from 1999, with the establishment of the Centre Locaux de Développement (CLDS) and the Politique de Soutien au Développement Local et Régional. The CLDs were service agencies for small business and only funded groups with the potential to be self-financing after

one year. Funded groups had to use business plans and reporting schemes that were not designed for their organizations and that may have compromised their initial aims. Women were not given a place on the boards of the CLDs even though they were asked to voluntarily train those who took over the CLDs.

Researchers Louise Toupin and Nadine Goudreault are seeking to evaluate the social profitability of women's work and its contribution to community life so that it can be included in future definitions of the social economy. Their perspective is that it has to be measured before it can be accorded value in the market-based or currently-defined social economy. Status of Women Canada (2004) has funded a study that examines how the restructuring of the social economy has had a negative impact on the health and working conditions of women in Quebec. When Quebec shortened hospital stays, women had to bear the burden of the transfer of care delivery to the home and now have to perform more complex care.

These studies have found that the shift to the social investment state (rather than social economy), in combination with "gender-neutral" policies (which are actually gender-biased) is having a negative impact on women.

The argument for including gender into the definition of the social economy is important since many academics are not comfortable doing research on a topic or area that is not clearly defined. However if the historical social activism of the social economy has been neutralized by those that have revived the concept it may be important not to accept the latest definition but in fact to try to return to the roots of the concept -- although the Canadian government has increased its power over the definition by increasing its financial support and oversight of the third sector. However as stated by Arthur et al. (2003) the boundaries of the social economy can be established and their operational definition is below.

### **1-9: Operational definition of the social economy**

For the purposes of the research an operational definition of the social economy can be used. Boundaries for the social economy can be linked to the following criteria set out by Arthur et al. (2003):

- Ownership – locally-based and owned largely by its employees (embedded in the community),
- Control – degree of power in decision-making and management control within the enterprise,
- Values – mutualism or reciprocal interdependence, not profit maximisation
- Product – preferably socially beneficial
- Source of finance - majority of value owned by employees or local community, not totally dependent on grants.

### **1-10: The Social economy and public-sector nonprofits**

None of the definitions included above support the notion of including public-sector nonprofits such as hospitals, universities, zoos and museums in the social economy as done by Quarter (1992), Quarter et al. (2003) and by Quarter in other publications. As stated above by Neamtan (2002) *the social economy enterprise is autonomous of the State*. In fact one can assume that the social economy creates jobs for those without the income and/or intellect to attend universities. Universities and hospitals replenish the workforce while zoos entertain it with the secondary function of preserving species from “extinction by market forces”, or what Arthur et al. (2003) call “the economic jungle envisaged by the economic Darwinists”. It seems unlikely that researchers could study the social economy from the inside since it does not typically generate sufficient surplus profit to support research. These organizations may have some independence from the government but the majority cannot operate in isolation from the state or in opposition to the state. There are few if any states that have not created one or more of these public sector nonprofits as proof of statehood or independence or for other grandiose reasons. When these organizations are run by private interests then they obviously become part of the private sector. None of these organizations fit the operational definition above.

Nor would I place social clubs and market-based societies like the Boy Scouts or the Red Cross in the social economy (Quarter et al. 2003). Médecins Sans Frontiers, the Duke of Edinburgh Award scheme, the Peace Corps, the Red Cross/Crescent or similar organizations do not fit the original social change definition of the social economy. The Boy Scouts was defined in a New Jersey Court as a voluntary association with defining characteristics and principles similar to large religious organizations

[http://www.familydefensecouncil.com/liberty\\_legal\\_institute.htm](http://www.familydefensecouncil.com/liberty_legal_institute.htm)

Its historic function has been to produce “good” male citizens who would also have been socialized to join older male groups such as the army. The Peace Corps has always been an unofficial arm of the US state and diplomatic corps. Its official objective is to produce “good”, internationally-aware US citizens and to present the friendly and youthful face of America to the world

<http://usinfo.state.gov/af/Archive/2005/Aug/31-187884.html>.

The Duke of Edinburgh Award scheme has a similar mission in uniting the Queen (via her consort) to the youth of the Commonwealth.

The placement of the socio-political groups like Greenpeace can be ascertained from the hostility they generate from multinational organizations and their government-based backers. They function as their alternatives; they try to obtain state-like alternative economic and other strategies for world development and economic development by using the media and public support in their strategizing. The Red Cross and Médecins Sans Frontiers provide a humanitarian service that multi-state diplomatic organizations like the UN do not always provide for political reasons. The Red Cross also predates the UN.

There are two underlying themes in the 1992 book by Jack Quarter. One is that everything that is not 100% in the private or state sector is therefore in the social

economy giving this sector an “everything but the kitchen sink” quality and bringing incongruous elements together as supposed kin. The second element in the book is to place elements in the social economy because they have similar structures or voting patterns to co-ops. Many associations like unions, social clubs, market-based societies and professional associations are therefore put into the social economy because they have one member one vote and work for the benefit of their members and depend to some level on volunteers. Quarter (1992) does not take the key functions and purposes of these organizations into account. If the one member one vote definition holds then the WTO and the UN should also be placed in the social economy.

Quarter on page 50 puts foundations in the social economy even though he claims that they are sometimes private preserves of the wealthy that can be used as tax dodges to shelter family fortunes.

Unions and professional associations whose chief function is to obtain the maximum possible share of the profit of the firms they work for are put in the social economy, -- -- profit maximising is not a function of organizations in the social economy. Quarter ignores his own observation on page 21 that the growth in health co-ops in the social economy was facilitated by the association of doctors that went on strike in Saskatchewan in 1962 to protest the introduction of medicare. Associations of livestock producers like R-Calf succeeded in temporarily closing the border to Canadian cattle – their motive was profit. The US beef lobby has lobbied extensively against a higher percentage of testing for BSE in the meat industry – their profit motive has superseded the customer interest in safe food. The Chamber of Commerce made up of members who are categorically in the private sector is put in the social economy (pg. 70) because as a second tier organization it has no shares. To claim that any Chamber of Commerce has a social benefit without direct pecuniary gain of its members is to ignore the indirect benefits that all members obtain from the lobbying efforts of each Chamber of Commerce for provincial and federal level support, funding and other benefits for the business sector.

→ The first boundary in defining the social economy is therefore that public-sector nonprofits lie outside the social economy as clearly depicted in the pie chart in Quarter et al. (2003) but contradicted in the written section of the paper.

There is currently an ideological “war” in the US between the Democrats and the Republicans, the latter of whom would prefer to dismantle “big government” welfare programs in favour of charity and religious based provision. This is a program previously favoured by Thatcher in the UK and begun in the US by Reagan. These Republican-favoured programs are part of the private sector rather than the social economy since they entail adherence to a specific belief system and its

associated practices<sup>2</sup>. This placement can be supported by the history of the House of Industry residence for the destitute started in 1936 (Quarter, 1992). It was started by private citizens in Ontario who did not want state provision for the destitute as set out in Britain's Poor Laws.

→ The second boundary in defining the social economy is therefore that organizations that are historically and currently patriarchal like organized religious-based groups should not be considered part of the social economy. There needs to be a distinction between the voluntary sector with its charities, foundations and humanitarian organizations and the social economy.

### **1-11: The Social Economy and a sustainable food system**

In Vancouver, BC there is a coalition that includes the Food Assessment Research Team, the Centre for Sustainable Community Development (CSCD), and the Environmental Youth baseline research they conducted. They are interested in re-localizing food production, rooftop gardens and urban agriculture, direct sales from farms to institutions, and food related social enterprises. They want financial support from Western Economic Diversification Canada. They are interested in the role of social enterprise in a strategy to enhance food sustainability in Vancouver.  
<http://www.sfu.ca/cscd/research/foodsecurity/Final%20draft%20compress.pdf>.

Organizations that they place in the community food sector include community kitchens, community gardens, good neighbour programs, co-op grocery stores and buying clubs and healthy food vending.

They are looking at the following:

1. What are the pros and cons of the social economy in addressing food insecurity and other social and health problems?
2. What is a social enterprise and what does this add to their tool kit to address social problems?
3. What are social entrepreneurs already doing in Vancouver & what issues do they face?
4. What can they learn from other experiences in food related social enterprise?
5. Are there ways to ramp up a social enterprise strategy for Vancouver?

Some of the people involved above are also part of the Forum of Research Connections (FORC) for Food. They produced a Vancouver Food System Assessment funded by the Western Economic Diversification Canada.

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<sup>2</sup> However in theocracies religion and state are joined. The Vatican considers itself a state and has this status in the UN where it tries to impose its views on women's issues like reproductive choice.

They used the Western Economic Diversification Canada definition of a social enterprise as a specific business that produces goods and services for the market economy, but manages its operations and directs its surpluses in pursuit of social and economic goals. They used Neamtan's definition of the social economy already given in the first section of this paper. However they also use a definition that it is comprised of social enterprise, co-operative development and the third sector. FORC claims that a social economy approach to addressing acute food insecurity would improve food quality, support local growers and create jobs for current charity recipients. They feel that social enterprise and the social economy are strategies for redesigning the local food economy. The authors gave the recently formed Small Scale Food Processors Association as an example of social enterprise in the food economy.

The report gives the following example of a strategy to build a regional social economy:

The White Dog Cafe Foundation envisions a Local Living Economy in the Greater Philadelphia Region – one that brings inclusive and broad-based economic empowerment, environmental stewardship, and vibrant, unique character to our communities through local business ownership. Our mission is to create, strengthen and connect locally owned businesses & farms committed to working in harmony with natural systems, providing meaningful living wage jobs, supporting healthy community life, and contributing to economic justice. The Foundation is funded by 20% of White Dog Cafe profits, contributions from customers, foundation grants and income from our farmstand and events. Our two major projects are Fair Food and the Sustainable Business Network of Greater Philadelphia (SBN).

<http://www.whitedog.com/foundation.html>

### **1-12: Research needs**

→ *What Do We Need to Know About the Social Economy?*

1. descriptive research and data development, regulatory frameworks,
2. when and how governments should fund the social economy,
3. tools for measuring the impact of social economy enterprises, and
4. best practices for both governments and social economy enterprises.

[http://www.recherchepolitique.gc.ca/page.asp?pagenm=SocialEconomy\\_Guide\\_f.htm](http://www.recherchepolitique.gc.ca/page.asp?pagenm=SocialEconomy_Guide_f.htm)

### **1-13: Questions and issues arising from the paper**

→ Now that government has increased its role in financing and developing the social economy has it lost its key characteristic - autonomy?

→ Will the social investment state supersede the social economy?

→ Quarter (1992) claims that social economy assets are social dividends that pass from generation to generation and members do not benefit from the sale of their assets – so what is the push behind privatization and demutualization of these organizations?

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