

**transformative  
social innovation  
theory**



# **WP4 | CASE STUDY Report: RIPESS**

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## 1 Introduction to RIPESS

This report presents a case study on the RIPESS network (Réseau Intercontinental de Promotion de l'économie Sociale Solidaire), an intercontinental network set to promote the 'social solidarity economy' (SSE). Aiming for alternative forms of economic relations, RIPESS can be considered a 'social innovation' agent. The network seeks to empower civil society actors, alter the prevailing relations between governance actors and 'institutional logics', and better meet social needs than is done by present social constellations (Cf. Moulaert et al. 2013). Moreover, RIPESS can also be considered an instructive case for what is studied in the TRANSIT project as 'transformative' social innovation (Haxeltine et al. 2013; Avelino et al. 2014). One striking feature of RIPESS that it is generally considered as a radical movement, aiming for structural societal change. As indicated by Poirier (2013: 75-76) for example, RIPESS aims for structural and worldwide change in the existing economical or developmental system, and starts from the diagnosis that there are systemic imbalances to address<sup>1</sup> This transformative character is also laid down in the RIPESS declaration, established at the Lima conference that founded RIPESS as an intercontinental network in 1997: *'We are taking into account that we are under the hegemony of a development model which shows, both in the North and the South, its limits while destroying the planet and generating poverty, exclusion, and ignores the set of human activities which are of paramount importance for the communities, representing thus a threat for the future of mankind; And in an attempt to react to this situation, that we are committed to a process of building a solidarity-based development that questions the concept which reduces and determines the satisfaction of human needs to cut-throat competition on the market and the so-called "natural laws".'* (RIPESS 1997:1)

As part of the broader research strategy in the TRANSIT project, it is the aim to compare RIPESS with other cases of transformative social innovation. **The report primarily serves this *internal purpose of building theory through case comparison*.** So other than providing a comprehensive case study and evaluating the achievements of the featured initiatives in their own terms of social and solidarity economy (SSE), this study considers RIPESS and its Belgian/Romanian manifestations primarily for their significance in terms of transformative social innovation. Likewise, RIPESS is considered for the particular ways in which it has developed as a social innovation network, the particular ways in which it pursues more or less transformative changes, and its particular challenges, solutions and evolution patterns *in relation to similar initiatives*<sup>2</sup>. Comparing RIPESS with similar initiatives promises to help develop a well-informed and solid understanding of Transformative Social Innovation (TSI).

Approaching RIPESS as a (transformation-oriented) social innovation network to be compared with others, this report follows the quite tightly structured format for TRANSIT case studies. This implies that an account of RIPESS is provided that is in many ways selective: Directing attention to what RIPESS shares with other innovation networks, it may be that the analysis neglects some particularities of this network – anticipating on that, the report provides for a specific section on those. On the other hand, this structured, homogenizing approach directs attention to the striking differences and similarities between cases that together allow for more solid and possibly deeper

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<sup>1</sup> *"Thus the Solidarity Economy explicitly has a systemic, transformative, post-capitalist agenda".* (Poirier 2013:76). This particular transformation strategy is also indicated to be 'pluralist in approach', 'eschewing blueprints'; 'building on concrete practices'.

<sup>2</sup> See Jorgensen et al. 2014 on this set of 12 social innovation networks, the 'first batch' of 20 case studies.

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insights (see Jorgensen et al. 2015 for comparative analysis). As will be developed throughout this report and summarized in a synthesis section, the case of RIPESS brings forward several striking characteristics that seem relevant for transformative social innovation processes more broadly. Amongst the many lessons that RIPESS may hold for TSI, the following interesting characteristics are highlighted in this report:

First of all, RIPESS is an exemplary case for the phenomenon that social innovation is a rather dispersed social phenomenon, carried by multiple actors in loosely organized networks. As an intercontinental network to which various continental, national and regional subnetworks subscribe, RIPESS is near impossible to pin down as a unit, or even as a somehow layered structure. As a very loosely structured network, containing a great variety of sub-networks that themselves also branch in various ways, RIPESS can be considered the typical ecology of innovation networks (Nicholls & Murdoch 2012:35). Moreover, RIPESS has been formed with the very intention of uniting the diverse ecology of innovations on ‘alternative economy’, to bridge their differences, and to function as a network-of-networks, or as an ‘inter-réseau’. This synthesizing ambition even speaks from its name: the very concept of social solidarity economy is a synthesis or compromise between quite different forms of social innovation<sup>3</sup>. The social economy and the solidarity economy are quite different streams within SSE, and this alone makes it most interesting to see the interactions within this SSE field: Between relatively mature and institutionalized parts on the one hand, and the somewhat more radical, less formalized parts on the other<sup>4</sup>. All in all, this particularly diverse ‘ecology of innovations’ instructs TSI about the ways in which multiple local manifestations interact, about the multiplicity of innovations that is crucial for transformation processes (Cf. Schot & Geels 2008; Chilvers & Longhurst 2013; Pel 2014).

Second, it is particularly insightful for the broader TSI concern of **mainstreaming**: It is not that obvious to consider RIPESS as a case of transformative social innovation, or even of social innovation at all. It is telling how some actors rather speak of a social economy *sector*, which suggests that apparent social innovation activities are actually well-established and institutionalized. Indeed, Defourny & Develtere (1999:11) indicate how the terms ‘social economy’<sup>5</sup> and ‘third sector’ mark the merging and governmental recognition of longstanding activities of associations, cooperative enterprises and mutual aid societies. So even when RIPESS and its sub-networks can be traced back to quite socially innovative and revolutionary initiatives from ‘outsiders’ and subaltern actors, this seems to have changed. Local initiatives have joined forces in international networks, and in some countries a social economy sector has emerged as a formalized structure – which, perhaps, has even ceased to be ‘social innovation’. On the other hand, Defourny & Develtere (1999) indicate that social economy comprises the very old and entrenched forms as well as the emerging or reviving ones (22-

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<sup>3</sup> Cf. Hiez & Lavillunier (2013); Poirier (2013:89).

<sup>4</sup> The social economy, to some it is too closely intertwined with ‘the System’, and that is why they prefer the more innovative/transformative term ‘solidary economy’. Likewise, there is the tendency in the global south to speak of the ‘people’s economy’, stressing the importance of popular emancipation. In the latter two cases, the precise governance structure or organisational form is of secondary importance to the goal pursued. The contents of the ‘social economy’ and related terms are therefore most difficult to demarcate – yet the importance of settling these issues becomes clear when considering as governments and enterprises have started coining terms like ‘corporate social responsibility’ (Develtere 2006 :3).

<sup>5</sup> See Poirier (2013:71-74) for clarification of this term, which has different meanings in SPA/FRA speaking countries and ENG speaking countries. After 1995 the concept has acquired a more specific meaning, referring to the ‘social sector’ of health, daycare, elderly support but no longer to social enterprise. Likewise, the ‘économie solidaire’ has its roots in Latin America and France/Belgium/Quebec; it spread along linguistic lines.

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23), and that the term 'économie solidaire' should be understood to refer primarily to the most innovative or recent developments in the social economy. In that respect RIPESS may indeed be considered to be what Borowiak (2012:361) called a 'hybrid' transformation actor - both challenging regime structures, as well as being enmeshed in them. The RIPESS case thus shows how the social economy has institutionalized over the years, in various forms and places. The case thus raises some issues that are or may become pertinent to transformative social innovation more broadly: How does institutionalization consolidate transformative potentials? And considering how the solidarity economy is often considered a radicalizing answer to overly system-confirming forms of social economy and social entrepreneurship<sup>6</sup>, how does institutionalization come to involve cooptation, domestication and stifling of transformative potentials? And how does mainstreaming become possible in the first place?

Third, this RIPESS case study highlights the relevance of **national histories and path-dependencies**. RIPESS concerns a type of social innovation with a particularly long history, it should be realized. Its typically associational forms of organization have been grown out of various ideologies and motivations (associational socialism, social Christianity, nationalism/ regionalism). This means that the SSE tends to be strongly shaped by national/regional histories, and is to some extent path-dependent. As mentioned, the SSE contains at least the essentially different parts of 'social' and 'solidarity' economy. These differences are not just differences in wording, however, but they rather indicate different political-cultural origins. The 'économie solidaire' is strongly tied to its francophone and latin backgrounds, for example, which makes it different from Nordic or Anglosaxon social economy concepts. Moreover, SSE is translated differently in developed and developing countries. RIPESS tries to align only partly converging translations of the 'social economy'. Its constituent networks coming from different countries and regions, they each bring in their particular 'sensitivities', histories and understandings of the SSE (Kawano 2013) .

## Scope of study

As the social solidarity economy implies a whole cluster of social ambitions and envisioned social transformations<sup>7</sup>, it is near impossible to catch RIPESS in a case study that does justice to its diverse activities. Also for reasons of time and capacity constraints, the case study has been delimited, whilst trying to represent RIPESS' layered structure and internal diversity to a considerable degree. As displayed in figure 1.0 below, the study sketches how RIPESS has diverse branches of activities, which are organized on intercontinental, European, national, and regional levels. Reading the diagram from top to bottom, the case study contains the following:

First of all, it reflects that RIPESS is an intercontinental network, which seeks to bridge the divide between the global North and the global South. Concerning the international networking, the case study focuses on one level below however. RIPESS Europe deals with different SSE translations across continents, but also seeks to align the considerably differing SSE translations within Europe.

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<sup>66</sup> Consider for example the rise of 'social entrepreneurship', which unlike 'solidarity economy' even embraces market mechanisms as vectors of change rather than rejecting them as structural sources of problems. (Poirier 2013:80) The author also seems to mistrust the social 'entrepreneur' as promoted by Ashoka; the 'Anglosaxon' focus on the individual seems to neglect the collective. More generally, the 'solidarity economy' can be seen to form part of a broad family of alternative economies (idem:89)

<sup>7</sup> Solidarity-based economic relations, but also to sustainable development, eradication of structural inequality, proper valuation of paid and unpaid work, and balanced relations between the sexes amongst others.

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Meanwhile, it needs to be considered that RIPESS operates within more encompassing ecologies of innovation, surrounded by an intertwining with other intercontinental/European actors that are also occupied with the SSE, yet not as RIPESS members. These may be the formal institutions that RIPESS targets for institutional changes, but also the various other initiatives that share at least some of its spirit and objectives. Considering the particularly broad objectives of RIPESS, it will come as no surprise that it intersects with many other SI initiatives, including other TRANSIT cases.

Second, as a way of expressing the diversity within the European RIPESS network, the study involves a comparison between two markedly different 'local manifestations'<sup>8</sup>, namely Belgium and Romania. The comparison is interesting for their differences in civil society/state/market relations and traditions of associations<sup>9</sup>. As indicated by Defourny & Develtere (1999:24-26) for example, the latter country even has a history of *imposed* cooperative structures, which remains relevant to current social economy practices, and might explain the limited representation of the social and solidarity economy discourse in Romania. (e.g. CRIES is the only Romanian associate to RIPESS).

Third, the diagram expresses how there may be several 'local manifestations' in a country. In the Belgian case there are three RIPESS members, VOSEC for Flanders, and SAW-B and Groupe TERRE for the Wallonian-Brussels regions. This circumstance shows how different SSE translations may emerge even within one country –the choice has been, however, to focus on VOSEC, for the sake of better comparison with other 'local manifestations'. Regarding the Romanian part of this study, CRIES is the only RIPESS member there.

Fourth, not expressed in the diagram but still most important for the understanding of RIPESS as an SI network, there are many network layers further down below. Just like RIPESS intercontinental and the RIPESS Europe, both VOSEC and CRIES have been set up as bridging networks, as 'hubs', 'nodes' or 'inter-réseaux' that connect different other SI organizations, individuals and federations. The relevance of this further branching will become particularly clear from the VOSEC case, a 'dome-of-domes' which was intended as – yet failed to become – a unifying spokesman for several federations of SSE organisations and enterprises. Also the CRIES case comprises not so much a well-defined initiative or organisation, but an NGO, with a formal structure and hired staff. CRIES plays a double role in Romania: first, as a social innovation actor (being a "reference" for the SSE, as a facilitator of community supported agroecology) and second, as an intermediary in the field of SI/SE, which connects institutions and citizens that are either active or have a stake in the SSE field (fair trade movement, universities, local administrations). Besides these two roles the initiative attempts to be an interlocutor with the public institutions for the SSE issues.

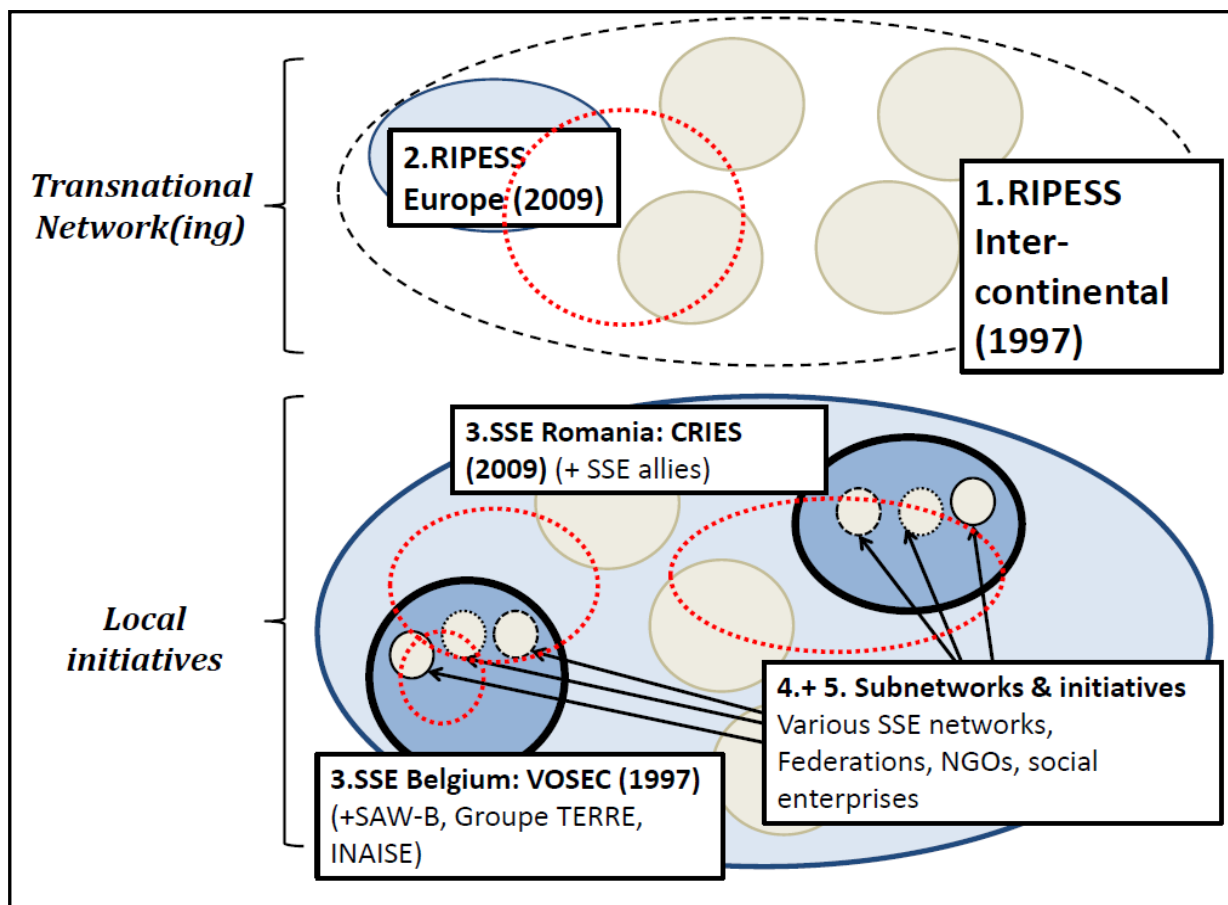
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<sup>8</sup> This is the common terminology for case demarcations in TRANSIT.

<sup>9</sup> See Jørgensen et al. (2014) for the methodological principle of TRANSIT to compare local manifestations in different contexts.



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After this overview, the report proceeds as follows. First, the main methodological choices are presented (**Ch2.**). Next, the key TRANSIT questions are answered for RIPESS intercontinental/Europe (**Ch.3.**), Romania/ CRIES (**Ch.4**) and RIPESS Belgium (**Ch.5**). As these chapters are structured along the same set of questions, it is then possible to draw overall conclusions on striking similarities and differences in a synthesis (**Ch.6**). An overview of references and empirical sources is provided at the end of this report (**Ch.7**).

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## 2 Methodology

### 2.1 Researcher relations to the case

Considering the extensiveness of the case, and the difficulty to demarcate the field of ‘SSE action’, the difficulty of choosing appropriate research units within the large and internally diverse network-of-networks, the general set-up of the research methodology has been to start exploring the broad outlines of the case: The history of the intercontinental network and European networks, and especially the histories of Belgian ‘local manifestations’ proved to be fairly well—documented. In line with the relatively strongly aggregating kind of analysis, emphasis has been laid on the research questions pertaining to 1) historical development and development over time in terms of mainstreaming 2) network relations with surrounding actors and co-evolution with other ‘shades of innovation and change’. This implies relatively less attention to research question 3) on empowerment – the analysis of network or system evolution prevails somewhat over the attentiveness to individual actors, organisations and ‘local manifestation’.

In terms of researcher position, the study thus started in a somewhat distanced, historicizing approach. The focus on system dynamics and the limited reliance on (participative) direct observation makes for an objectifying mode of analysis - more the evolutionary and less of the durational perspective in terms of Garud & Gehmann (2012).

Normatively, this distanced approach implies that the researchers were hardly tempted to take sides, and operated with moderate engagement. The ‘mainstreaming’ of social innovative action was thus neither criticized (out of transformation advocacy) nor considered necessary (from a ‘étatist’, order-seeking or functionalist perspective). Apart from being forced upon the researchers to a certain extent, this distanced-historicist way of analysing seemed especially suitable for the particular case. RIPESS, and SSE initiatives more generally, seemed to have a long history, at least relative to many others in the TRANSIT ‘first batch’ sample.

On the other hand, the intention has been from the outset to gradually ‘zoom in’, and to move downwards in figure 1.0. The historical approach remains somewhat at a distance from social solidarity action, and therefore fails to gain insights in its challenges and dynamics – the practical understandings sought for by social innovation actors in the field. Along with this zooming in, the researchers thus moved towards more close engagement with the networks, and therewith, towards a more engaged mode of study.

All in all, the researchers have operated according to a rather traditional researcher-researched relation. Interviewed actors were respondents rather than knowledge co-producer, and research foci have been the choices of the researchers. Engagement and exchange with the networks and actors researched is foreseen to take place after, rather than before and during, the case research.

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## 2.2 Methods

### 2.2.1 Overall methodology

The research took place from September 2014 until January 2015. This comprised mainly document review for the first three months, and interviews with key actors in the last two months. This sequenced application followed from the aforementioned method of gradually zooming in: Considering the difficulty of choosing the appropriate research units within the large and internally diverse network-of-networks – which actors can be considered the ‘real’ local manifestations of SSE? -, the research started from extensive document review. This allowed for a certain progressive contextualization (Vayda 1983) or stepwise focusing, and for a network analysis to inform the selection of interviewees (with, for example, the federations of social economy enterprises as apparent ‘spiders in the web’).

Considering the relatively synoptic mode of analysis, with interviewing as a secondary method to document analysis, participant observation has not formed part of the research methodology. Such research approach could be considered for a subsequent deepening phase, though, as the interviews have helped to identify the actors, and the interaction processes, that are most salient to the TSI themes identified.

The CRIES case study is mostly based on the knowledge and insights drawn from the interview analysis (conducted in the period 2014-2015), and triangulation of data with document analysis from both primary and secondary sources. No participant observation was carried out.

### 2.2.2 Interviews

As specified in Annex 2, the research comprised 14 interviews of generally some 1,5 hours. The interviewing served as a complement to the main research technique of document analysis, as a way of gradually moving downwards in aggregation level. For the Belgian ‘local manifestations’, the general line of approach was to chart both the Flanders’ and the Wallonian RIPESS members – and mainly recruit actors on the level of representing federations, i.e. with some overview over what is a broad field of different SSE activities (see chapter 5). For the Romanian case (see Chapter 4), three in-depth interviews were conducted with the social innovation initiative founders. A total of 240 minutes of interviews were transcribed verbatim and the content was comparatively analysed. Empirical data was also completed with the analysis of the interview conducted with two former members of the Council of Europe, who were directly involved in the first stages of the initiative and provided a well-informed external perspective of the SSE field in Eastern Europe and the origins of CRIES in Romania.

For the EU and the intercontinental levels, relatively fewer interviews have been held, for several mostly pragmatic reasons such as greater distances, linguistic barriers (RIPESS is strongly francophone/Spanish oriented, unlike many other international networks), and the availability of documentation as alternative source. Another factor were the relatively weak ties with the ‘local manifestations’, however, and the fact that the EU network is at a certain distance from the SI action.

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## 2.2.3 Participant observation

As indicated, participant observation has not taken place. It can very well be considered for a next phase of the research, though, as the research so far has identified sufficiently precisely where, i.e. what processes and between whom, it would be worthwhile to observe.

## 2.2.4 Document reviews

As indicated, document review formed the main part of the research. In the first phase this involved a considerable amount of internet resources, as available on the well-developed internet sites of RIPESS, SAW-B, and social economy Flanders. In their turn, these first internet searches provided various leads to related organisations, policy documents, white papers and other organizations' websites. A parallel track to the web-based search was the review of academic literature on the SSE. Notably, there are Flemish/Dutch, French and English literatures on the subject, which in combination help to develop a sense of the intricate translation issues that surround the SSE concept (Cf. Ch 3-5).

Considering the layered nature of the websites consulted, it is hard to specify the number of documents consulted – depending on the way of counting, it will be between 30 and 300. See the reference list and Annex 1 for a specification of sources. Concerning CRIES, around 25 documents, mainly secondary sources, scientific articles and policy reports were reviewed. Besides, the researchers analysed a limited number of publications and information (Website news, press releases, internal documentation) facilitated by the local initiative, which was also included as primary data in the case study report (chapter 4).

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## 3 RIPESS transnational networking

This chapter starts with a brief description of RIPESS as an intercontinental network with a newly developing European network, summarized in a timeline (3.1). After that general overview, specific descriptions follow of RIPESS' positioning amidst various kinds of change and innovation (3.2), and the ways it is (dis)empowered in achieving its intended impacts (3.3). Finally, next to this set of central issues, there is a section for 'other case particularities' (3.4).

### 3.1 RIPESS, and its European continental network

As indicated in the introduction, RIPESS is a network aimed to promote the 'social solidarity economy' (SEE). This composite term, a somewhat problematic translation from French<sup>10</sup>, is a synthesis or compromise between quite different forms of social innovation<sup>11</sup>. In fact, whilst the idea underlying the construction of RIPESS was to join forces and to reconcile these different types of 'doing economy differently'<sup>12</sup>, the following brief history of RIPESS also gives reasons to believe that RIPESS promotes the solidarity economy as a radical alternative to, or a radical reinvigoration of, a social economy deemed insufficiently 'transformation-minded'. As explained by one of the initiators of the European Network, the solidarity economy extends the principle of solidarity beyond the narrow interpretation of it in the social economy<sup>13</sup>: *"Politically, the social economy is very much a socialist/social-democrat phenomenon, and the solidarity economy is rather an environmental party thing, culturally. So it also brings along a different societal project – a project that has extended the concept of solidarity. The cooperatives (as the typical carriers of social economy-B.P.), that is about solidarity between members. The solidarity economy has extended that solidarity, however... towards the people in the global South, through the fair trade, between the young and the old, in the form of intergenerational solidarity, solidarity with the unemployed, well, that is the whole angle of the 'insertion', and ecological solidarity as well, by taking the environment more strongly into account..well, he could find some other manifestations to mention, but in any case, this is how one has adapted /taken over the social economy project."* (Lavillunière, 6)

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<sup>10</sup> See further Ch.6 on the apparent relevance of language, and culture, for ambitions towards global networking more generally.

<sup>11</sup> Consider for example the rise of 'social entrepreneurship', which unlike 'solidarity economy' even embraces market mechanisms as vectors of change rather than rejecting them as structural sources of problems. (Poirier 2013:80) The author also seems to mistrust the social 'entrepreneur' as promoted by Ashoka; the 'Anglosaxon' focus on the individual seems to neglect the collective. More generally, the 'solidarity economy' can be seen to form part of a broad family of alternative economies (idem:89)

<sup>12</sup> This synthesis or 'marriage of reason' between social economy and solidarity economy had earlier taken place in France (Poirier 2013: 74-75).

<sup>13</sup> See also Develtere (2006 :3) The social economy, to some it is too closely intertwined with 'the System', and that is why they prefer the more innovative/transformation term 'solidary economy'. Likewise, there is the tendency in the global south to speak of the 'people's economy', stressing the importance of popular emancipation. In the latter two cases, the precise governance structure or organisational form is of secondary importance to the goal pursued. The contents of the 'social economy' and related terms are therefore most difficult to demarcate – yet the importance of settling these issues becomes clear when considering as governments and enterprises have started coining terms like 'corporate social responsibility'.

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The fact that RIPESS is conceived around the somewhat broad tense ‘political construct’ of SSE has its background in its founders’ desire to organize solidarity on a global level. In fact, it started out of two conferences on Global Solidarity<sup>14</sup>, in March 1997 (Oostende, BEL), and in September 1997 (Lima, Peru). RIPESS was founded at that second conference, as an intercontinental network of movements. Importantly, the construction of a European network only started much later on, around the intercontinental RIPESS forum (Schiffange, Luxemburg) in 2009, and was formalized in 2011 at a congress in Barcelona. Meanwhile, the Belgian ‘local initiatives’ were RIPESS members long before the EU network was developed as a branch, whilst the Romanian CRIES is a relatively much later RIPESS member.

The relations between the RIPESS EU network and its ‘local manifestations’ are not very strong, though, for a variety of reasons (see further 3.3). First of all, RIPESS does not provide services to its members, but rather is formed out of political allegiance, with RIPESS membership constituting a certain token of political belonging and support. Second, most members are focused on their immediate local-regional activities, with much less attention to and time available for what is happening ‘up there’ on the European level. For most SSE activity, the regional level is most relevant. Third, members tend to maintain other network alignments as well, which may be competing. The Belgian SAW-B and Groupe Terre also do their own political lobbying at EU-level through Social Economy Europe and through ENSIE, for example (see Ch. 5), whilst RIPESS itself is not very active in this lobbying. Finally, network relations are sometimes weakened further by language/culture factors (distance from the francophone/latin imprint of the network), or personal factors – which seem to have played part in the declined involvement of Belgian ‘local initiatives’ (see Ch.5).

RIPESS is clearly a multi-layered network-of-networks., meant as an ‘inter-réseau’ that constructs a common voice for otherwise fragmented social movements. The number of individual members is therefore hard to specify. Referring back to figure 1.0 in the introduction, membership is structured as follows. RIPESS EU is a newly developing part of RIPESS Intercontinental. Within that global network, the European branch is relatively strongly shaped by ‘alternative, post-1968’ movements, ‘new left’, the development of beyond-the-state services, and relying on social movements that have origins in welfare state system and social economy. By contrast, Latin American members tend to be more oriented towards civic initiatives in the absence of strong states, religious organisations play a stronger role, and they’re more pronouncedly aiming for transformation. Furthermore, in Africa there is still a certain continuity with development aid and cooperative development, whilst Asia displays a relative affinity with forms of social entrepreneurship. In North America, represented by Canada, there is a relatively strong accent on the social economy – and a longstanding, strong cultural connection with European francophone members.

Within RIPESS Europe, there are further differences between the more cooperative, social economy oriented members in France and Belgium, the relatively more solidarity economy oriented and more radical members in the Mediterranean zone, the more social entrepreneurship oriented members in the Eastern-European countries. Membership in the Nordic countries and Anglosaxon countries is largely lacking, apparently due to either the charity-and entrepreneurship orientations of Anglosaxon culture, and the culturally anchored and well-institutionalized forms of solidarity already present in the Nordic countries.

Finally, RIPESS EU has three different types of members, namely 1) regional/interregional organizations, 2) national organizations, and 3) sector organizations. The latter are particularly

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<sup>14</sup> RIPESS considers itself a network-of-networks that believes in the importance of *global* solidarity<sup>14</sup>.

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important in the European context, following the particular EU circumstance of sector lobbies (Lavilluniere, 4). As will become clear from the Belgian case especially (Chapter 5), these 'local initiatives' tend to be federations of federations, eventually representing hundreds of organizations involved in social economy activities.

RIPESS counting to many members and gathering so many organisations worldwide, it may appear a major global actor. This isn't the case however, as also RIPESS members themselves acknowledge. First of all, RIPESS is not organized as a hierarchical organization, with the intercontinental board at the apex of a 'social innovation multinational' – such would be contradicting the RIPESS commitments to direct democracy and collective-cooperative ways of producing and service provision. Second, RIPESS has been developed as a network of social movements, rather than of federations (as in the world of social economy, with its associations, cooperatives, and representative-democratic structures). RIPESS is therefore a light structure; a forum, ideological alliance, or social movement. Third, RIPESS has developed as a network of mutual friendships and ideological affinities, as a platform for exchange and common identity more than as a provider of support services, political representation or lobbying. The action takes place at the level of members, sometimes even further down at the level of members' members. Fourth, RIPESS is a that broad and internally diverse network-of-networks, that there is no such a thing as 'RIPESS', or 'SSE' action. What RIPESS rather does, is reflect on these various activities, and provide a unifying banner to them – considering that fragmentation and lack of visibility<sup>15</sup> is a problem shared across mutual differences.

RIPESS constituting a network-of-networks, it naturally overlaps with many other social innovation networks - all the more as the constituting networks are quite open in nature, demarcated sometimes only by ideological orientation. This phenomenon of intersecting networks manifests in both 'local manifestations' Belgium and 'Romania', but is also very clear in RIPESS EU. As far as solidarity economy is concerned, notable overlaps, shared origins and alliances exist with Credit Unions and alternative finance, Food sovereignty movement, Transition towns movement, fair trade, and the recycling sector, for example. Moreover, there are many overlaps with social economy networks or federations, which tend to be strongly organized as a sector. In certain respects, RIPESS EU experiences a certain competition from other SI networks: First, Social Economy Europe is the typical lobbying agency and representative of the social economy – which has closer ties with Belgian 'local manifestations' than RIPESS has itself, for example, and which has established itself a bit more firmly as a spokesman for its constituency. Still, they're not representing the solidarity economy. Second, there are the aforementioned movements that overlap with, or are ideologically close to, RIPESS. They pose a certain competition in the sense that the landscape of social movements becomes more diversified: RIPESS EU funding bodies brought up their difficulty to develop a consistent, effective funding strategy in the face of the fragmented field of social movements.

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<sup>15</sup> RIPESS Europe goals are to exchange practices and to be committed to common actions that can broaden and improve the visibility of Social and Solidarity Economy. This network aims at federate actors and organisations of Social and Solidarity Economy at european level in order to promote other ways of production, consumption, saving and exchange for the construction of fairer economic regulations and a more solidarity based development. Its targets for the moment are to render visible the networks, the actors and the experiences of Social Economy (external and internal visibility), share the experiences and good practices, develop and promote the economic cooperation between the actors and the networks of Social Economy, build common projects, develop a collective intelligence, construct a common voice, and widen towards Northern and Eastern Europe in order to reach a greater cultural and linguistic diversity.

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Year / period	Important milestones in transnational networking <i>RIPES</i>	Important changes in context
-1985	SSE: roots in medieval guilds, associations and cooperatives, social critique of capitalism.	Industrial revol., tensions of capitalism/market democracies
1985-1997	Emergence of 'économie solidaire' concept, about simultaneously in South America and in France in 1985/1986, with Luis Rozetto and Jean-Louis Laville as early introducers <sup>16</sup> .	Re-discovery of traditional SE, critical responses mass unemployment, welfare state reforms
1997	Research forum on 'économie solidaire' (March) Oostende (BE). Mainly FRA/ESP speaking researchers; considerable Latin American participation.	Scientific network formation pursued
1997	RIPES founded (September) in Lima (Peru), at 'Globalisation of Solidarity' Forum, to consolidate Oostende alignments. Joint declaration <sup>17</sup> by 275 people from about 30 countries.	Globalisation considered to require organisation of solidarity on likewise global level (Lavilluniere, 1).
2001	Quebec City 'global forum', 2nd RIPES conference, explicitly about SSE. RIPES formalized into a 'not for profit association' under Canadian law.	Need for consolidation/eligibility for financing further events
2005	Dakar 3rd RIPES global forum	RIPES venues deliberately alternating between hemispheres/continents.
2006	Montreal meeting, initiating the project of establishing a European RIPES network	RIPES originating in North-South alignments, representation of EU limited
2009	RIPES Europe established at 4th International Forum for the "Globalisation of Solidarity" (Schiffange, LUX <sup>18</sup> , April 2009).	

<sup>16</sup> In 1991, a network started in France under the name REAS 'reseau de l'économie alternative et solidaire', and in 1995 there was a manifest in 'Le monde' for a 'solidarity economy'. Around that time, the expression also became known in Quebec. (Poirier 2013: 74-75)

<sup>17</sup> [http://www.ripess.org/wp-content/uploads/2011/07/declaration\\_lima1997\\_EN.pdf](http://www.ripess.org/wp-content/uploads/2011/07/declaration_lima1997_EN.pdf)

<sup>18</sup> Originally supposed to be held in Belgium, yet VOSEC withdrew as partner, and SAW-B was unable to do it alone, also for lack of governmental backing (Lavilluniere, 2).



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2011	RIPESS Europe formalized in Barcelona (representatives BE, FRA, SPA,HUN,ITA, LUX, POR, ROM, GER, Catalonia), resulting in work program <sup>19</sup> .	No funding; continuing on voluntary basis
2011	EU 'Initiative for Social Entrepreneurship', EC attempt towards clarified European framework for social enterprises (common denominator incl. SSE).	Harmonization and stimulation ambitions for 'social entrepreneurship' activities. <sup>20</sup>
2011	Forum Internationale de l'Économie Sociale et Solidaire (Montreal, CAN) <sup>21</sup> ,(October)	
2013	5th Intercontinental RIPESS meeting Manila	
2013	UN Inter Agency Task Force (TFSSE) established. (September)	Bundling growing interests in SSE concept
2013	2 <sup>nd</sup> congress RIPESS Europe. Several (6) workgroups started, incl 'identity and perimeter' WG <sup>22</sup> . (July)	Need to specify identity and position as movement
2015	RIPESS EU meeting, Berlin	

## 3.2 Aspects of 'innovation' and 'change' of the transnational network(ing)

### 3.2.1 Relation with social innovation

In several aspects, RIPESS is occupied with social innovation, understood as 'new social practices, comprising new ideas, new models, new rules, new social relations, new services and/or new products' (Jorgensen et al. 2014). The general header for its socially innovative ideas being the social solidarity economy, RIPESS promotes an economy that primarily serves human needs rather than capital accumulation, is premised on solidarity and social equality, and is committed to shared responsibility for production processes. As such, the SSE challenges the predominant institutional

<sup>19</sup> There are 6 themes in the work program for 2012-2013: Cartography, enlargement, identity and cooperation, Social services of general interest, relations between the public sector and the Social Economy.

<sup>20</sup> "Pour sortir de cette impasse, la Commission européenne, notamment sous l'impulsion du Commissaire Barnier, a élaboré une seconde approche, basée sur la finalité sociale, qui a abouti à l'« Initiative pour l'entrepreneuriat social » en 2011. La dénomination 'entreprise sociale' a permis de développer un cadre européen compréhensible dans tous les États et dans toutes les langues. Cette initiative définit l'entreprise sociale sur base de trois critères: la finalité sociale, la gouvernance démocratique, et la distribution limitée des excédents. Ces critères et cette vision, fruits de compromis, ont permis de dessiner enfin une base commune pour l'ESS à travers l'Union européenne." Stokkink (2014) See also REVES (2012).

<sup>21</sup> <http://reliess.org/fiess/?lang=en>

<sup>22</sup> See Estivill, & Lavillunière (2014) <http://ripest.eu/wp-content/uploads/2014/06/Workshop-Perimeter-and-Identity-of-SSE-Outcomes.pdf>

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logics of capital accumulation and profit maximization (market), but also, to a certain extent, those of representative democracy and welfare state transfers (state). In those respects, the SSE has been characterized as a way of developing a third institutional logic or sector, a mode of societal organization in which production and entrepreneurship, as activities with an instrumental orientation, are combined with social, communicative modes of interaction. On this conceptual level, with clear references to Karl Marx and various other social philosophers who articulated critiques of and alternatives to (dominant forms of) capitalism (Habermas, Proudhon, Freire), RIPESS can be seen to pursue earlier social innovation ideas. Notwithstanding adaptations and refinements, RIPESS mainly continues earlier social innovation ideas. In that sense it may be rather after the consolidation, the continued relevance and restoration of and the construction of a unified political voice for earlier social innovation, than a truly socially innovative network. RIPESS is more a political project of social movements, than an innovation-seeking project.

Just like its ideas, RIPESS' proposed practices and models that are only relatively new, and in a way, are continuing a long history of earlier social innovations. It typically promotes and slightly reinvents<sup>23</sup> alternative yet well-known institutional models (cooperatives, associations, networks). However, next to and often as complements to these longer-existing 'SI' forms, there are also new practices and models developed and promoted: Alternative forms of finance, often to support social economy enterprises, social entrepreneurship, new forms of alternative employment such as sheltered workspaces, various co-financing schemes, and various forms of sharing economy.

Apart from the issue of how it fits TRANSIT understandings of SI, the term is strikingly absent in the RIPESS vocabulary. As expressed by a steering committee member, 'SI' is an administrative-ideological category that is remote from the actual social innovation – The recent EU promotion of SI, "*...it's not so much social innovation that they're occupied with, but rather they have promoted a version of it that leans towards technology, because it creates progress, and yields patents and things, like in research laboratories...that's great, isn't it? But social innovation one doesn't know how to do.*" (Lavillunière, 12). Highlighting this leaning towards technological innovation rather than to social change, this citation also expresses how, more generally, RIPESS mistrusts the instrumentalist, system-confirming contents of innovation – as shallow deviations from dominant economical practices that hollow out the potential for true transformations (Cf. Veltro 2011).

## 3.2.2 Relation with system innovation

As indicated, RIPESS is quite strongly defined by the political struggle for a solidarity economy, and the network constructs itself in opposition to the shallow forms of social innovation in the economy. Even when it officially reconciles the solidarity economy with the social economy, it is also highly critical of the way in which the latter seems to be complicit in processes of undesirable system innovation. Crucially, the social economy is seen to have 'created monsters', such as the large cooperative banks and the agricultural cooperatives, that have reduced solidarity to group-oriented, inward looking profit-seeking that lacks the broader solidarity with society. The way in which this sector has managed to create an institutional space for itself is at best a mixed blessing, as it also covers for institutional forms (such as foundations and large cooperatives) that are remote from solidarity-based economy principles but nevertheless inhabit the 'alternative enterprise' spaces. "*The idea of the 'économie sociale' was to gather the cooperatives, the 'mutualities' and the associations, under a legal status, being that they're associations of persons that are not aiming for*

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<sup>23</sup> As indicated in the timeline, the SSE has such a long history that the 'reinvention' of earlier concepts, and their application under different circumstances, does entail a considerable degree of inventiveness.

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*profitability of capital...well, it has been a bit of a historical mistake to include the foundations in it as well, something that has been mainly due/related to the Spanish foundations, who play roles similar to NGOs or ASBL organizations, and who in that sense are really different from private-sector foundations. In foundations one doesn't find the essential values of the social economy, though, and especially those on governance, because (laughs), foundations have directors (patrons), who steer, and who distribute money as they please, so, that has nothing to do with the social economy."* The EU and national level regulations on cooperatives are too permissive to reserve institutional space for the truly alternative, 'social' enterprises. (Lavilluniere, 5-6)

Another system innovation that is relevant for RIPESS are the developments of retreating welfare states and the accompanying embrace of civic, entrepreneurship-based initiatives as ways to 'fill in the void'. There is a vast SSE discourse on the ways in which micro-credit, social entrepreneurship, social business and social economy erode the solidarity-based economy, and constitute co-optation and hollowing out of the project. In particular it is the apparent embrace of entrepreneurship, and the associated principles of employer-employee hierarchy and appropriation of gains, that is mistrusted in RIPESS. This mistrust goes out to the embrace of market mechanisms as vectors of change rather than rejecting them as structural sources of problems (Poirier 2013:80), but also to the social 'entrepreneur' as promoted by Ashoka and its 'Anglosaxon' focus on the individual that seems to neglect the collective. Somewhat related to this is the somewhat reluctant stance towards the EU programmes towards the articulation, quantification (and possible reductive interpretation) of 'social impact' – even when they consider it a process they cannot afford not to engage in – many members need to account for their use of public resources (Lavilluniere, 9)

More generally, the 'solidarity economy' can be seen to form part of a broad family of alternative economies (Poirier 2013:89). Apart from the attempts to radicalize the shallow and undesirable system innovations under social economy, social entrepreneurship or social business headings, RIPESS also seeks to bring together a miscellany of newly emerging political movements (the 'new left') and initiatives that do aim to radicalize, and extend, solidarity beyond the narrow group of cooperative members. Crucially, these initiatives are dispersed however, and RIPESS seeks to construct a spokespersonship and a united voice for these fragmented 'niches'.

## 3.2.3 Relation with game-changers

RIPESS Europe is primarily responding to structural social inequalities and systemic socio-economic problems – in a way, it's a response to a lack of change in the game, and to the TINA-principle that has started to hold currency: As the collapse of communism has led to a general belief that There Is NO Alternative to (prevailing forms of) capitalism, RIPESS is to establish that alternative economic models are possible, and that there really exists another economy (see for example Collard 2008), albeit in different forms and in rather dispersed fashion. In relation to this TINA-principle, one important game-changer to RIPESS Europe was then the collapse of the Berlin Wall: (Lavilluniere).

RIPESS, as a diverse network-of-networks, responds to similarly diverse of game-changers. As the UNRISD observed, the intercontinental RIPESS network and its struggle for the Social Solidarity Economy is fuelled by both 'Northern' and 'Southern' social concerns: *"SSE emanates from two sources that have both material and cultural foundations. It is intimately associated with*

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*the struggle for economic and social justice and cultural rights in the global South and the lifestyle or emancipatory politics of Northern citizens. Furthermore, recent contexts of crisis related to food and finance have intensified vulnerabilities in the global South and generated new ones in the global North that provide fuel for social mobilization.”* (Utting et al. 2014: 56) This North-South perspective reminds that game-changers don't necessarily apply to all continents alike.

For RIPESS Europe and its members, the following game-changers are relevant (the Fall of the Wall taking place before the network was founded): First, RIPESS responds to the economic crisis, which is seen to have a somewhat ambiguous effect on the project of SSE. On the one hand, it has raised a more general awareness of the flaws of current economical institutions. This in turn has incited towards various forms of solidarity economy and the rise of a 'new left' (Lavilluniere), and there is a certain trend towards a 'social, reciprocal' deployment of financial resources, as can be seen in the new forms of ethical banking (Farrell). On the other hand, there is a strong awareness in the SSE field of tendencies towards system confirmation – the austerity responses to the alleged game-changer invite a certain instrumental attitude to SSE activities, in which they mainly fill up the gaps left behind by declining welfare states. In that respect, the crisis even leads away from the desired shift towards a solidarity-based economy.

Furthermore, there are more sector-specific game-changers that are crucial for some of RIPESS members: For the agricultural cooperatives, food sovereignty movements and sharing schemes, the recent European crises in food production have fuelled the public interest in these more 'honest' and 'reliable' schemes. For most RIPESS members, 'peak oil' and climate change are relevant game-changers. But there are also several specifically social-economical game-changers that have been brought forward: Structural debt problems (Farrell), the rise of the extreme right (Lavilluniere), and social marginalization for example. And most importantly, the rise of structural unemployment, which just as in the 1980s, gives rise to attempts at alternative ways of employment, social inclusion and organization of labour (Vetro).

## 3.2.4 Relation with societal transformation

RIPESS considers itself a product of, and a response to, social transformation. The very idea of establishing the intercontinental RIPESS network developed out of meetings dedicated to the Globalisation of Solidarity. The key idea was that the globalization of the economy also required solidarity to be organised on that level – developing solidarity across the emerging North-South Divide, rather than only within and between Southern countries and Northern countries.

Furthermore, RIPESS constructs itself as a unity of movements that are confronting different but also related societal transformations. As can already be read from the Lima declaration but is only confirmed by publications, the aim for a solidarity-based economy extends onto fair and democratic labour relations, fair global trade, responsible consumption, inclusive society, equal gender relations, and sustainable development. Typically, the relative salience of these transformations differs from continent to continent, but the key idea is that they are connected transformations – revolving around the idea that the solidarity-based economy puts people centre stage, rather than the economical system that is supposed to serve them but has started to be an end in itself.

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Also within Europe there are these different societal transformations at issue – some more ecology-oriented, some more oriented towards socio-economic issues. An important societal transformation in Europe is in any case the reconstitution of its welfare states, which may create a need for organizing solidarity through beyond-the-state activity. Other transformations particularly relevant to RIPESS Europe are the unification of Europe and its uncertain future, and the issue of social disintegration – traditional political parties and ideologies failing to include the ‘masses’, the marginalized are vulnerable to xenophobic politics (Lavilluniere).

## 3.2.5 Relation with narratives of change

RIPESS is striking for its attempts to synthesize multiple old and new narratives of change. As a network-of-networks that seeks to create a broad and recognizable ‘umbrella’ for diverse and scattered activities, it is an attempt at unification –despite –difference (Kawano 2013). This effort towards unification can be retraced to the conviction that social change and revolution crucially require a certain critical mass of people, and a mobilization of social forces for a certain cause, if it is to happen. The fragmentation of social movements is considered a problem. As speaks especially clearly from the following fragment, the importance of unifying into a sizeable social force, or critical mass, is taken as an historical lesson. Also invoking the example of the unions as historically influential actors, there is the awareness that *“it’s the least divided, who will win”* (Lavillunière, 13).

Related to the ‘critical mass/unification’ narrative of change is the internationalist (intercontinentalist) approach of seeking to unite across differences. In its appeals to global and universalist solidarity, RIPESS clearly builds on the socialist ideals of universal solidarity. Even when there is a greater awareness of cultural diversity, of the divergent ways of organizing solidarity and of the different national and linguistic traditions at play - Kawano (2013) speaks of different translations of the SSE concept -, RIPESS finds it important to bridge differences.

Third, the SSE brings forward a strongly collectivist narrative of change. Both the social economy and the solidarity economy are based on the idea that social innovation is not only a matter of providing important services or developing substantive solutions to societal challenges – it should only be done through processes of collective agency, and under conditions of shared responsibilities. This explains why social innovations such as micro-credits, social entrepreneurship or ‘social business’ are mistrusted – however ‘social’ in their orientations, they perpetuate the prevalent models of individual entrepreneurship, hierarchical employer-employee relations, and pursuit of personal wealth. The commitments to direct democracy (Vetro, Lavilluniere) and co-responsibility (Farrell & Thirion) are clear indicators of RIPESS’ collectivist narrative of change.

Fourth and finally, RIPESS brings forward quite strongly political-ethical narratives of change. It is supposed to fulfil a spokesman or advocacy function in a political struggle, rather than act as a sector lobby or a support structure for social innovation practices. Where the ‘peer’ network Social Economy Europe is considered rather a sector lobby for social businesses, RIPESS constructs itself as a social movement, for example. And where the Transition Towns are admired for their concrete, hands-on approach to societal transformation, RIPESS is rather critical of their de-politicizing approach, which is seen to neglect the structural imbalances within which the local initiatives take their course (Lavilluniere). As different from the social economy, this political-ethical narrative of change is expressed especially strongly in the solidarity economy. This concept refers to quite

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fundamental changes and internalization of external effects, and aims for ways of production and consumption that fundamentally take into account how this affects other human beings, and the environment.

## 3.3 Aspects of empowerment and disempowerment of the transnational network(ing)

### 3.3.1 Governance

#### 3.3.1.1 Internal governance

An important part of RIPESS' visions of an alternative, transformed economy is the pursuit of shared responsibility for the means of production. Likewise, the concept of solidarity economy involves the ideas of reciprocity, and of shared responsibility (Farrell & Thirion). Especially the pursuit of solidarity-based economy, but also an understanding of social economy in which the empowerment of workers and direct democracy are considered essential values (Vetro), the SSE is crucially a matter of adhering to direct democracy. Beyond representative democracy, the 'concertation' of the economy through deliberations between employers' and employees' representatives, SSE aims for mechanisms of direct democracy.

RIPESS considers itself as a network of social movements, rather than as a network of (social) enterprises. This marks the difference with Social Economy Europe and the social economy of sizeable, competitive cooperatives and foundations, where there are still, notwithstanding social objectives, the relations of employers and employees, bosses and workers (Lavilluniere). It is therefore that also RIPESS EU itself seeks to govern itself through direct democracy and horizontal relations as much as possible- even when there are recurring needs for some authoritative decision, and leadership by elected steering committee members.

More generally, RIPESS EU is quite conscious of applying its ideas of alternative economic governance to itself – also a matter of being a credible, authentic political spokesperson. In this regard it is considered important to ensure sufficient circulation/mobility in the steering group, so as to avoid the notorious phenomenon of congealed cooperative boards, composed of elderly white males that stick to their seats for decades. Another important issue is therefore gender equality, which currently even enforced by a rule of equal representation. (Lavilluniere).

#### 3.3.1.2 External governance

RIPESS is intended to operate as an 'inter-réseau' or a network-of networks that promotes the SSE. It is first and foremost intended to construct and unified political voice for otherwise overlapping yet fragmented social movements and (collectives of) social enterprises. Considering this awareness-raising, political brokerage or alignment-creating mission, not undertaking direct activities by itself, RIPESS EU itself is not constrained by any particular regulation – unlike many of



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its members, who are active in well-regulated sectors such as agriculture, financing, employment, social entrepreneurship.

To a certain extent, RIPESS is trying to achieve for the solidarity economy what has currently been achieved by Social Economy Europe. The latter has established itself as a social economy interlocutor at the European Parliament, is involved in a dedicated Intergroup at that European level, and is therewith in the position to exert influence on the many European regulations and policy initiatives<sup>24</sup> that have a bearing on the social economy policies and regulations in member states.

The social economy has to certain extent received recognition and support in European regulations and policies. Its legal forms of associations, cooperatives, social enterprises and foundations have been explicitly acknowledged as particular elements in the economy, which in turn allows to specify how they can be subsidized without running into stipulations of competition law against such 'market distortion'. It has proven difficult to carve out a specific institutional space for the SSE as well – partly for lack of a similarly stable and well-established position as the social economy, partly because of an aversion to the lobbying circuit through which such should be played out, partly for a lack of dedication to this political avenue (Lavilluniere). Another barrier seems to be that the category of 'solidarity economy' is relatively specific to the francophone and hispanophone countries (Farrell & Thirion), and is therefore insufficiently clear as an administrative category on EU level. The ESS therefore remains a 'transversal' theme, rather than a policy spearhead in itself<sup>25</sup>.

Somewhat to the surprise of the EU steering committee president himself however, the SSE is gaining political currency with several important global institutions. An important form of recognition is the launching of the United Nations Inter-Agency Task Force Social Solidarity Economy (TFSSE)<sup>26</sup>. This Task Force, currently has 20 members comprising various UN agencies and the Organisation for Economic Co-operation and Development (OECD). Next to the Mont Blanc meetings and ICA, RIPESS is involved as an observer. The TFSSE aims to: enhance recognition of SSE in the UN system and beyond; promote knowledge on SSE and consolidate SSE networks; support the establishment of an enabling institutional and policy environment for SSE; ensure coordination of international efforts and strengthen and establish partnerships (Utting et al. 2014,). As indicated by Masquelin & Stokkink (2014), such recognition at the level of global governance has gone out to the social economy of cooperatives earlier, but only now, SSE seems to gain recognition too. Notably, it is the promise of contributing to Sustainable Development that is attracting interest (TFSSE 2014).

## 3.3.2 Social learning

As RIPESS seeks to construct a certain unified agency and spokespersonship on the SSE, it engages in a particular kind of social learning. As it seeks to demonstrate that there really is an alternative to the dominant economic modus operandi, it crucially needs to organize visibility of a set of diverse

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<sup>24</sup> See <http://www.socialeconomie.be/node/7785> for the different EU arrangements that co-shape the social economy in Flanders.

<sup>25</sup> *"Par ailleurs, l'UE traite plutôt l'ESS comme un enjeu transversal, aucune instance n'étant dédiée spécifiquement à l'économie sociale, qui est plutôt appréhendée en fonction de ses thématiques: inclusion sociale, services à la personne, innovation sociale, entrepreneuriat, santé, etc."* (Stokkink, 2014)

<sup>26</sup> See [www.unsse.org](http://www.unsse.org) and [www.unrisd.org/tfsse](http://www.unrisd.org/tfsse)

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practices across the world, and make sure that they are jointly recognized as constituents of the SSE. This crucially requires awareness-raising amongst its potential members, however, to make them realize that they form part of a broader field of action. This awareness raising, not only outward (towards the political world and the public) but also inward (toward SSE actors not yet aligned with the network), is a central issue of social learning for RIPESS. Apart from the own website of RIPESS Europe, which contains considerable links to various SSE resources, RIPESS has also close connections with the socioeco.org website, which equally functions as an information repository of SSE documentation.

Second, RIPESS does considerable efforts towards intercultural communication, and towards exchange of ideas and practices across contexts. The learning about what unites various activities, about what values are shared and about what methods are deployed, requires such translation. Exchange on SSE is complicated by the circumstance that countries have different expressions for the SSE activities – ‘solidarity economy’ itself being a rather francophone/latin expression that doesn’t have immediate translations in Anglosaxon or Nordic countries, for example. A concrete indicator of social learning on this language/culture aspect is the circumstance that RIPESS has started to rely less on French in its meetings and is opening up to English, and that meetings in Greece and Germany have been planned with the deliberate goal of breaking loose from the francophone-latin background. Apart from that, it’s also a matter of natural evolution, of a new generation that is used to English as a working language, rather than French (Lavilluniere).

Third, beyond its immediate awareness raising and networking-building activities, RIPESS Europe has deliberate taken to scrutinize their own strategy and effectiveness. They feel that they do have their place, next to Social Economy Europe and various other networks their constituent members are aligned with (Lavilluniere, 19)– otherwise they also draw the self-reflective conclusion that the network has failed to weigh in politically in the wake of the recent economical crisis. This reflection on their own impact – and on its function for the promotion of SSE, which should prevail over the success of their particular ‘shop’ –has led to a specific ‘identity and perimeter’ working group, in the first place. Other important reflections are their realization that the force in the network resides mainly in the regionally oriented and sector oriented constituent networks, remaining at a distance from the ‘introverted and self-referential’ (Lavilluniere) EU bureaucracy and its surrounding lobbying circuit. Somehow, they should combine the local experimentation with political advocacy – crucially convincing members that activity on the latter level will make a difference for their local projects.

### 3.3.3 Resources

RIPESS Europe, and also the intercontinental network, is an ideological movement rather than a superstructure of social enterprises. It is a very light structure. The 100 EU membership is more a token of ideological allegiance and belonging, rather than a subscription to a bundle of services. RIPESS Europe develops strongly through voluntary allegiances and personal friendships, and as indicated by a relative outsider, they have proven very resilient as a network thanks to this voluntariness – they survived the temporary lack of funding, only reducing their activities somewhat but continuing on voluntary basis (Thirion). This also forms a marked contrast with the many EU-funded SI-related projects and networks, Lavilluniere considers, as these eventually are held together too much by shared interests in funding. The funding system through the tendering calls



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leads to a somewhat self-referential project industry that follows the principal's interests rather than pursuing innovative initiatives, and this often leads to artificial and therefore weak ties. RIPESS, or at least spokesman Lavilluniere, seems unwilling to make the network dependent on that funding, and the strings attached.

Currently, RIPESS receives funding through the FPH foundation, the "Fondation pour le Progres de L'Homme", and this does afford them with some funds. Importantly, they are granted a great amount of freedom over the precise allocation of these funds – apart from the regular accounting for expenditures.

The critical resource for RIPESS EU seems to be the time dedicated -to develop RIPESS as SSE knowledge Hub, to develop exchangeable knowledge of good practices, and to craft the manifestos, declarations and advice documents through which to gain political influence.

## 3.3.4 Monitoring and evaluation

RIPESS Europe itself is not or hardly subjected to any monitoring – for lack of own activities and throughput that would require such. As earlier discussed under social learning, a certain self-monitoring does take place, though, out of a felt need for strategy development: *"We need to have a tool with which we can conduct a thorough theoretical and strategic thinking in the long term. To achieve this goal it is necessary to bring together people, witnesses and actors which may create a historical heritage of the network, develop records, initiate internal debates with other stakeholders and respond to any request from the members of the network."* Estivill, J. & Lavillunière, E. (2014).

RIPESS does fulfill a monitoring function for the SSE field, however, which speaks from its establishment of a specific working group on mapping. Moreover, there is a strong awareness in the network towards political tendencies of diluting the SSE values, and confounding them by supporting system-confirming social innovations (such as social entrepreneurship, but especially the system innovation processes towards institutionalization of social economy are mistrusted). This is why there is not only the RIPESS efforts towards demarcation of its own perimeter and identity but also a broader scrutiny of the developments in the SSE field at large. Notably, there is a substantial intellectual 'monitoring' of the SSE field, a critical political-sociological scientific discourse -other than the rather instrumental, often strongly quantitative kind of monitoring in place for social economy policy. Various books have been published about the subtle differences between social economy and solidarity economy, for example (Hiez & Lavilluniere 2013, Higelé et Lhuillier 2014). A recent development, related to the establishment of the UN SSE Taskforce, is the UNRISD series of Anglophone SSE publications – typically trying to articulate SSE potentialities and prospects while critically evaluating the practical experiences with it on the ground (Utting et al. 2014, ).

Finally, as earlier discussed, the need is felt within RIPESS to confront and engage with the system innovative trend of social impact measurement gaining currency. This marks a tension inherent to the network, namely the awareness that its principled social-critical discourse –which is critical of the reifying, reductionist tendencies inherent to such measurement – is insufficiently appealing and relevant and in need of renewal – whilst also being more called for, for the very tendencies towards cooptation that are present in the impact measurements.

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## 3.4 Other issues about the transnational networking

Apart from considering how RIPESS is similar to or different from other social innovation networks studied by TRANSIT, it needs to be noted that there also questions raised on it. It is striking how these seem to converge on the basic issue of what RIPESS, or The Social Solidarity Economy, really comprises. In this regard TRANSIT could take up the issue of articulating what it is that RIPESS is binding together, and help specify the essence of this 'inter-réseau' or connector of networks (Farrell). In this way TRANSIT could also contribute to the 'perimeter and identity' studies undertaken by a RIPESS working group itself, out of self-inquiry but also as a way of monitoring the field. Moreover, such articulation of essence and positioning amongst other (transformational) social innovation seems to very much in line with the research activities undertaken by UNRISD.

A first particularity of this 'transnational networking' being that this case rather involves the networking between networks, the second particularity is the very loose relationships with the 'local manifestations'. For the newly developed RIPESS Europe it is in fact a challenge to ensure a meaningful relationship: Somehow, the development of a unified RIPESS voice and political advocacy on EU level should be making the difference for members' activities on the ground, but the gap proves difficult to bridge. RIPESS membership as for now is a kind of 'token of belonging' (Lavillunière), a form of political allegiance, and comparison with other SI networks might bring up suggestions for alternative, or slightly adapted, models.

A third 'other issue' is RIPESS existence next to other transnational network structures. RIPESS, especially on the account of Lavillunière, seems to be much more about solidarity economy than about social economy. Even when the family resemblances between the two are acknowledged, solidarity economy is positioned as a deliberate and necessary radicalization of the former – which is understood to have insufficient or no longer sufficient transformative impulses. In that respect it deserves consideration which official RIPESS members can be considered 'true' members, to be studied as local manifestations. Moreover, as will become more clear from the analysis of the Belgian and Romanian 'local manifestations', there also other networks, such as ENSIE for 'insertion' companies or SEE for Social Economy, that may be even more relevant. Especially the Belgian case will bring out how the politically radical 'solidarity economy' concept may grow out of tune with a mainstreamed social economy sector.

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## 4 Local initiative 1: CRIES (Romania)

This chapter starts with a historical perspective of the social economy field in Romania (4.1.1), followed by a description of the CRIES local initiative (4.1.2). After the general overview, we describe aspects of innovation and change (4.3), and the ways it is (dis)empowered in achieving its intended impacts (4.4).

### 4.1 Overview of development in the local initiative and the Social Solidarity Economy in Romania

#### 4.1.1 Historical perspective on social economy in Romania

Social economy and social entrepreneurship have recently entered the public and academic debate in Romania mostly in relation to social inclusion, as socially-oriented initiatives which provide assistance or support to vulnerable groups. The term “social economy” was defined in the Romanian Law on Social Assistance (approved in December 2011), as a sector that comprises economic activities that include social objectives (Dobre & Matena, 2013). Historically, social economy initiatives have a long trajectory in Romania, when as the country underwent a process of industrialization, mutual help associations (*MICA Brad*, formed by the Romanian miners before the World War I), cooperatives, charity associations and foundations were created and expanded throughout the country (Cozărescu, 2012). During the communist period (1947 to 1989), Romania went through what was called a “collectivization” process, by which private property became property of the state, and land and other resources were managed in enforced cooperatives, which hindered the former cooperative movement, which was voluntary (Barna & Vamesu, 2014). The cooperative property existed in the communist agricultural production and consumption systems, as well as credit cooperatives (Oşvat et al, 2102) or houses of mutual help (Cozărescu, 2012), but other manifestations of social and solidarity economy manifestations were practically erased. Following the process of democratization and re-privatization, social economy actors have returned with the support of the European Social Fund “Operational Programme for Human Resource Development” (OPHRD) and through the continuous expansion of the non-governmental organizations, representing associations and foundations for the biggest part, followed by the mutual aid houses, consumption and credit co-operatives. NGOs are also recognized in Romania as general interest service suppliers in social, medical or educational areas (Dobre & Matena, 2013).

Romania is considered a permissive state in terms of the development of social economy (Oşvat et al, 2102), which is expected to contribute to the modernization of enterprises, the improvement of employment and labour conditions of excluded sectors of society. Social economy is also expected to encourage an entrepreneurial culture, and to support the consolidation of the welfare state while alleviating “the public burden related to social protection in Romania” (Cozărescu, 2012; Dobre and Matena, 2013). Other authors (Osvat et al, 2012) stress that the social economy in Romania might be a great instrument for the development of rural areas, might bring services closer to certain

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communities, draw marginalized groups to the labour market<sup>27</sup> and boost financial solidarity or non-monetary exchanges offering an alternative to “wild capitalism”.

## *Characteristics of social economy initiatives in Romania*

Recent reports published by the Institute of Social Economy (Constantinescu, 2013, cited in Barna & Vamesu, 2014:13) reveal that social economy organizations have higher success in promoting active employment and social inclusion, as compared to other types of organizations. The main actors of social economy in Romania are associations and foundations, cooperatives, credit unions, non-profit organizations, small and medium enterprises functioning as work-integration social enterprises. In total, nearly 67.000 third sector organizations have been identified in Romania, which employ nearly 160.000 people, representing the 3.3% of the total workforce (Osva et al, 2012). In Romania, little government funds are available to social economy organizations (SEOs). Instead, there is a much higher reliance on grants and donations (which are a less stable funding source) and membership fees (OECD, 2013). There is a clear correlation between levels of economic development and SSE organizations, foundations are concentrated in the more developed regions; mutuality (especially those targeting the retired) is more frequent in the less developed regions and formal social economy organizations are rather absent from rural communities, with the exception of agricultural associations and cooperatives (Dobre & Matena, 2013).

Regarding the areas of activity in social economy, the most common are, according to Osvat et al (2012): the provision of services, agriculture and food industry, trade and industrial production, alternative financial institutions (credit cooperatives, CAR units of employees or pensioners). They have been hailed as a effective mechanisms for the integration marginalized individuals into the labour market (Hosu, 2012). A recent study carried out by the OECD (2013 p. 31) on two Romanian regions (The central region and the south-east region) found that “in both territories, around a third of social economy organizations (9 out of 26 in Regiunea Centru and 10 out of 27 in Regiunea Sud Est) increased employment levels, while just 2 out of 26 SEOs (7.7% in Regiunea Centru and none in Regiunea Sud Est) decreased employment levels”. The mentioned study highlights the following challenges for the development of the social economy: financial security or the necessary continuity of income, the lack of government support for social services, an insecure environment for business (OECD, 2013 p. 141).

In terms of organizational model, non-profit associations and foundations are the most popular forms of social economy organizations in Romania, representing three quarters of all legally registered social economy entities. They are the main service providers to the public, families, households or to their own members, as social service, training, culture or formal education. They represent about 3 billion Euros of assets and are estimated to employ 61.000 people in Romania (Barna & Vamesu, 2014). The cooperative sector decreased after the fall of communism and recovered slowly due to more liberal governmental policies and insignificant legislative support, increasing their number in last years up to 2.000 cooperatives, and reaching annual incomes

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<sup>27</sup> Unemployment affects especially to two vulnerable groups: Roma people and disabled people. The Roma community is characterized by lower education levels, that limit their access to the labour market, a poorer participation in the formal labour market and high participation in the informal job market, without social security mechanisms (Dobre & Matena, 2013).

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amounting to 400 million euros and employing 35,000 people, which represents a third of total employment in the social economy Sector (Dobre & Matena, 2013).

Credit Unions, also known in Romania as “Houses of Mutual Aid” (Case de Ajutor Reciproc) are social economy organizations (SEOs) and are legally established as non-profit associations with the purpose of providing low interest loans to their members, especially for consumer needs, but also to support or cover special situations. Credit unions<sup>28</sup> do not have the status of financial institutions, because the legal framework prohibits granting credits to legal entities and collecting deposits. However, CUs revenues have constantly and significantly grown in the period between 2005-2010 (more than 3,6 times), indicating signs of financial consolidation for the credit union movement.

Finally, the fourth type of social economy organizations in Romania are the sheltered workshops, which play an important role in work the integration of people with disabilities into the workforce (legally, they should employ at least 30 % of staff among people with disabilities) by providing counselling, training and information services. Although sheltered workshops can adopt different legal forms (profit and non-profit entities<sup>29</sup>), according to Barna & Vamesu (2014) they are in great majority for-profit companies (69%), employing an approximate number of 4.600 people, and 42% of these employees are persons with disabilities.

## 4.1.2 Overview of the development of the local initiative: CRIES

### *Origin and Development of the Romanian Initiative CRIES*

The CRIES<sup>30</sup> association was founded in 2009 in the city of Timisoara, representing one of the first organizations dedicated to the promotion and development of social and solidarity economy. CRIES is a founding member of the European branch of the International Network of Social and Solidarity Economy (RIPESS Europe) and collaborates with social economy European platforms such as IRIS and URGENCI, the European Network of Social Insertion enterprises (ENSIE) or the World Fair Trade Organization.

One of the specific features of the CRIES case study is the significant role played by European institutions in the creation of the local initiative and, partially, in the introduction of the well-developed Western conceptualizations of social and solidarity economy in the Romanian context. As two former members of the Council of Europe explained to the researchers, the Council of Europe was one of the first institutions interested in “*expanding the critical economy perspective of social and*

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28 Two main types of credit unions exist in Romania: CARS (*Casa de Ajutor Reciproc a Salariatilor*), which include workers and self-employed persons, and CARP (*Casa de Ajutor Reciproc a Pensionarilor*), a Credit Union for retired people that plays a significant role in the development of associative feeling for ageing people, offering alternatives for risk exclusion from the credit market of elderly people with low income and difficult access to health and proximity services (Barna & Vamesu, 2014).

29 According to the Law 448/6 December 2006 regarding the protection and the promotion of the rights of persons with disabilities.

30 In English: Resource Center for Ethical and Solidarity Initiatives

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*solidarity economy to Eastern-European countries and connecting such alternative discourses to the notions of community empowerment and co-responsibility” (Farrel & Thirion). As a result, the Social Cohesion division of the Council of Europe gathered (in the period 2006-2007) a set of SSI initiatives which operated at the European level, and launched a EU funded project on social economy promoting co-responsibility models at the local level in Eastern Europe. The project aimed at “starting mechanisms that brought together citizens and representatives of different economic and social sectors to reach consensus on priorities for local development” (Cries\_02). The project served to start out a European network of local actors and stakeholders on SSE, as the following interviewee explains:*

*“The project brought forward the idea that, if one is to promote solidarity, the responsible economy, it is to be elaborated at the level of the ‘territories’ (municipalities, cities, or an inter-municipal entity), and develop the networks of actors there...and that’s something they had been promoting already with the European Council, the idea of co-responsibility that’s organized at that situated level. The really local level, not even regional. At the same time, we had already started working on this co-responsibility in cities, together with IRIS, and the first cities in which it started was Mulhouse (FRA), and Timisoara (ROM), and Veneto (ITA) as well” (interview with S. Thirion, adaptation by B. Pel).*

The EU project also paved the way for starting a community-based network of local institutions, NGOs and social initiatives *“which aimed to continue working in the field of SSE when the external funding finished” (Cries\_01). CRIES is founded by two highly motivated leaders, with a clear vision of social and solidarity economy, who took advantage of the knowledge, methods, networking and skills developed in the former CE project for joint responsibility territories. The Then project was also relevant because it brought together two of the persons who later started CRIES:*

*“That’s how CRIES came about, early 2008, once there were no more European funds. CRIES and IRIS remained. Then there was the struggle, well, it wasn’t at all easy of course, for the survival of those two...they first had some funding from the Foundation de France, and later on Mihaela managed to find other funds, through the European Structural Funds for Romania...and CRIES has become an important NGO, because, they haven’t only worked in Timisoara, but they’ve also diffused the method towards other places in Romania, they’ve made a big effort in diffusing the solidarity economy” (G. Farrell).*

## ***Activities of CRIES in the field of social and solidarity economy***

The organization starts as a response to the needs of the various disadvantaged social groups as well as out of an understanding that social and solidarity economy in Romania was understood as a tool for social inclusion, mainly related to social assistance and working on insertion of underprivileged people. CRIES is driven by a need to promote *“citizens’ involvement in democratization processes and participatory decision-making”, throughout social and solidarity models which “build a social economic system which is not based on profit and growth as its primary goal but instead facilitate social cohesion” (Cries\_01). CRIES also focuses its efforts on the fields of social welfare and co-responsibility, promotes social insertion projects of marginalized or vulnerable groups, community-supported agriculture, and responsible and fair trade consumption initiatives. Among them,*

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supporting local agriculture through the creation of ASATs (inspired on the French AMAPs' model) *"has become its most innovative and successful project for the moment"* (Cries\_02).

The initiative claims to play its **intermediary role** connecting different actors and creating spaces for knowledge interchange: *"we have participated at an intermediary level to organise information campaigns, awareness campaigns, trainings, expertise exchange, for organisations, people from the public institutions or citizens"* (Cries\_01). As an example, the local initiative has developed experience exchanges with French initiatives, thus supporting the exposure of 80 social inclusion workers to over 25 models of initiatives developed with vulnerable groups. Deepening its **educational role**, CRIES has undertaken a training curriculum in social and solidarity economy which resulted in a program of 8 training modules and 160 people trained, all specialists in the field of social inclusion. They have also developed several information campaigns<sup>31</sup> and trainings on SSE. These efforts attempt to change the narrow conceptualization of the SSE field:

*"We mainly collaborate with the Political Science faculty, since they teach a Masters on Globalism and Globalisation and they were very close to what we needed. They had already studied some of the subjects, such as social assistance, but very little because our activity is not one of social assistance. We realised there was a misunderstanding from that point of view"* (Cries\_01).

During the period of 2010-2013, CRIES developed a project on *"the role of social dialogue in the development of active social inclusion"* which aimed at **supporting platforms for the development of co-responsibility territories** in 8 different cities in Romania. The project was a democratic regeneration project, aiming to promote active participation in municipal debates and a responsible and active citizenship. The main activity of the project was that of establishing public consultation of over 1600 citizens from over 20 different socio-professional groups, which involved partnerships with more than 200 public institutions and organizations. They included vulnerable groups such as: the Roma community, prisoners, persons on probation, disadvantaged youth, people with disabilities and the unemployed. In the meetings, needs of different groups were identified and discussions resulted in a commitment to get involved in finding solutions to improve quality of life through collaboration among different social actors. A series of local city priorities were identified and different pilot initiatives were started in each city, following the logic of co-responsibility. The SPIRAL methodology was used in the meetings, a methodology developed by the Direction for Social Cohesion of the Council of Europe (*see section of social learning for more info about this methodology*).

## ***Association for the Support of Rural Agriculture (ASAT)***

CRIES has successfully developed a series of community- supported agriculture pilot projects-named "ASATs"- to support disadvantaged people in rural areas. CRIES has used the French model of AMAPs to sustain peasant agriculture, creating partnerships between producers involved in

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<sup>31</sup> Dissemination of social and solidarity economy initiatives, through online presentation videos, which can be seen at <http://www.cries.ro/implicarea-ta/4-filme-de-prezentare-a-unor-demersuri-de-dezvoltare-incluziva/>.



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organic agriculture and consumers. They initiated these solidarity partnerships in 5 Romanian cities (Bucuresti, Cluj-Napoca, Oradea, Odorheiu-Secuiesc and Timisoara) which involve one farmer and a sufficient number of customers to sustain the production levels of the farmer and thus create a community. Each ASAT is organized as follows: each producer enters a contract with a number of consumers (normally over 30) and they establish a relationship of cooperation based on the principles established in the ASAT Chart. The ASAT community-supported agriculture model integrates social, ecological and economic dimensions -ensuring clean and fair labour practices- and aim to improve food security and food sovereignty; together with educational and relational dimensions, they strive to change relations between farmers and consumers towards a co-responsibility model in the food production process (*see section 2 of this case study for more information about ASATs*). The interviewees noted that piloting the ASAT project meant *a step forward in the life of the initiative* as the following quote illustrates:

*“(CRIES) was thought as a platform for knowledge transfer, but with ASAT we have become project implementors. Although we always wanted to work on social economy, Cries did not create social economy or insertion companies but instead supported organisations who did it, but it was possible with ASAT” (Cries\_01).*

## **Educational and dissemination activities**

CRIES has promoted several public awareness raising campaigns regarding the importance of responsible consumption of locally-produced goods, especially sustainable agriculture. CRIES led the campaign *“Consuming healthily and supporting local agriculture”* in which they promoted proximity agriculture and insisted on the responsibility of the consumers in supporting small local producers. The campaign consisted of meetings organized in many Romanian cities between 2009 and 2014, in collaboration with many NGOs and public institutions, and had a high level of visibility in local, national and international mass-media (over 300 articles covered these meetings<sup>32</sup>). This campaign was considered successful, as it resulted in more than 1000 families in Romania joining the ASAT solidarity partnerships.

In 2013, CRIES coordinated a project<sup>33</sup> on environmental education and responsible consumption called *“The youth as active citizens for a responsible consumption model”*. The project involved over 1500 school-level students in activities illustrating the social and environmental consequences of economic activities. Furthermore, CRIES is involved in promoting fair trade in Romania. Together with a few European experts CRIES has developed a plan for promoting products from the social economy, which respect a series of ethical and environmental conservation principles.

Besides these partnerships and projects, the association undertook a diversity of public awareness campaigns which aimed at promoting ethical behaviours and social responsibility such as: *StresUrban* (2013) – awareness-raising campaign in Bucharest regarding the negative effects of

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<sup>32</sup> A selection of which can be found at <http://asatromania.ro/asat-in-presa/>

<sup>33</sup> Webpage: <http://www.cries.ro/noutati/mesaje-de-sustinere-a-unui-consum-responsabil/>



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stress; *Solidarity gifts* (2013) – a campaign for the collection of clothing and food items for poor inhabitants of one of the areas of Bucharest; *Photovoice* – a photo story on tolerance and intolerance (2013) – an awareness raising campaign on intolerance in Timisoara); *Sarbova reads* (2013) – a campaign to collect books and raise awareness on the growing levels of cultural and educational exclusion of rural areas; and the project<sup>34</sup> “*the role of social dialogue in the development of active social inclusion*” in which CRIES offered consultancy and financial support to develop 8 pilot projects through a series of local action groups, and these included social inclusion projects, environmental conservation and solidarity/giving behaviour promotion. The variety of projects supported here tend to be, with a few exceptions, projects that fit the mainstream logic of philanthropy at the margins, which characterizes the western market-economy model.

- *Timeline of CRIES*

Year / period	Important activities/changes/milestones in CRIES	Important changes in context
2006-2007	The Council of Europe launches an EU-funded International project titled “Joint Responsibility Territories” which involved some of the persons which later would found CRIES and connect them to the SSE movement and the URGENCI network	Romania entered the European Union (2007) and received European funds for social and territorial cohesion
2007-	The Ministry of Employment managed a big project in a funding line “POSDRU” aiming at promoting the social economy in Romania.	The field of social insertion developed a lot since 2007 when the funding line was opened by the Ministry of Employment.
2008	ASAT, the Romanian Community-Supported Agriculture networks start in Timisoara, with efforts from the pioneers of CRIES, who expand the model to several cities	
2009	CRIES is founded in the City of Timisoara and the association assumes the coordination of the ASAT network. From 2009 to 2014 CRIES develops the campaign “Consuming healthily and supporting local agriculture”	
2010-2013	CRIES develops the project “ <i>the role of social dialogue in the development of active social inclusion</i> ” which aimed at supporting platforms for the development of co-responsibility territories in 8 different cities in Romania.	The Romanian government starts to debate a new social economy law. CRIES is involved in these discussions.

<sup>34</sup> Webpage: <http://dialogsocial.cries.ro/proiecte-pilot-premiat/>

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2013-2014	CRIES coordinates the <i>“The youth as active citizens for a responsible consumption”</i> as well as a diversity of public awareness campaigns which aimed at promoting ethical behaviours and social responsibility.	
2016	CRIES presents <i>“The Manifesto for Social Economy”</i> to the candidates to the local elections in Timisoara to claim political support for the SSE.	

## 4.2 Aspects of ‘innovation’ and ‘change’ of the local initiative

### 4.2.1 Relation with social innovation

Due to such socio-political context, spontaneous social and solidarity economy initiatives were almost inexistent in Romania and different forms of social entrepreneurship usually compete to enter the liberal market economy instead of adopting cooperative forms of organization, which would be preferable in a series of economic sectors (such as local agriculture), as several interviewees point out. Their initial efforts encountered a perception that social and solidarity initiatives, beyond the social inclusion realm, would not be possible in Romania, for two reasons: cooperative forms of economic organization are perceived as a return to the communist past: *“there is a misunderstanding and identification of SSE and cooperative forms of associations with communist models of organization”* (Cries\_02), which in turn is associated to expropriation, imposed collectivism and poverty<sup>35</sup>. Secondly, the transition to a market economy and the social transformation it entailed has been championed by a civil society that promoted liberal values which are prevalent in the Romanian conception of economic development. One of the respondents expresses concern about the fact that the Romanian SSE sector has been *instrumentalized by insertion-aimed companies, which might not endorse the SSE values and principles”* (Cries\_02) and maintain, in fact, existing dominant institutions and unequal relations.

CRIES manifests its resistance to this extended practice appealing to the innovative potential of social innovation and the need of *“building the social economy by motivating people, organisations and actors to pay attention to the values and understanding the SSE field as a whole, as otherwise there is a big risk of compromising the social economy as being a contest about who hires the most underprivileged people”* (Cries\_02). The leaders of CRIES acknowledge that developing a common framework for the social and solidarity economy in Romania *“is a social innovation in itself, and was also a matter of social experimentation* (Cries\_01). Social innovation in the case of CRIES involves

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<sup>35</sup> Such reluctance to cooperative forms of organization, and general ignorance of the advantages of cooperativist formulas, have been also pointed in literature (Dobre & Matena, 2013; Barna & Vamesu, 2014) as a current challenge in Eastern-European countries, whilst they could play a significant role in the socio-economic development of rural areas, due to “cooperatives offer opportunities for small local producers or consumers to act jointly with more success and gain improved access on oligopolistic markets” (Dobre and Matena, 2013).

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redefining the value of economic relations, prioritizing social impact and social benefits first, as manifestations of reciprocity and practical solidarity. CRIES refers to SSE models as conforming a ‘third economy system’, which is different from both the private and for-profit sector as well as from the public system. This third system is based on “new values and concepts that inspire forms of social innovation, self-management and alternative forms of exchange” (CRIES, 2016).

However, the leaders of CRIES recognize that the social and solidarity economy sector is still immature in Romania. When CRIES started its activity, and tried to map out the SSE field in Romania, these initiatives hardly existed and even the existing ones tended to be rather conservative in their ambition and organizing forms<sup>36</sup> (Cries\_02). As an example, and speaking about transference of best practice or expertise models, an interviewee criticizes that SSE is still “*more assistentialism-oriented rather than innovative; the problem is that we are deeply rooted (especially NGOs) in a mainstream model of social intervention, based on social support or charity NGOs, who do not necessarily aim to make a change, but just to diminish the problems*” (Cries\_01). Similarly, another interviewee points to a lack of “*capacity of the actors in the field to problematize the information or experiences enough. We’ve organised experience exchanges in France and many times we’ve been surprised to see that the participants from our team, that is, the beneficiaries, did not seem to be motivated enough and sometimes they lacked the necessary abilities to work in the field of social innovation*” (Cries\_02).

The interviewees observe a lack of coherent discourse around the SSE, which is also related to a lack of shared identity within the sector of social and solidarity economy “*even the few actors which engage in social economy do not feel being part of a common field which pursues a systemic social change*” (Cries\_02). Thus, CRIES practitioners claim for an open debate in the social and political sphere on the role of SSE and which actors should be involved:

*“They did not have the sense of belongingness to a bigger field. For example, actors from the social economy, such as credit unions. There was a law project for social economy, and in 2012 CARs were not admitted as part of the sector, although traditionally they do belong. They restructured so much that they are more and more similar to companies, not credit unions and they do not function as they should. There were and there are local initiatives that are based on barter, a kind of unofficial time bank. There was no common consciousness of belongingness to a bigger family and having the same objective of social change”* (Cries\_01).

## 4.2.2 Relation with system innovation

As mentioned in the previous section, CRIES started and developed its activity in an unsupportive context. This case might be representative of the reality of an important part of ex-communist Central and Eastern Europe. While in Western Europe, social and solidarity economy initiatives have been a reaction to the capitalist economic model, in Eastern Europe liberal models of economic organization have been associated to transitions to democracy and to economic development and

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<sup>36</sup> They consisted of local initiatives to establish cooperatives that would bring small agricultural enterprises together that would organize to make a better use of existing resources by pulling them together and then distributing their produce and sometimes creating their own ecological brands. However, the internal decision-making processes and organization is still non-cooperative.

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poverty alleviation. Social and solidarity economy was thus perceived as a tool for social inclusion only. This is, in part, due to the fact that a rejection of authoritarian rule was associated to a blanket rejection of all characteristics of the communist model, including the cooperative forms of associations or propriety organization. As the following respondent explains:

*“I think there is a huge problem of understanding it because people can’t understand the difference between social and socialist or they can’t understand how these two terms can be put together, as long as they perceive them as opposites. (...) It’s very difficult because in Romania even cooperatives are perceived as specific actors of a political regime, which is stupid, but it’s difficult to make people understand that credit unions have survived or that their history is older than that of communism” (Cries\_02).*

Considering this unique situation, the leaders of CRIES agreed that SSE needed to be demonstrated through practice on the ground, *“showing people that social economy is not necessarily a return to communism and that social and solidarity economy models, which actually existed in the beginnings of the Twentieth Century, are feasible”* (Cries\_02). CRIES thus started to promote pilot projects that could be successful and become models for other potential entrepreneurs. Simultaneously, CRIES aimed to strengthen democratic participation at the local level by launching participatory budget initiatives, conducting educational projects on SSE and responsible consumption as well as expanding community-supported agriculture initiatives (ASATs) across the country.

CRIES – in alignment with the RIPESS discourse- puts the focus on innovating the economy in a broad sense, and aim to change current liberal policies and unsustainable and unfair economic, also related to the production and consumption patterns or the labour market conditions. The set of projects prompted by CRIES in Romania exemplify how this initiative approaches system innovation, through the creation of alternatives to dominant institutions, such as those in the food system, the financial system or the labour market (*see section one of this case study*). Through these projects, which have been successful in attracting members in different parts of the country, the SI initiative has attempted a contestation-in-practice of Western neoliberal economic practices.

## ***Starting out pioneering formulas of Community Supported Agriculture in Romania: ASATs.***

CRIES has become a relevant actor in the Romanian social economy field<sup>37</sup>, due to its role of starting out and expanding the model of Community-Supported Agriculture<sup>38</sup> in the country, inspired in the French model of AMAPs. Through the ASATs, the SI initiative forges collaborative partnerships among one producer and a number of consumers (usually over 30), grounded in the principles established in the ASAT Chart, which are defined along both social and ecological criteria<sup>39</sup>. The

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<sup>37</sup> As several authors have pointed out: Möllers, Traikova, Bîrhală, & Wolz (2017), Sólyom (2016); Moellers & Bîrhală, 2014; Bîrhală & Mollers, 2014; Vetan and Florian, 2012.

<sup>38</sup> In the literature, CSAs are described as partnerships between a farmer and his or her consumers, based on a mutual commitment that consists in payments, product delivery and various ways of collaboration. In many cases, the consumers anticipate the payments in order to cover the initial running costs of production (Bîrhală & Mollers, 2014).

<sup>39</sup> According to the documentation provided by the initiative, the basic principles of the ASAT involve that peasants should be environmental respectful in their practices, providing healthy products, being transparent regarding costs and prices and regularly inform the consumers about the state of crop and the farming issues. While farmers gain in security, as they receive a fair payment for their products and prices are directly linked with production, consumers fulfil their demand for fresh, good quality organic groceries and direct and transparent communication with the peasant.

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pioneering CSA cases in Romania were launched by CRIES in 2009 in the city of Timisoara, which later expand the model to Bucharest and other cities of the country. ASATs provide small rural farmers formulas to avoid unfair market systems rules and gain economic autonomy while they develop a fundamental role in maintaining rural areas and spreading organic or sustainable forms of agriculture<sup>40</sup>. Through the ASATs, CRIES attempt to challenge or the existing food production and consumption model through actions in five different areas:

- **Economic** – ensuring decent income for small agricultural entrepreneurs, and contributing to the maintenance of local peasant agriculture;
- **Food security** – contributing to a healthy diet and the availability of fresh produce, obtained in conditions of security and transparency towards consumers.
- **Social** – it ensures the development of social cohesion and the intensification of relationships between consumers and producers (thus between the rural and urban inhabitants);
- **Ecologic** – a form of soil and environmental protection, by using natural fertilizants, reduction of pesticide use, reducing the distance between the places of production and consumption (so less pollution from long-distance transport or food conservation), minimal use of packaging.
- **Education** – by involving consumers in visiting the farms and maintaining a direct relationship between the small producer and the consumers. This contributes to a better knowledge of ecological agriculture problems and issues, and to raising awareness regarding the role of sustainable agriculture in environmental preservation as well as on the importance of environmental conservation for future generations.

Furthermore, all the interviewees have stressed the potentiality of the ASAT model in terms of **changing traditional relations in the market system**, by offering a stable and secure alternative to mainstream food distribution channels. According to the respondents, community supported agriculture initiatives **nurture new types of relations, which are based on mutual respect, trust and commitment** which is formalized signing a formal contract and aim to “*rethink work-relations or “exploitation relations”* promoted by traditional companies or food system practices. One interviewee speaks about the creation of a “symbiotic relation” in which both respect and support each other, while CRIES plays an intermediary role, helping to starting up and supporting the alliance, and eventually forming a **new relational culture** as the following describes:

*“What we’ve managed to do, at least in terms of sustainability, is to develop a cultural model for partnership in which consumers respect the work of producers very much, but not necessarily in a traditional way, in which they see them as infantrymen. They understand how important it is for the lives of small producers to have a better life doing traditional agriculture. So, there is a type of symbiosis”* (Cries\_02).

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<sup>40</sup> ASATs have been described as “viable rural innovations for Eastern Europe”, which increase income prospects of around a million of small farms in Romania which are excluded from supermarket chains as well as support the underdeveloped Romanian organic agriculture sector (Birhala & Mollers, 2014).

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Reflecting on the **transformative potential of SSE**, in terms of altering or changing the system, one respondent explicitly mentions the ASAT model which, at least in Romania, is perceived as “*an alternative economy initiative, but which cannot compete with large scale producers*” (Cries\_01). CRIES mirrors similar European experiences of SSE and CSAs but they are also aware of existing contextual limitations:

*“ASAT does not intend to replace industrial agriculture or the market mechanism, because that would be impossible. People need to buy products at a supermarket and we don’t have all of them. It’s a type of alternative agriculture destined to a certain category of people. I would like to see a growth in the number of partnerships and people who want to be part of this alternative consumption. This creates local jobs and helps local producers. Romania has a fantastic capacity for this and I would like to see that we are headed to the situation in France, but it is difficult”* (Cries\_03).

The members of CRIES do acknowledge and care about the need of **remaining close to their principles and not compromising the values and good practices** that led ASAT to become a successful grassroots initiative in the SSE and “*the uniqueness of the model*”:

*“We do want to grow, but we also want to maintain quality. It’s not important to have 100 producers who practice industrial agriculture. Consumers must also respect some principles. This is what makes ASAT unique. If it’s not possible, then we will maintain three producers in Bucharest until we find another producer who agrees to our principles”* (Cries\_03).

Finally, one interviewee also points to the fact that social economy in Romania is more top-down than a regular grassroots social innovation, by being financially stimulated by the European Union and supported by a reduced number of “*big actors*” (e.g. The Soros Foundation). This is not negatively perceived by the respondent, but as a necessity, considering the lack of abilities and long-term perspective of public and third sector to innovate:

*“We believe that, with a few exceptions, the big actors are there and it’s interesting to see that sometimes they also have social economic projects and how they do it (...). I know that Soros Foundation had projects which created cooperatives in Wallachia in a legumes basin and their objective was 12 or 16 cooperatives of small producers and social economy initiatives (...) The consolidation of an alternative food system is very problematic at the moment in Romania. It only happens in some organisations who might have it as a base activity, or have other objectives on the economic part, while others have them on biodiversity. But there is no shared thinking or big initiatives”* (Cries\_02).

## 4.2.3 Relation with game-changers

CRIES responds or contests structural social inequalities and systemic socio-economic problems which have been not solved by the liberal economies, once the communist era ended in Romania and Eastern Europe. The transition from a socialist to a liberal economy is mentioned as a game changer which strongly influenced the current economic development of the country (as explained in the previous sections). Furthermore, there are more sector-specific game-changers that seem to be

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crucial for social innovation: governmental policies, changes in the agriculture policy which hinder the food sovereignty of local communities and regions, as well as environmental issues. Concerning government regulations, the Romanian Law on Social Economy appears to have been *“instrumentalised by major corporations and businesses which funded social economy projects as a form of Corporate Social Responsibility”* (Hitchman 41, 2012 p.4). Otherwise, the new law is seen by the members of CRIES as an instrument which can pave the way for the still very weak social and solidarity economy sector. Changes are expected *“but not financially. That was our biggest bet, to see if they would to support social economy initiatives, but they already said that there will be no tax ease”* (Cries\_01).

CRIES interviewees also refer to the active role that the European institutions can play in Romania, which can enhance the development of the social and solidarity economy sector in the country. The access to European funds was mentioned as strategic for the third sector and social economy. As one interviewee explains, a multiplicity of actors access European funding and *“Romania has specialized in this type of access to financing”* (Cries\_02). This advantage is perceived both as positive -in order to the accessibility to funds-, but also negative, in terms of *“compromising the viability of an innovative organization if the funds end”* (Cries\_02).

Being asked about the effects of 2008 economic/financial crisis in the SSE, according to one of the interviewees, the economic crisis has not been a game-changer in Romania. In terms of fundraising for the third sector, they *“haven’t noticed a difference because of the recession”* (CRIES\_02). However, the former members of the Council of Europe did observe the impact of the financial crisis, which contributed to the widespread of the AMAP or CSA models in Europe:

*“The crisis has fed the awareness of approaching needs in a different way, that goods can be sold with a social sense, and this is why URGENCI is growing rapidly. The major declination of the crisis, is the rise of this contributive economy, this social use of goods. There is a certain evolution of the solidarity-based economy (...) It’s not only a matter of having a responsible behaviour towards consumption, of where one puts one’s money, but also of being responsible by sharing property”* (Interview with Gilda Farrel and Samuel Thirion).

## 4.2.4 Relation with societal transformation

The members of CRIES have implicitly outlined the transformative ambitions of the social and solidarity economy movement, which extends the principles of solidarity and reciprocity to economic, political and social relations. Social transformation would thus involve a wider cultural change in terms of questioning the underlying structures, cultures and practices of specific systems (such as the food system) and actors. Societal transformation is thus conceived as a change of mindsets, social lifestyles and relations which SSE forge. Practitioners notice that SSE models play

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<sup>41</sup> According to Judith Hitchman, The Romanian law on social economy enables major corporations and businesses to fund social economy projects for tax-exempt reasons, which not necessarily pursue social empowerment *“but rather to instrumentalise the “problematic” and “marginalised” sectors of society”*. As exception, Hitchman points to *“the important project instigated by the IRIS network and CRIES, and supported by the Council of Europe in Timisoara, involving a Territory of co-responsibility”*. (Hichman, 2012, p. 4). Source: [http://www.fao.org/fsnforum/cfs-hlpe/sites/cfs-hlpe/files/files/Food\\_losses\\_waste/FAO%20SSE%20def1.pdf](http://www.fao.org/fsnforum/cfs-hlpe/sites/cfs-hlpe/files/files/Food_losses_waste/FAO%20SSE%20def1.pdf)



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an important “pedagogical role” being inspiring examples of new ways of doing, framing and relating which serves new social entrepreneurs and future social innovators as well as other community actors (Vetan & Florian, 2012). As one respondent explains, *“It’s very sensitive to talk about something that has no referent in our society (...) having more pilot experiences similar to ASAT would be very useful, in order to prove that the experience works and is financially sustainable”* (Cries\_02).

Some practitioners identify -at least in part of the Romanian society- a desire of changing dominant societal paradigms, and CRIES might contribute to societal change by enabling new spaces for interaction which entails new social relations and sustainable lifestyles. Besides, social transformation would involve a change in the role of citizens, turning out from a position of being consumers and service- users, to be “prosumers”, becoming actors in economy which share responsibilities and assume certain risks. In this process of social transformation, CRIES is meant to be an agent of change which facilitates and builds networks of different actors which collaborate in the search of new solutions to societal issues. An example of this is the ASAT- The Association for the Support of Rural Agriculture, which is pivotal in the promotion of local solidarity partnerships between urban consumers and small farmers in rural areas who are close to natural farmers<sup>42</sup>. In words of the practitioners, partners join the ASAT moved by a desire of access to healthy food and changing their lifestyles to connect to nature and rurality: *“ASAT is exactly what they want because we offer the chance to talk to the producer, see the vegetables garden. There were also consumers who wanted to work in the garden at the weekend as a way to relax. Some people don’t have access to the rural, so it’s a way to escape the city and get their children in touch with nature”* (Cries\_03).

Reflecting on the barriers to societal transformation, the interviewees observed a lack of competences to work in the social economy sector as well as in the educational system which does not contribute to improve the abilities of future social entrepreneurs and SSE activists and still have a narrow vision of the potentialities of the social and solidarity economy:

*“There are not enough examples capable of explaining the field. If you don’t really believe in the value of the field, perhaps you should not even consider joining. Unfortunately, even at Universitatea de Vest the social economy masters is taught by economy professors who had their conventional classes about conventional economy and they explained how the market works and how the invisible hand adjusts the demand and supply and so on. Then the people from the social assistance services came and explained how disabled people needed to be sustained through welfare state politics or so and talked about the existence of public social funds. At the end students had to put two and two together and understand social economy”* (Cries\_02).

## 4.2.5 Relation with narratives of change

As the name of the initiative makes explicit, The CRIES association has the ambition to be a *resource centre for ethical and solidarity initiatives* with a strong focus on the development of new social and

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<sup>42</sup> As explained in the CRIES Website: “The ASAT system supports a form of alternative development for semi-subsistence households in the country, which can offer products of superior quality, under conditions of mutually beneficial partnership, geared towards natural farming, fair payment, sharing the risks and benefits of qualitative agriculture and solidarity relationships between urban consumer groups and small proximity manufacturers”.



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solidarity-based forms of economy, based on a set of common principles such as: solidarity, social inclusion, fair trade, sustainability and gender equality. In alignment with RIPESS's collectivist discourse, the initiative envisions a social transformative pathway which brings "finance and economy back to their original function: to be at the service of society, of communities, of the fulfilment of the needs and rights of all people and not in the interest of a small group of privileged people" (CRIES 2016, p.43). Social and Solidarity economy comes to be a way to strengthen community resilience, by building local networks which nurture social and fair economies and promote sustainable lifestyles. In order to gain more autonomy and competence, SSE and citizenry should together create "*resilient circuits that collaborate in an integrated way for a sustainable and resilient way of living. Or what the Latin Americans call "bom vivir", well-living*" (CRIES Manifesto, 2016).

CRIES endorses a radical economy discourses which contest capitalism and other authoritarian, state-dominated economic systems and formulates new frames of interpretation of social and economic relations grounded on collective models of entrepreneurship. Thus, in opposition with the dominant economic systems which are built only on the market and competition, "*social economy must be built on cooperative -instead of competitive- relations which forge fair and socially/environmentally responsible enterprises*". Such solidarity networks share common values as "*cooperation and mutuality, individual and collective well-being, economic and social equity, ecological responsibility, democracy and diversity*" (CRIES Manifesto, 2016).

Furthermore, CRIES's discourse is strongly influenced by the French AMAP agriculture movement<sup>44</sup>, which questions the type of relations existing in the food system and formed community-based initiatives which share a common ethic, experiences and practices. CRIES also appears to be influenced by other food-sovereign and environmentalist movements, such as *Via Campesina* or the *Fair Trade movement*, which connect the discourse of nature protection with labour conditions of farmers and food producers. Also, both movements revendicate democratic models of social organization in political and economic institutions. In the specific context of Romania, the respondents describe a low level of debate regarding "*the intensive model of agriculture that has been promoted in the country*" and that favours "*productivity, big exploitations, efficiency*" but does not balance the social costs. Opposed to this, CRIES demands a public debate and awareness on the unsustainable and unequal food system models. Focusing on the liberal agriculture model promoted in Europe and worldwide, one interviewee reflects on how intensive models of agricultural exploitation have been promoted on the basis of incremental productivity and efficiency, underestimating or hindering the impact of such a model on food quality, labour conditions or the environment.

*"We have observed that there was a very low level of problematizing in society, little perception of debating and fighting the agriculture model that was being promoted. Both in 2007 and, at the moment, an intensive model of agriculture is being promoted, there is a lot of talking about*

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<sup>43</sup> Source: CRIES (2016). Manifest for an social economy. Retrieved from: <http://www.cries.ro/wp-content/uploads/2016/05/MANIFEST-PENTRU-ECONOMIE-SOCIAL%C4%82.pdf>

<sup>44</sup> Inspired on the Community Supported Agriculture principles, the members of AMAPs created the international network URGENCI and formed the so-called "*inter-regional movement of AMAP*" (MIRAMAP) in February 2010.

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*agricultural productivity, big exploitations, becoming more efficient, but nothing is mentioned about the social costs. An agricultural model oriented towards productivity will imply losing some jobs, a lower quality nutrition because of the use of herbicides, pesticides, etc. There was no debating and awareness of alternative models. The disappearance of small producers, because they cannot compete with supermarkets, because there are bad quality products for small prices in the supermarkets. If you want a peasant to grow a clean product, you will have a uglier product, which will have to be sold at a higher price, so that it reflects the work and automatically you have two totally different products: the plastic one from the supermarket and the clean one from the small producer, but at a very different price. There is no debate: is the price a differential criterion or should we consider other things also?" (Cries\_01).*

## 4.3 Aspects of empowerment and disempowerment of the local initiative

### 4.3.1 Governance

#### 4.3.1.1 Internal governance

The interviewees define CRIES association as a voluntary-based initiative which started in 2009 in the city of Timisoara. In terms of the internal governance structure, CRIES functions as a normal NGO run by a board of directors that is led by two of its founding members: Mihaela Vetan (President) and Sergiu Florian (Vicepresident). Its leaders are highly motivated people with background in social development and sustainable innovations (e.g. Fair Trade) or interested in participatory development. Referring to the formal structure of the initiative, interviewees point to the difficulties of maintaining a stable membership, which involve volunteers and hired personnel. The organization relies on the effort of highly motivated people which sustain and coordinate the main activities while the number of members fluctuate over time, depending on external resources and funding.

This is also the case for the ASAT collaborative model, which endorses values of community and solidarity but the actual engagement of consumers in the activities of ASAT stays at a very low level. The ASAT partnerships are organized entirely by volunteers in several Romanian cities. Volunteers receive training from CRIES in order to be able to establish partnerships that respect the principles of ASAT entirely. The interviewees mention that the number of the active members involved in the partnership fluctuates time to time. As one of the coordinators, explains “*the percentage of the people who stay is 60%, while the other 40% fluctuates. It’s obvious that the number of people who participate is bigger, but the number of people who reject the model is also very big*” (Cries\_02). While some practitioners join the ASAT motivated by a desire of “*starting out and carry on a solidarity-based project on their own*” (Cries\_03), other people seem to approach the ASAT with “*unreal expectations*” or certain unawareness of the responsibilities that a partnership actually involves, so partners’

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motivation decreases over time and eventually abandon the initiative (Vetan & Florian, 2012; Birhala & Mollers, 2014).

Solidarity, shared commitment<sup>45</sup>, collaboration and trust among partners are placed as the core values for the good performance of the partnership. To ensure the continuity of the initiative, the members of CRIES put emphasis on building a coherent model and ensuring that internal values and procedures are followed by the new members and partners (e.g. new consumers who join to the ASAT). Volunteers are careful to admit only consumers that assume a commitment to the principles that SSE promotes:

*“I learned a very important lesson this year. In one of the partnerships, in which there were 15 consumers at the beginning and afterwards there were 32, **people did not understand the principles well enough (...)** I told them not to try to change or transform this in a market mechanism and home delivery because that’s not the purpose of it. There are many initiatives that do that in Bucharest and they can join those. Many people were fair-play and admitted from the beginning they would not have time to pick up their basket and get involved. Many of them said that they did not want to get involved and that public workers should assist the producer, because they were businessmen and did not have time for it. **I told them in Asat everyone was equal**” (Cries\_03).*

Despite the mentioned misunderstandings and conflicts, the demand for ASAT partnerships has increased in the 6 years since they started, which can be considered an indicator of success. The partnerships and the model settled by CRIES was officially recognized as “an example of good social economy practice” by the Romanian Ministry of Labour, Family and Social Solidarity in 2011, and included in a report on social economy. The title of this report shows that the official understanding of social and solidarity economy is that of a tool for social inclusion (“Social economy: an innovative model for the promotion of active inclusion of disadvantaged persons”).

## 4.3.1.2 External governance

As explained in the first section of this report, CRIES is influenced by a series of international and national institutions which facilitated the creation and development of the SI initiative, such as the Council of Europe, who engaged the founders of CRIES in a European project for the social and solidarity economy and co-responsibility in Eastern Europe. This one-year EU project allowed them to forge collaborative networks which remained after the project finished<sup>46</sup>. CRIES learned and implemented a specific methodology (called “Spiral”) *“for engaging local actors and stakeholders - including city councils- in defining the concept of wellbeing. The Spiral methodology meant involving*

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<sup>45</sup> Commitment is ensured by signing a contract between a producer and a number of consumers, depending on the production that the small producer is able to provide. The consumers’ obligations include the commitment to collect the produce every week; a down payment at the beginning to support the producer; and the commitment to share with the producer the risks and losses caused by natural, normally climate-related hazards.

<sup>46</sup> Such relationship with the Council of Europe remained vivid, as exemplifies the participation of the president of Cries in the Conference *“Poverty and Inequality in Societies of Human Rights - the paradox of democracies”* (held by the Council of Europe on February 2013 in Strasbourg).

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*the citizens, opening new ways of solving certain problems, bringing more information about these initiatives and fields of social and solidarity economy trying to use the partners of the network” (Cries\_01). In the words of two representatives of the Council of Europe, CRIES benefited from this project because it allowed them to “create a certain platform, gathering all the different actors – public, private, civic, NGO, inhabitants’ organizations, a platform to guide the process of co-responsibility” (G. Farrell and S. Thirion).*

CRIES has also forged good relationships with a number of SSI networks and initiatives such as IRIS or URGENCY (The International CSA Network). This networking activity gave CRIES members the opportunity to participate in workshops and learn from previous experiences in the field, being inspired by them. Concretely, for the constitution of ASATs, the French model of AMAP (*Associations for the Maintenance of Peasant Agriculture*) has been used for inspiration, and exchange with community supported agriculture initiatives in France were extensive at the beginning and constituted an important learning source. The support given by these initiatives is described in the next quote:

*“We came to know URGENCI, an agriculture network sustained by the community and IRIS and Fba, two networks, members of the bigger network Iris. We met, we got to know them, we had a series of workshops which they attended and in which they presented these bigger fields and we analysed together which was the initiative we could start in Romania with the lowest costs and in the shortest time, but at the same time with a big impact on the country (Cries\_01).*

Networking is also important at the national level, and the organization participates and starts several local and national workgroups. Through its activities, the CRIES Association aims to address a diversified target group, consisting of staff from non-governmental organizations interested in the field of social and solidarity, representatives of public institutions in the social, employment and agricultural sectors as well as citizens interested in initiating specific measures of social and solidarity. CRIES has engaged in intense community-building activities at the local level, contributing to the creation of a common identity for the social and solidarity economy while also expanding and strengthen their ties across the country (CRIES can be posited an example of how top-down policies can enable social innovation, by providing funds and facilitating liaisons among SI actors). CRIES also acknowledges an interest on gaining public support and working with the government and the association has contributed to the development of a Romanian law of social economy, which has been recently approved.

Focusing on the relation between CRIES and RIPESS, practitioners acknowledge that this connection is almost inexistent, which is surprising considering that CRIES is a founder member of RIPESS-Europe. The reasons that explain this situation should be placed at both the European and local level. First, RIPESS does not have resources available to sustain a basic structure at the European level, which could facilitate resources and support the local initiatives, so the possibilities to launch common projects are limited. On the other hand, Although RIPESS is defined as “a network-of networks” in Romania there is not an appropriate national branch of the European network, just a limited number of initiatives which fit in the social-political discourse of the international movement while “the regional *network is still under construction*” (Cries\_01). Indeed, the association is more focused on their local-regional activities, with no financial resources or personnel available to

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dedicate to networking activities which demand a permanent commitment. As can be inferred from the following quotes, CRIES appeared to be overwhelmed by its National funded projects to be involved in the European network:

*“Unfortunately, we have not been able to collaborate yet with RIPESS. We have had two very difficult projects between 2010-13 with POSDRU. By difficult I mean very big, in eight cities, very rough from a bureaucratic and financial point of view. All our human resources and time were invested in them. Last year was difficult because it was a transitional year after these two projects, where we had to do reports and we also realised the resources for the kind of projects we wanted to do are very limited. Traditional projects receive more funding” (Cries\_01).*

## 4.3.2 Social learning

A set of learnings –at both individual and collective dimension- emerge from the interaction of practitioners within the initiative, as well as in the interplay with the social-political context in which they develop their activity. Engagement in the social and solidarity economy international movement provides opportunities for practitioners to better understand the SSE principles, frames and core values (represented in Europe by RIPESS-Europe), which is underdeveloped in Romania but has a long trajectory worldwide. As explained in the previous section, CRIES got inspired by and learned from European successful experiences on SSE (e.g. AMAPs) as well as from the European project *for joint responsibility territories*, started by the Council of Europe. Besides, in order to achieve their transformative ambitions, the leaders of CRIES needed to build a corpus of knowledge on social and solidarity economy: *“since we had to promote the big concept of social and solidarity economy, we felt we first needed to know what it meant, with a specific initiative, how it could be implemented, under which circumstances” (Cries\_01)*. Then, social learning involves adapting the concept of social and solidarity economy to the Romanian context that, according to several interviewees *“was a challenge, because of their novelty and the difficulty to transpose some applications or principles, which are some common in the Western Europe, to the local civil society” (Cries\_02)*.

In the concrete case of the ASAT partnerships, adapting the community supported agriculture model represented a successful “learning-by-doing experience”. CRIES leaders developed a corpus of knowledge and procedures which permitted them to establish and upscale a feasible and trustfully community project, which engage several farmers and a sufficient number of citizens to start out a solidarity partnership. Nevertheless, beginnings were difficult, and pioneers faced higher resistance to the model, as the quotation below exemplifies. However, reluctance was overcome through specific trainings and direct interaction with like-minded others:

*(Speaking about the first farmer engaged in ASAT Bucharest) “At first he was very skeptical because he could not understand how a group of people was offering him a possibility to earn money and not have to go to the market. He was from Giurgiu and was selling in Tulcea, he took his products every morning. So, he found it strange that a group of strangers were reaching out to offer him a possibility, steady and weekly, that would cover his expenses and he would only have to show up with the products at a set point, not lose money and these strangers*

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*expected nothing else from him. **It was tough to convince him, but eventually he said he would try** (..) “Many people from his village, and his family, were trying to convince him not to sign the contract, because it was a scam for sure. **After he participated in a training in Timisoara and had the chance to meet other producers that had been in the system for years, especially the ones in Timisoara, he went home and told everyone the story and all of them wanted to join Asat.** And that’s the story of how Asat started in Bucharest” (Cries\_03).*

Moreover, transparency has been stressed by the three respondents as essential in order to build trust and durable relationships:

*“When we worked with the producers, we did not begin with the “philosophy. The model ASAT uses starts with a producer and a group of consumers, there are no producer associations as the cooperatives can be. What we know from other organisations that work out there and have tried to organise producer’s cooperatives is that there is a big reticence and they have to rethink the model of collaboration, because there is still that negative perception of the imposed cooperatives (...) there’s a lot of work on producers’ associations, but in Asat we work with one producer and a group of consumers” (Cries\_01)*

According to the interviewees, ASATs enable economic relations based on solidarity, trust, co-responsibility and equality. Once involved, people start to change their mind and understand that alternative and more autonomous models of consumption are feasible: *“little by little people understand that together they can reach some objectives for both parts and be autonomous”* (Cries\_02). A certain attitudinal change is also observed in consumers: *“we have not had discussions in which producers were treated as employees or in which consumers complained that they had to pay too much this year because the crop was not good and has been wasted and they wanted to reduce”* (Cries\_02). This relates to a change in the role of consumers, which become “co-producers” or “prosumers” and acquire responsibilities and shares risks with the peasant. Relations based on mutual respect are the basis for changing cultural market models:

*“What we’ve managed to do, at least in terms of sustainability, is to develop a cultural model for partnership in which consumers respect the work of producers very much, but not necessarily in a traditional way in which they see them as infantrymen. They understand how important it is for the lives of small producers to have a better life doing traditional agriculture. So, there is a type of symbiosis” (Cries\_02)*

Being a member of a collaborative partnership also implies de-learning processes and changing habits as the following interviewee explains, might be hard or difficult for many people:

*“There’s this commitment to picking up the basket, whether you can or can’t, you must find another person. Besides, once a season you must assist the producer. That means you must be there at the same time as the producer and then this varies from one partnership to another. You must help prepare the baskets, be in charge of the administrative papers, make sure when people pick up the basket they also pay for it and that the amount of money is the right one. He/she also keeps the minutes. Many people find it difficult, because they lack the experience of working with money or they are not used to working like this” (Cries\_03).*



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In terms of learning opportunities CRIES facilitates trainings to the volunteers which coordinate each ASAT partnership. The interviewees also point to informal meetings -such as deliver encounters, visits to the farms, etc.- as spaces in which the members of the ASATs *“learn from each other, chat, make questions and solve doubts”* (Cries\_03) which leads to the creation of new community identities. Learning occurs *“when people stayed for at least one hour to talk to the producer and wanted to learn about their products and what was going on in the garden”* (Cries\_03). Face-to-face interaction contributes to trust building and accuracy:

*“They can meet the producer, ask him technical questions related to agriculture, substances. Those questions are answered by the producer, we don’t have his experience. This is better, because direct communication is established between the potential consumers and the producer and it’s transparent. That is our strategy”* (Cries\_03).

## 4.3.3 Resources

In terms of resources, CRIES has developed expertise in applying and running a series of nationally-funded projects, which contributed to the developed of the initiative across the country and they also participate in European projects funded by the *Erasmus Plus* program. However, one of the most important problems faced by CRIES is its dependence on external funding that they received mainly from public institutions. The interviewees state that funding for innovative social economy projects is rather scarce and, most importantly, the dependence on projects leads to periods in which money for hiring people is limited, creating a high fluctuation of paid staff. There are periods when they can reach up to 40 employees, and times when they are only 5. This situation has been defined as highly problematic by the interviewees, as follows:

*“This is a very problematic aspect at the moment for the organisations that are trying to promote some innovative elements in Eastern Europe or Romania, because it’s very difficult to be sustainable as an organisation and to have the capacity to maintain your staff. People start with a lot of enthusiasm, but they can give up pretty soon (...) Many times it’s difficult to pay the employees or collaborators, which compromises your image as an organisation and the relations with the partners and employees. What is happening in Romania from that point of view is very tricky”* (Cries\_02).

The initiative frequently struggles with the need of maintaining hired staff, when monetary resources are limited. Interviewees mention that this dependence on project money makes them vulnerable in periods when payments had been delayed by the national government so as *“CRIES is always depending on volunteer work”* (Cries\_02). The respondents mention the lack of possibilities for credit to support their activity during such periods as an important problem, which could be solved through either the creation of a public agency that could give out such credits or by the creation of a Romanian credit cooperative that could support organizations such as CRIES between payments and projects. As one interviewee mentions *“there exist other formulas for being sustainable and to raise money to fund specific projects in the field which are able to be implemented in Romania”* (Cries\_02). However, the directors of CRIES have not still developed innovative forms of self-financing their projects.



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The respondents have a negative opinion on how public institutions work, due to the complicated application processes or the funders' demands for reporting, which are considered highly time consuming, or the different schedules settled by European or national projects, which sometimes transfer the money with retard compromising the stability of human resources or the viability of the project. These are examples of the unsustainable conditions in which CRIES performs its activities that, according to one interviewee, jeopardize the leading role that CRIES is meant to conduct in SSE.

*"We can't assume the role either, so long as we work in financing cycles and with a very unstable number of staff. We can go from fifteen workers to just one in a matter of months. It's difficult to continue the mission. The sustainability part of the projects is thought rather as infrastructure. If you buy a computer or multifunctional through a project, it means you should be sustainable afterwards, but nobody talks about human resources. This is absolutely normal considering this context of a dynamic that sustains some type of perspective shift, but only in a context where there are European funds destined to this" (Cries\_02).*

Based on this experience, interviewees have developed certain reluctance to continue applying for public funds due to the bureaucratic requirements, as the conditions for being funded by the EU and the justification of costs are not aligned with the necessities of the SI initiative but *"are subordinated to the governmental priority cycles or even inter-governmental or between the Government and the European Commission"* (Cries\_02). Besides, sometimes the state has to co-finance and is forced to participate with a certain percentage per repayment, which might bring difficulties to the process, if the management at the government level is not effective and *"the actors from the field are burdened with the lack of resources at the governmental level"* (Cries\_02).

## 4.3.4 Monitoring and evaluation

CRIES attempts to develop a systematic method for monitoring the performance of the projects conducted by the initiative, in particular the Community Supported Agriculture initiatives<sup>47</sup> (ASATs). They aim to assess the impact of the ASAT model in terms of the socio-economic impact by measuring the increment of the "number of small producers interested to produce in a natural and diversified manner, the number of employees involved in small scale agriculture or the number of consumers interested in purchasing healthy products, made at local level" (Vețan & Florian, 2012).

*"This year we are trying to systematise ASAT, it is established as an association, we want some monitoring rules. We have finished the trial and application stage, we think we can move on to the multiplication stage. We have tested, seen what works and what does not. We've always acted on the information transfer side because we had connections with networks from different fields" (Cries\_02).*

As the ASATs functioning is based on building a trust relationship between local producers and urban consumers, the monitoring rules put the focus on how the CSA model is endorsed by members and partners and if the core values of the project are maintained. They evaluate if consumers

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<sup>47</sup>The initiative intends to conduct these investigations periodically, and they have presented the results in few articles published in scientific journals (See: Vețan & Florean, S, 2012).

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(partners in the ASATs) do develop “*a more responsible attitude concerning the role of the consumers in supporting small agricultural producers, understand, assimilate the model and bring in values that are above their selfish interest and that are free riders*” (Cries\_02).

CRIES practitioners are interested in the impact of the ASATs in terms of social cohesion, observing whether “*the public opinion was sensitized regarding the fate of small producers*” and if the relationships between urban and rural were intensified and social cohesion increased” (Vetan & Florian, 2012). CRIES also monitors the good performance of the food communities, including partners’ satisfaction and the fulfilment of partners’ needs: “*the involvement of the consumers is necessary: “to know what went well and what didn’t. If there were problems with a certain product, we need to know what the problem was and decide if that product will exist next year”*” (Cries\_03). In terms of research instruments, anonymous questionnaires seem to be the best tool for gathering sincere feedback from participants.

CRIES struggles with impact assessment and having good results from the projects conducted, because impact measurement is becoming a funding requirement. CRIES has also started to collaborate with the academia, and a few researchers have conducted studies on the Romanian ASAT model. Moreover, international projects can be a source of information and monitoring tools: “*we’re even going to work in a project Erasmus Plus for experience exchange with organisations that sustain community-sustained agriculture in Hungary, Czech Republic and perhaps Romania. With them there will also be a little research, but we don’t have great expectations*” (Cries\_02).

## 5 Local initiative (2): VOSEC, and the Social Solidarity Economy in Belgium

This chapter starts with a brief description of VOSEC, summarized in a timeline (5.1). After that general overview, specific descriptions follow of RIPESS' positioning amidst various kinds of change and innovation (5.2), and the ways it is (dis)empowered in achieving its intended impacts (5.3). Finally, next to this set of central issues, there is a section for 'other case particularities' (5.4).

### 5.1 Overview of development in the local initiative

As indicated in the introduction, the Belgian 'local initiative' comprises a vast field of SSE initiatives. The following historical account provides a general overview of the field; further analysis will sketch the activities undertaken by social economy actors joining into sub-sector federations and social enterprise clusters. Specific attention will go out to the former VOSEC as Flemish RIPESS member, with lesser attention to Wallonian members SAW-B and Groupe Terre.

Well before RIPESS was founded, the seeds for such social innovation had been sown in Belgium. Apart from the guild system as a medieval origin, there are also important historical origins in the 19<sup>th</sup> century, as the industrial revolution evoked various kinds of social economy associations. Furthermore, the typically Belgian phenomenon of social pillarization, of social organisation along ideological lines has spawned a multitude of socialist, Christian and liberal associations. De Mey et al. (2008) sketch a rich history of social economy in Belgium from 1830 onwards, with stagnation between 1950 and 1970 and a revival thereafter. The stagnation was caused by the rise of the welfare state (taking over and encapsulating the social economy), and the social economy also became intertwined<sup>48</sup> with the capitalist economy – a dual process of anchorage in the welfare state (De Mey et al (2008:17). Even up until the 1970s the many associations, cooperatives and mutualities operated in relative stealth however. They 'made sure not to be associated with a particular social pillar<sup>49</sup>, and to be operating like any other capitalist enterprise' (Develtere 2006:2). During the 1970s this somewhat latent existence was reinvigorated however, and De Mey et al. (2008:18) consider three hypotheses that have been brought forward about this: 1. The 'vacuum hypothesis' (Westerdahl & Westlund) of market and state failure, 2. The 'influence hypothesis' of citizens feeling a lack of voice, and 3. The 'local-global hypothesis', pertaining to localism as a response to globalisation. Following the 1973 oil crisis and the subsequent economic downturn, new societal issues were arising, such as social disintegration, global inequality, environmental problems. Importantly, this societal awareness led to the rise of a 'new social economy' – this study on social solidarity economy focuses on precisely this 'new' social economy of the last 30-40 years.

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<sup>48</sup> See for example the 'sheltered workplaces' that go back until 1963 (De Mey et al. 2008: 129). As sheltered activities, they could be considered as SE 'niches', yet they're spawned by government.

<sup>49</sup> Belgium has a history of social stratification along ideological 'pillars'. Socialists, liberals, confessionals organized themselves not only through political parties, but also through unions, media, cooperatives, insurance schemes etc. Pillarization strongly shaped Belgian history of social economy.

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Although there were such new social economy initiatives throughout Belgium, the impulses towards it seem to have been particularly strong in Wallonia, the francophone part of Belgium. The French cultural-political influence has been important, as especially the ideas of a solidarity-based economy had prominent articulations by French authors. Develtere (2006) mentions the influential writings of Gide and Desroches (France) and Lambert (Belgium), for example, but the particularly well-developed francophone discourse on solidarity economy still speaks from the publications available on the topic. Other indications of this relative early SE development in Wallonia were the establishment of the 'Comité National de Liaison des Activités Mutualistes, Coöperatives et Associatives' in 1975, and the 'Conseil Wallon de l'Economie sociale' (CWES) in 1981. The latter came up with an official definition of 'social economy': *"Social activities executed by partnership, specifically cooperatives, mutualities and associations, with an ethics translating into the following principles: (1) The interests of members or of the wider community prevail over profit, (2) autonomous management, (3) democratic decision-making, (4) individuals and labour prevail over Capital in the allocation of profits."* (De Mey et al. 2008:21. Subscribing to these principles, the Solidarité des Alternatives Wallonnes (SAW) was established in 1981, as a federation to unite the various social economy enterprises, and also the Groupe TERRE, another later RIPESS member, was a very early example of organized and bundled social enterprises.

Compared to their francophone counterparts, the Flemish Social Economy initiatives were somewhat later in the development of joint action, representation and institutionalization as a 'SE sector'. To a certain extent it was inspired by the former: The 'social economy' concept, that was initiated by the CWES, was also explicitly adopted in Flanders, from about 1990 onwards. Still, the Flemish 'new' social economy existed for a long time in the form of miscellaneous, isolated, somewhat marginal and sometimes clandestine activities – the latter remained the case as long as unemployment policies forbid informal service provision, as distractions from the search for paid labour. Important impulses to the social economy were therefore the changing policy visions on unemployment and the 'active welfare state' (Bosmans), but also the attempts by key SE initiators to form a serious social force to represent the field and to voice the common goals of the various SE activities already around. Early attempts towards unification were undertaken from social and sheltered workspace federations, who themselves had already organized as groups (vanderStock). Following a similar rationale as that so-called 'third-parties deliberation' (vanderStock), the VOSEC (Vlaams Overleg Sociale Economie - Flemish SE deliberation) was established on December 10<sup>th</sup> 1997.

VOSEC was meant to bring forward a clear and unified vision on the SE (Bosmans), and to represent the various interests present in the sector (vanderStock). According to De Mey et al. (2008:22-23), it also responded to the confusion that had arisen on what the SE comprised, and what its purposes were. Even when earlier defined along CWES lines, in practice the term was often taken to refer to the reintegration of low-skilled and marginalized groups, as the Flemish Ministry for Labour affairs adopted it. Apart from that, the label was widely adopted by a wide miscellany of cooperatives, labour reintegration projects and 'MeMo'-initiatives (Human and Environment friendly production). SE turning out as a very vague concept, some actors from the field, such as alternative finance organisation 'de Hefboom', proposed 'solidarity economy' as a more precise alternative. Responding to the limited interpretation of social economy in Flanders, some 30 organizations<sup>50</sup> brought forward their broader and deeper understanding of 'social economy', one that strongly leaned on

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the CWES definition and comprised not only the still central issue of labour reintegration, the particular sorrow of politicians (de Mey et al. 2008:23). Reflecting the diversity of the initiators, the vision also acknowledged organisations in for example recycling/second hand economy, social housing, fair trade or alternative finance. This stated clearly that labour reintegration<sup>51</sup>, and unemployment reduction, were not to be understood as the only goal or the essence of the social economy – the SE should not be reduced to the garbage can of the regular economy, the ‘Normal Economic Circuit’ (Bosmans). This broader finality became very clear through the ‘neighbourhood and proximity services’, for example, that had come up as ways to meet societal needs for which marketable solutions were lacking.

VOSEC became officially acknowledged as a spokesman platform, as a ‘dome’ federation as these representative bodies are recognized in the Belgian political relations, by the end of 2000. That recognition as a key player in the social ‘concertation’ marking how VOSEC became an established actor, it also indicates how more broadly the social economy was becoming a policy sector. De Mey et al. (2008:36) distinguish 3 periods in the development of the labour integration economy and the policy regarding social economy, for example: After the phase of bottom-up initiatives (1982-1992) and governmental responses of consolidating those experimental activities (1992-1999), it is around the turn of the century that government actually starts to organize and harmonize the field. Importantly, there was the introduction of ministers integrally covering the social economy, at federal level in 1999, and on the Flemish regional level since 2000, as clear indicators of a will to develop the SE as a sector. The social economy was actively stimulated to expand, reflecting new policy paradigms such as the newly introduced concepts of the ‘surplus economy’ (with societal benefits beyond immediate economical profits) and the ‘active welfare state’ (moving beyond the ‘passive’ arrangements revolving around state transfers)<sup>52</sup>. On July 4<sup>th</sup> 2000 there came an agreement between the various Belgian governmental tiers on the surplus-economy (“meerwaardeneconomie”)<sup>53</sup>. This overarching concept comprised three policy pillars, combining SE expansion and support of the neighbourhood and proximity services with socially responsible enterprise (“maatschappelijk verantwoord ondernemen”). This thrust towards the ‘surplus economy’ even led to renaming of VOSEC into VOMECE (M for “meerwaardeneconomie”), but in practice the old VOSEC was sustained as a name (De Mey et al. 2008: 83).

Around the turn of the century, the Flemish social economy found ideological and administrative homes<sup>54</sup>. This allowed it to grow substantially in size, more than doubling from 1999 onwards towards about 20.000 subsidized jobs by 2003 (de Standaard, 2002). It was in this period that VOSEC could become a partner in the maturation of the sector: Whilst government was willing to provide subsidies – partly through innovative financing schemes such as the cross-sectoral ‘clover-

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<sup>51</sup> On Federal level, the concept of *économie sociale d’insertion* emerged. This insertion can be interpreted as professional insertion (employment), but also more broadly as social insertion (integration in society).

<sup>52</sup> The ‘passive’ welfare state became untenable, it was considered, both for the assumptions of solidarity that became over-demanding in individualizing society, and in financial terms as well. The policy of activation during the 1990s was set in ‘under pressure from Europe’ – the grand narrative of the ‘active welfare state’ later became justified not only for the difficulties of the passive welfare state, but was also justified with appeals to individualisation, autonomy, emancipation, and empowerment (de Mey et al. 2008:72-73 ; Frans et al. 2002)

<sup>53</sup> The ‘active welfare state’ agenda was most dominant in the 04/07/2000 agreement, de Mey et al. (2008:74) indicate, even if ‘solidarity economy’ was explicitly referred to.

<sup>54</sup> More generally the SE became increasingly acknowledged (on local, national and European levels) through the growing awareness of structural unemployment, not only understanding it as a threat to the individual’s well-being, but also to the foundations of society).

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leaf' packages and attempts to arrive at person-bound 'backpack' subsidies (Vandebroek)-, VOSEC was the federative platform that stimulated professionalization in its work forms (notably in the recycling shop sector, but also in the social work spaces and local services), and took to considerable self-monitoring (vanderStock) for the sake of policy information.

After the ministerial period of Landuyt, in which VOSEC became established as a partner in a well-established SE sector, the policy on social economy 2004-2009 was in many ways an attempt to get the young sector further organized. The minister (van Brempt) considered a second wave of professionalization necessary, and sought to bring more coherence in the miscellany of initiatives that emerged. In a way this streamlining of the sector is reflected in the reconstitutions of the neighbourhood services and environmental/recycling SE enterprise federations. Furthermore, indicators would have to be established for an efficiently operating policy field. Hence the long-term strategy social economy (de Mey et al. 2008: 88-89), which featured attempts at a more solid anchorage in policy and reconsideration of legislation, introduction of the 'clover leaf model' of financing from different sources (see also the 'backpack-model'), and also the abandonment of the humbling, 'oppressive' discourse of 'protected work places', 'incubators', and 'social' workplaces. The latter changes in policy discourse were not just manifestations of new administrations just seeking to have an imprint on policy – it also reflects how the Flemish SE, and the federations through which sub-sectors developed their visions and political positioning, had turned towards bridging the gap with the 'Normal Economical Circuit' (vanderStock, Bosmans), and had started to adapt to the increasing demands of customers – as in the no longer 'shabby' recycling shops (Vos).

Meanwhile, in the process of becoming a 'dome' federation of increasingly 'normalized' SE subsectors and initiatives, VOSEC has always been a problematic construction. Due to continuous internal divides (see further 5.2-5.3), the dome organisation never gained the trust of its constituents to fully represent them. As a consequence, the dome also gradually lost its credibility towards policy-makers, both as a representative body for the sector and as a (considerably subsidized) provider of policy advice. Even when some cracks in the social economy became evident already in the 2004-2009 period, it was only by 2009-2010 that serious restructuring was decided for. The 2009-2014 policy framework for Flanders announced the need for restructuring, not only of the social economy sector but also of the economy more generally- the economic crisis making itself felt (van Brempt 2009). Importantly, the framework contained the decision that the support structure for the social economy would be restructured and simplified,. As eventually laid down in a decree of February 8<sup>th</sup> 2012, the support structure would be streamlined, and brought in accordance with European legislation on competition and state support (VSAWSE 2012). It would also have to meet desires for more simplification, efficiency and effectiveness, and stimulate entrepreneurship in social economy enterprises (Werk.be 2014b).

The decree had the concrete implication for VOSEC that the arrangement would be discontinued. As the constituent partners did not feel inclined to challenge this plan and back the organisation, which counted about 6-7 F.T.E. by then, was dismantled after 15 years of existence. Subsequently, the decree on sector support led to the insurrection of a new organisational structure: The resources for sector support were to be managed by In-C (In-C 2014), a newly established organisation that would manage these resources from an independent position, controlled by a advisory board – consisting of a somehow balanced representation of SE federations. Crucially, In-C was focused on sector support, without the political advocacy and representation functions of the earlier. The latter

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functions are to be fulfilled by the specific Social Economy commission started by the Social-Economical Council of Flanders (SERV), starting by the second half of 2014.

Meanwhile, as these earlier initiated restructurings are taking effect, the federations and actors in the Flemish SE sector are somewhat anxiously awaiting what the new administration of 2014 will bring. This policy, as laid down in Homans (2014), seems to break firmly with the developed situation in which the SE sector formed its specific institutional domain next to the 'Normal Economic Circuit'. Emphasizing the need for the Flemish economy to drastically increase its rate of employment, it appears that the arrangements of the Social Economy are crucially supposed to further change into support structures of regular companies.

Year / period	Important milestones in Social Solidarity Economy Belgium	Important changes in context
1830-1950	Rise of social economy	Industrial revolution, pacification of class struggle, emancipation through social pillars
1950-1970	Stagnation of social economy	Rise of welfare state; pressures to conform to/merge with market/state
1963-	Groupe Terre established as a non-profit association. Started out of volunteering, they came to take up development aid (Groupe Terre 2015a)	
1975	'Comité National de Liaison des Activités Mutualistes, Coöperatives et Associatives' established	Rise 'New Social Economy', as response to oil crisis and associated social challenges
1980-	Groupe Terre starts 'Projet Wallonie', aiming to support those 'at a distance from the labour market'	Oil crisis and subsequent economic downturn and mass unemployment
1981	'Conseil Wallon de l'Economie sociale' (CWES) and Solidarité des Alternatives Wallones (SAW) established	Consolidation of 'new social economy' initiatives
1986	SPIT group established (SPIT, 2014)	Bundling small-scale alternative employments
1994	Establishment Federation of Flemish recycling shops (Federation of Environmental Enterprises since 2007) (KOMOSIE 2014)	Organizing and consolidating the recycling sector
1994-1995	Third-party deliberations started, as first attempts towards unified social economy sector	Need for unified political voice



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1997	Vlaams Overleg Sociale Economie (VOSEC) established.	Initiators seek to establish the social objectives of SE
1999	First Federal level minister for Social Economy, the surplus-economy (“meerwaardeneconomie”) concept launched as policy vision by July 2000	Rise of ‘active welfare state’
2000	VOSEC acknowledged as official Social Economy federation by minister <sup>55</sup> , first subsidized full-time coordinator by Spring 2001 (Bosmans)	
2001-	King Boudewijn Foundation starting ‘experimentation fund’	Attempt to develop subsidy criteria
2003	Establishment Fed. of Neighbourhood & Proximity Services (Local Service Economy Fed.) (LDE 2014)	Organizing and representing the SE sub-sector
2004-2009	Flemish Social Economy Policy Framework 2004-2009	Felt need for professionalization of the field
2006/2007 (?)	VOSEC restructured towards ‘dome of domes’	Felt need for representation and mandate; sheltered workspaces joining SE Dep.
2009	Flemish policy framework 2009-2014	Felt need for streamlining of SE sector
2012	VOSEC dismantled, and tasks are divided over IN-C and Social Economy council SERV <sup>56</sup>	Difficulty to combine sector support and political deliberation functions
2014	Flemish policy framework 2014-2019	Objective of increased employment rate and ‘inclusive’ economy

## 5.2 Aspects of ‘innovation’ and ‘change’ of the local initiative

### 5.2.1 Relation with social innovation

When asking the social innovation of VOSEC, respondents unanimously indicate that VOSEC was hardly or not at all socially innovative – the innovation was to be found in the activities of the various

<sup>55</sup> See Weliswaar (2003?), and Landuyt (1999)

<sup>56</sup> The mission to support the social economy was granted to CollondSE, who started In-C as supporting network organization. See for the covenant: [http://in-c.biz/sites/default/files/in-C\\_covenant.pdf](http://in-c.biz/sites/default/files/in-C_covenant.pdf)

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SI enterprises and initiatives that VOSEC was meant to be a spokesman for. As indicated by one of the founders of VOSEC (1997), it was an attempt to bundle various innovative informal, bottom-up initiatives that had popped up in various Flemish cities in the 1990s: *“..it was as if there had been something in the tap water. One could see basically the same trends in several cities, coming from various perspectives and from various organizations, but in all cases the assertion was the same, ‘we’re doing community work, we work with people from marginalized groups, helping with solutions to their social problems, trying to sort out issues with the agencies for them...”* (Bosmans, 1) A shared idea was that people ‘at a distance of the labour market’, often with psycho-social problems, should be included in society. Crucially, the regular economy or ‘Normal Economical Circuit’ (NEC) would not provide these opportunities however, whilst the welfare state did provide allowances but not ways for the people to develop themselves and to take part in society. As the unemployment benefits were premises on complete ‘availability to the labour market’, various informal-economical initiatives were clandestine to a certain extent. Considering that this social economy merited recognition and support, VOSEC was established. The key social innovation that the various initiatives had in common was the social ‘insertion’, empowering marginalized groups by employing them in not for profit, non-hierarchical and cooperative enterprises that delivered socially responsible goods and services. This empowerment of the marginalized, of those groups excluded by the NEC, is generally considered the key SI that the VOSEC members shared.

At that time, these alternative forms of employment, the social insertion, gained broad societal support. Importantly, the understanding had become widespread, even beyond political convictions, that the welfare state arrangements were in need of revision. The structural unemployment of the 1980s had left large groups into passivity and marginalization, and the idea came up that “people shouldn’t be paid to catch dust in their homes”, but rather receive benefits and continue to be active in and for society (Bosmans). A second socially innovative aspect of VOSEC members’ activities was this social insertion.

The ‘insertion’ was crucial for the social economy to gain political support (see 5.2.2). Still, VOSEC members deplored that this came to overshadow the empowerment aspect and the cooperative, alternative ways of working involved. As the social economy shouldn’t be reduced to a ‘garbage can’ of the regular economy, the insertion was even not included in the SE definition laid down by VOSEC. What they did include was the aspect of the new services and products brought forward, often providing for needs that couldn’t be met against regular market prices. Examples of this are the recycling shops and the SE sector that grew out of it (KOMOSIE 2014), but also the ‘neighbourhood services’<sup>57</sup>.

Finally, it is striking how current SE activities are often claimed to involve innovation with regard to financing. The recent ‘streamlining’ of the sector into a basically two-tiered system is seen to require considerable adaptation for example, requiring amongst others to increase efficiency whilst remaining responsive to the limitations of the specific group of employees. Regarding to the social workplace, that constant innovation has already made for inconceivable increases in productivity (vanderStock, 15). An employee of the local services federation indicates likewise that their innovation is typically to be found in their attempts to piece together the funds for their employees,

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<sup>57</sup> Proximity-based services were considered to meet the new needs/demands resulting from demographic change (rising elderly population), changing family structures, increasing labour participation from women, and declining social cohesion. These services typically require collaboration between user and service provider and/or between different providers, and tend to generate collective profits (child care enabling labour participation of women, for example). (de Mey et al. 2008: 25-26).

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and to seek the emerging policy priorities in other sectors through which to obtain co-financing. (Bawin, 10). This multi-sector financing has typically been developed for this SE sub-sector for its multi-purpose character of service-provision and insertion (LDE 2014). It was laid down in the first decree on SE that consolidated the 2001 ‘experimentation fund’ of the King Boudewijn foundation, which had specified the criteria (de Mey et al. 2008: 25-26).

## 5.2.2 Relation with system innovation

The fact that many involved actors refer to a Social Economy *sector* reflects how the social innovation that blossomed in the late 1990s has been strongly institutionalized. One of the VOSEC founders considers that this crucially has depended on the circumstance that two societal dynamics came together (Bosmans, 2): Not only were there the various social innovation initiatives that emerged despite the welfare state system, there was also the political paradigm shift from the ‘passive’ to the ‘active welfare state’ that sought to part with the rigidities of the welfare state – the strict dichotomy of either regular paid labour or state benefits, and also the dichotomy between ‘social’ state interventions and narrow economic profit-seeking. The socialist minister Landuyt is widely accredited for his promotion of the ‘active welfare state’ and the ‘surplus value economy’, as headings for economic system innovation that also involved the institutionalization of the social economy.

In 1999 a system innovation system process started that allowed the various SE initiatives to grow. In Flanders in particular, the social economy of today has strong roots in the economy of labour integration (“sociale inschakelingseconomie”). This support of disadvantaged groups was on the one hand a result of bottom-up action supported and structured by government, on the other hand a result of governmental policy against the mass unemployment starting in the 1970s. De Mey et al. (2008:36) see how both the policy sectors of ‘society development’ and ‘welfare’ were involved, with a trend of increasing diversification into re-employment, training, and self-employment. They distinguish 3 periods in the development of the labour integration economy and the policy regarding social economy:

1. ‘The field (“werkveld”) takes initiative, government anticipates’ between 1982 and 1992. Government starts to take measures against structural unemployment from 1982 onwards, and from 1985 and especially 1988 the initiatives towards re-deployment for the disadvantaged are embedded in deployment policy – and profiled as ‘social economy’ from 1990 onwards.
2. 1992-1999 government takes over the initiative, expands the deployment policies and accords ‘experimental recognition’ to the social economy. The recognition by decree of ‘social labour arrangements’ (“sociale werkplaatsen”) in 1998 also marks the moment in which conditions for support are introduced. Meanwhile, sector organizations (“koepelorganisaties”) are influencing policy.
3. ‘Government organises and harmonises the sector’ (1998-2009). The social economy and regular economy become demarcated, new forms like the proximity/neighbourhood services are initiated by government, and various supporting structures (such as VOSEC) acquire recognition through the ‘surplus economy act’ (“meerwaardenbesluit”). The social economy becomes anchored in policy and harmonised, also including renewed, more efficient forms of financing through the clover-leaf/backpack models (merging financial streams).

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Altogether, this period 1982-2008 is characterized by maturation (there's minister for it, and sector organisations), increasing differentiation<sup>58</sup> and accumulation of policy measures ("bestuurstechnieken"), and there's a merging between 'public, private and commercial' sectors (De Mey et al. 2008: 97-98).

Between 2008 and 2015, it has become clear that the system innovation also involved a certain normalization and watering down. Just like other policy sectors, the SE sector was subjected to principles of measurability and performance management, also involving increasing pressures to make the social insertion constructions into temporary arrangements – acting as spring boards towards paid jobs.

## 5.2.3 Relation with game-changers

The SE innovations towards the various kinds of social enterprises, and especially the system innovation towards a Social Economy sector, have been shaped by three game-changing developments in particular.

First, the 1973 oil crisis and its long aftermath have led to a particularly heavy and sustained high unemployment in Belgium. This high structural unemployment has challenged the social security system significantly. Geared towards bringing benefits claimants back to the labour market, the system was failing in the face of such persistent and structural unemployment. The problems of social exclusion made themselves more felt, and civil society actors started to take up "social insertion" activities out of compassion but also out of social critique.

Second, it has been of essential importance for the development of the SE sector that the civil society initiatives resonated well with the ambitious restructuring of welfare state arrangements undertaken by the Labour minister. The SI fitted in not only with calls for 'humanized' economic production and social economy, but also with broader considerations about the added values of a Third Sector/Social Economy and about the importance of sustained social insertion efforts.

Third, a most instructive game-changing development resides in the events around 2010 that led to the awareness that the Belgian SE sector had to be brought into accordance with EU Competition Law. From the point of view of the latter, the subsidized labour arrangements counted as breaches of the principle of open competition, as distortion of the labour market. This effectively implied that the Belgian arrangements have been illegal for a certain period; institutional repair work was necessary to clarify how certain SE jobs would fit under an exception clause for 'services in the general interest'. Part of this institutional repair operation also served the relatively right-leaning Belgian governments however, who reorganized the sector such that it became more oriented towards employability and profitability.

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<sup>58</sup> As an example of differentiation, see for example the Labour/Care (arbeidszorgcentra) that became officially recognized but earlier existed as not-recognized sheltered workplaces. These centers employ people that fall outside the sheltered workplace target groups – here it's more about the therapeutic value of labour.

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## 5.2.4 Relation with societal transformation

Throughout the evolution of the Belgian SE sector, there have been discussions and concerns about its transformative nature. Early-hour SE activists tend to be more radical and ambitious in the systemic changes they like to engender, compared to later generations of social entrepreneurs. The concern from the beginning on has been that the social and sheltered work spaces would be co-opted. If not actively prevented by political action, they would be instrumentalized as mere “safety valves” for the unemployment issue, i.e. remain temporary arrangements that would in the end not achieve the desired more structural insertion of vulnerable people. Likewise, the sector has always been pervaded with the tensions typical of hybrid institutions: the social enterprises have often encountered ‘mission drift’, turning into quite regular companies. Also, the sustained focus on the employability function has led to insertion enterprises that were less and less able to help those who needed it most, rather than help those with the greatest potential in terms of production and of employability in a regular job.

It appears that VOSEC has for a long time been acting as a political interlocutor, bringing out the socially innovative and transformative ambitions as integral parts of the story. Their radicalizing function, their role as political consciousness, has in the end faded however. Part of this demise appears to have been that their principled attitude did not work well with the wishes for sector ‘streamlining’ and revitalization of policy-makers, but another one was that the diverse constituency felt insufficiently represented.

## 5.2.5 Relation with narratives of change

The SE sector as a whole has always relied heavily on the set of Narratives of Change brought forward by Marxist political movements, but also by communitarian-Christian initiatives of caritas. Especially around the time that VOSEC was established, there was a relatively strong commitment of SE initiators to a narrative of alternative economies, in which their social enterprises and cooperatives would feature as the beacons and proofs-of-principle for a broader transformation in the ‘economic system’ and in particular in the policies regarding employment and not-entirely=market-conform production ‘with a societal function’.

As noted by several respondents and also reflected in literature, the ‘alternative economy’ narrative has to a certain extent become surpassed by other narratives that undermine it. An important example is the rise of the self-empowerment narrative, in which it is emphasised that helping people makes them dependent and that the ‘vulnerable’ should be stimulated and activated to fulfill jobs. The discourse has become stronger oriented towards individual responsibilities of people: whilst the handicapped can still count on compassion, the tolerance for ‘self-inflicted’ problems of marginalized people (various social-psychological problems, involving low educational level in which education and addiction issues) is declining. This leads to an approach towards the SE in which the enterprises concerned are mainly deserving their protected space as far as they help to discipline and educate their clientele into paid work, and as far as they manage to do their innovative work without too much ‘subsidy-dependence’.

Finally, the changing narratives of change have involved very subtle shifts in the way in which the subsidized workers of the SE enterprises were referred to. As ‘target groups’, in politically correct

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policy language, but also as the “deprived” (“kansarmen”), ‘the vulnerable’ (“risicogroep”) or the “opportunity group” (“kansengroep”). These discursive shifts reflect the changing views on agency and self-determination in a nutshell.

## 5.3 Aspects of empowerment and disempowerment of the local initiative

The empowerment processes in this local initiative are challenging to describe, as they play out on different levels. After briefly describing the governance empowerment afforded through the federations structure (5.3.1), we describe the social learning (5.3.2), the resourcing (5.3.3) and the monitoring (5.3.4).

### 5.3.1 Governance

First of all, the case brings out the instructive operation of VOSEC as a collective political representative of a diverse group of SE initiatives. This platform was deliberately created to enhance the political influence of SI initiatives that otherwise would have been left divided, marginal, and without political voice.

Second, this formation of a collective lobbying actor has been a response to a system innovation process (see earlier) in which a policy sector was created to consolidate and organize what was up till then taking place in the form of informal, project-based and rather fragmented fashion. These policy changes around the millennium turn made for a political window of opportunity that encouraged civil society actors to organize themselves as well. Their collective existence as a policy sector (or sub-sector) would eventually bring empower each of them individually as well, they believed.

Third, however, it has become evident from early on already how the unification into a collective actor has been problematic in light of the organization structure within the supposedly uniform SE sector. VOSEC was established as a common platform, yet it actually amounted to a structure of a federation-of-federations. The various kinds of SE initiatives, notably the social and the sheltered work places, were also in their turn organized through unifying federations. Accordingly, these federations defended the interests of their constituents. For the various SE federations, these interests were not the same and often even conflicting. Each of them worked with different subsidy schemes, goals, visions, and constituencies. Accordingly, VOSEC already started from a shaky organizational foundation, in which it had to represent collective interests that in fact were not collectively shared. Worse, the platform had to account for the differences in sizes of the constituent federations, which (especially according to the greater federations) should translate into greater political weight. This matter has not been resolved satisfactorily, several respondents have indicated: in several phases, the VOSEC organization came into conflict with constituents, and eventually the lack of representativeness even undermined their credibility vis-à-vis the policymakers. As the key mission of political representation was no longer fulfilled, VOSEC thus reached its expiry date.

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Fourth, the demise of VOSEC has led to an institutional arrangement in which two key empowerment functions of VOSEC have been separated. As indicated by several respondents, VOSEC took up not only the political representation, but also the provision of sector support (in the form of consultancy, training, innovation projects, and information sessions). This led to certain conflicts of interests and roles, however, especially as some of the SE consultants were also represented in VOSEC. In the arrangement from 2013 onwards, the political representation has been uncoupled from the VOSEC successor organisation, allowing them to be more effective and transparent in their provision of sector support.

Fifth and finally, important empowerment takes place within the SE initiatives (even apart from the empowerment conveyed through the insertion of vulnerable individuals). As has been codified in SE policy frameworks, they are special institutional structures that need to be organized in certain ways in order to obtain their special treatment. SE initiatives should thus be operating not-for-profit, for example, but they should also have a certain corporate governance. The cooperatives are important examples here, with their statutes on shared ownership and democracy within the firm.

## 5.3.2 Social learning

As mentioned, VOSEC was mainly intended for vision formation, representation and lobbying, but also served to empower the sector through various kinds of sector support. Even this combination of tasks eventually did not work out well, VOSEC has clearly been looking to have its license to operate through the organisation of sector-level learning.

Important social learning has been organized first of all on what it means to operate as an actor in the SE sector. As representative collective actor, VOSEC was of course in the position to inform constituents about latest policy developments, to take stock of bottlenecks encountered, to discuss common positions to take, and also to discuss how the sector anticipate and respond to policy changes – such as the long-awaited restructuring of the sector into a singular framework covering both social and sheltered work places.

Apart from the collective learning directly related to policy, there has also been collective learning rather focused on the business administration aspects of the social enterprises. These aspects became more and more important. Whilst policymakers wanted to see a more professional sector, there were market pressures towards more efficient production. Also, the wider public posed certain pressures towards professionalization: However noble the underlying principles, the services offered by social enterprises had to meet certain standards. A clear example of this are the recycling shops, which according to a federation member evolved quickly into shops attractive enough for the middle-income households as well.

Currently, the VOSEC successor In-C can be seen to provide especially the collective learning related to the business administration aspects. Even if continuing the information provision on policy developments, the learning is more focused on the challenge of keeping the SE initiatives afloat and economically viable without too much subsidy. Accordingly, in-C can be seen to empower SE sector constituents through the creation of learning networks, through the development of an information hub, through sector trainings, and through the for SI policy typical support of start-up enterprises. The collective learning on the meaning and significance of Social and solidarity-based economy are



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clearly diminished in the Flemish SE – by contrast, the francophone SAW\_B is still geared more strongly towards this ideological-principled dimension of social entrepreneurship.

## 5.3.3 Resources

Regarding resourcing, financial resources are not the only but surely the essential resource in this case. Important are the efforts of the many civil society actors and NGOs who put in considerable volunteering efforts into the SE, but in the end, the various activities in the SE require a degree of subsidy. The institutional model that has been developed in the Belgian SE sector involves co-financing: The labour subsidies are only complementing the income generated through the provision of services and products, and the social enterprises still rely on income generated through clients.

Those labour subsidies have always been financed through various sources, namely through the employment policy -related ‘insertion’ and through the benefiting sectors (for example health care in the case of the local service economy, or environment with regard to the recycling shops). The “clover leaf model” and the individualizing “backpack-constructions” are instructive as co-financing schemes specifically set up to support and manage this social innovation.

An further important shift seems to have been the anchorage/making permanent of incidental experimental funds. Still, there have been quite some shifts and mergers and streamlining in the deliberations between the different VOSEC partners in the ‘concerted SI’, leading to shifts of target groups. As the level of subsidy is contained by EU competition law (and political choices/public support), there are pressures towards a larger share of self-generated profits – potentially excluding the relatively weak ‘target groups’.

In-C typically devotes much attention to SE enterprises’ earning power, it seems.

## 5.3.4 Monitoring and evaluation

The monitoring and evaluation are particularly important processes of (dis)empowerment in this case of SI, and this has much to do with the dependence of the sector on subsidies.

As indicated by a longstanding director of a sheltered work place enterprise, the SE sector became one of the most intensively monitored sectors. This had to do a lot with the policy pressures to come up with evidence on the proclaimed positive externalities. The justification for the subsidized labour - subsidies that strongly go against the liberal insistence on not intervening in market mechanisms and therefore remain politically highly vulnerable – was far from trivial. It required accounts not only of the socially upward mobility, the increased employability, of the target groups, but also of the various impacts on environment and social cohesion. Especially the impacts in terms of employability have been intensively monitored, reflecting but also reinforcing the prevailing insistence on this instrumental significance of the ‘insertion’ schemes. Meanwhile, monitoring of social impacts may well be more empowering for the sector: At least from the perspective of RIPPES and the solidarity-based economy, these impacts are the essential impacts, whilst the significance in terms of ‘insertion’ should not be overemphasized for its subservience to neoliberal employability programs.

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The monitoring has thus for a large extent been imposed through policy pressures towards transparency and quantification of impacts: An overall rationale of prudence in public spending, complemented with a degree of social policy interest in labour market dynamics. Still, the SE sector itself has enthusiastically endorsed the intensive monitoring. A longstanding SE initiator remembers how the monitoring was an important way of developing and positioning the sector. This reminds of the general approach within RIPESS in seeking to establish how solidarity-based economy activities are already there, thus establishing that 'there IS an alternative'. The SE initiators have similarly considered it important to go along in broader societal developments towards professionalization – refusing to accept any inferiority position. Regarding the local service economy activities, a federation member indicates how a systematization of personal development files has been important both for ensuring the appropriate use of the subsidies, but also for LDE employees' developments – the personalized files ensure that their empowerment, emancipation and skills development is not eclipsed by matters of day-to-day management or by exploitative tendencies in which these individuals are just used as cheap options.

## 5.4 Other issues about the local initiative

The notion of 'local initiative Belgium' is most problematic, for the administrative, cultural, linguistic divide in the country. There are some exchanges on the operational level, but they are dealing with different regional administrative systems, and are generally not very aware of how things are organized at the other side. Another thing is that Wallonia seems to be more 'solidarity' oriented, and Flanders more 'social economy sector' oriented – the first being more political-ethical and the latter more deliberative-pragmatist. In a way, SAW-B/Groupe Terre and VOSEC reflect the Belgian social economy of cooperatives and not so much the solidarity economy and its operation as a radical social movement. They may be an odd one out as they've bundled/streamlined a lot and became a policy sector – and in that sense they're quite remote from the political movement-of-movements that RIPESS is/aspires to be. The notion of 'local initiative' is rather problematic in this case: the initiatives, or the federative structures on top of them, cannot be considered as RIPESS affiliates (a network structure quite prominent in other TRANSIT cases).

Finally, the focus on VOSEC makes for a rather odd case study, involving several levels and featuring a lead protagonist that has eventually succumbed. To most of the respondents, VOSEC is a somewhat tragic history. It failed to become the unifying spokesman with according impacts that it was supposed to become. For some respondents this makes it an interesting case for (T)SI, whilst others think it is an odd case – the true SI being elsewhere, and in any case not in the representative bodies but in the field, amongst entrepreneurs. Particularly interesting are the various feelings that VOSEC was rather defending the previous revolution instead of preparing the next one. Was it therefore not a true and relevant case of Social Innovation? What would be a more adequate case demarcation? Should the case focus on constituent federations, and which would be suitable? Or on members of these federations, where the action is?

## 6 Synthesis of case study

This synthesis presents overall observations on the RIPESS, CRIES, VOSEC and the social and solidarity based economy. We present three key comparative observations for each of the three themes addressed in preceding chapters: on emergence and development (6.1), innovation and change (6.2), and (dis)empowerment (6.3).

### 6.1 Observations on emergence and development

If one would plot the developments of RIPESS, CRIES and VOSEC in a singular condensed timeline, a confusing picture would arise. There seems to be no strong connection between the events gathered, and also the question arises whether crucial events may be missing in the overview. Put briefly, the three trajectories have mainly developed in parallel: When VOSEC – together with the francophone SAW-B and Groupe TERRE- emerged as a solidarity-economy minded group of actors that reinvigorated the social economy, it had a significant allegiance to the Intercontinental RIPESS network. A decade later, by the time that CRIES was established and that the European RIPESS network was starting to take shape, the demise of VOSEC had already set in however. Even when it had been influential in the development of a substantial Flemish social economy sector, the organization had gradually lost much of its transformative ambitions – and accordingly, its ideological linkage with RIPESS and CRIES<sup>59</sup>. And even when the ideological between CRIES and RIPESS is relatively stronger – the first is explicitly guided by solidarity economy principles -, the network ties are fairly weak also in this case. The relationship between CRIES and RIPESS is almost inexistent, which is surprising considering that CRIES is a founder member of RIPESS- EU. Whilst political institutions insist upon the importance of strong SI networks, almost no resources are available to the networks to sustain a basic structure at the European level. This could facilitate useful support to the local initiatives from the network (as example, the Romanian case, which was boosted by the Council of Europe and funded by the EU but, after 1 year, the funds finished and the networking activity almost disappeared). The Romanian local manifestation and the Belgium regional networks are focused on their immediate local-regional activities, with no financial resources or personnel available to engage in collaborative projects which demand a permanent commitment. Funding that could be available from national or European sources, and that CRIES has benefitted from, to some extent, is sometimes rejected as projects are perceived as placing a lot of bureaucratic barriers that are difficult to overcome. **A first observation to be made is therefore this apparent parallel development, or at least no significant display of co-evolution or otherwise significant mutual influencing within the studied network.**

Second, the comparison of timelines is most instructive in displaying both the shared recent history (apart from RIPESS membership, also shared membership of the European Union) and the quite **different post-WW II histories** of the two 'local initiatives'. This reminds that in Belgium/Flanders, as in Western Europe more broadly, the social and solidarity economy initiatives have mainly born out of critiques of the capitalist economic model – or the 'Normal Economic Circuit' (Ch.5), leaving too little room for social insertion, democracy in the workplace, and socially responsible production of goods and services. Likewise, the VOSEC trajectory has been strongly shaped by the system-

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<sup>59</sup> A watershed event seems to have been the envisioned RIPESS congress in Belgium by VOSEC and SAW-B in 2007, which wasn't pulled through – an event to be eventually organized in Luxemburg, in 2009.

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innovative shift towards the ‘active welfare state’, and by the presence of a welfare state in the first place. By contrast, such institutionalized solidarity has developed very differently for the Romanian (and Eastern European) context<sup>60</sup>. Whilst the Belgian mass unemployment of the 1980s led many to reject the liberal models of economic organization and their market failures, in post-communist Eastern Europe these models have been associated to transitions to democracy and to economic development and poverty alleviation. Social and solidarity economy was thus perceived as a tool for social inclusion only. This is in part due to the fact that a rejection of authoritarian rule was associated to a wholesale rejection of all characteristics of the communist model, including the cooperative forms of associations. This has thus created a reality in which entrepreneurs compete to enter the liberal market economy, and possibilities for cooperative organization, are considered only by a few. This created a situation in which spontaneous social and solidarity economy initiatives were almost inexistent, and the cultural, ideological, and administrative conditions are unfavourable – much unlike the socialist/communitarian ideology that allowed the Belgian/Flemish SE sector to flourish. Initiatives like CRIES appear in an unsupportive context, and have to start with basic awareness raising on the negative effects of the neoliberal model on the environment and on particular groups that are being excluded, as well as on the differences between social and solidarity economy principles/models and the communist model of centralization and forced collectivization.

A third striking feature of this case is the particular kind of **‘restorative’ social transformations** pursued. RIPESS intercontinental and RIPESS EU typically develop a vision in which human beings are put central in the economy, rather than capital, and thus develop transformative visions of fair, sustainable, equitable and inclusive alternative economies. As pointed out, there is an acute awareness of various mainstreaming tendencies, of alternative economies that are believed to be ultimately system—confirming. A striking feature of both CRIES and VOSEC is in that regard that they are both strongly involved with activities related to social inclusion and social insertion (whether through forms of subsidized and cooperative labour) or through other activation processes. This inclusion of marginalized groups is particularly intriguing as it is not evidently innovative, or transformative. Instead, the social inclusion or ‘insertion’ rather seem to be a matter of restoration, of re-inserting those that are left behind, and to certain extent, providing patches to social systems with excluding effects. This aspect of restorative innovation seems to be quite specific of RIPESS.

## 6.2 Aspects of ‘innovation’ and ‘change’

A first observation to make pertains to **mainstreaming processes**. RIPESS, both considered as an intercontinental network but even considered for the European network alone, defines itself as a network-of-networks that aligns and creates political interlocution for a very broad group of social movements. Its various members develop most diverse activities and visions of alternative economies, the cases of VOSEC and CRIES further substantiate. Across all the different social innovations and transformations undertaken under RIPESS or Social Solidarity Economy, the first striking feature of the network is definitely the constant tension between the Social and the Solidarity Economy. Somewhat surprisingly, the account of the RIPESS Europe spokesman suggests

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<sup>60</sup>This comparison, quite unique within the first batch set of TRANSIT cases, potentially shows the reality of an important part of ex-communist central and eastern Europe.

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mainly that RIPESS seeks to radicalize and reinvigorate the social economy – pursuing a political program that at least radicalizes the mainstreamed SE practices in Belgium, and that resists the system-confirming impulses of the social entrepreneurship that is promoted by the EU. RIPESS is clearly very much concerned about –and this is a broader concern within TRANSIT – processes of mainstreaming: In this regard VOSEC provides an exemplary case of the various dynamics through which transformative contents are stifled over time, also showing how there are still wide differences in the degree to which the SE sector stays true to SSE principles. In particular, both the CRIES case and the VOSEC case show how the social inclusion or ‘insertion’ is easily instrumentalized – reducing the multiple social impacts of SSE initiatives to the ‘add-on’ contributions they make, within existing policies and ideologies. As we have observed in other TRANSIT case-studies (e.g. Credit Unions, Slow Food), SIs often face the dilemma of becoming “mainstream” or “remaining a consistent minority” but, somehow, SI initiatives manage to strengthen and maintain pure their principles and core values and impede that others capture their discourse and exemplary practices. They do that by formulating and disseminating a consistent discourse, building in narratives of how to tackle societal issues in a more sustainable, fair and egalitarian ways of doing, and demonstrating -exemplifying- that other ways of D/F/R/K are possible and even better than the traditional ones (e.g. ethical finances, Slow Food, Via Campesina, cohousing). As a result of these strategies, SI initiatives gain reputation and are recognized as an institutional interlocutor in the public arena, gaining social and political influence once they are called by the EU or other political bodies to listen their demands and solutions to societal crisis.

Second, it is remarkable how difficult it is to articulate what the various SSE activities perform. This multi-purpose or **multi-impact social innovation** speaks clearly from the diversity of activities for which the RIPESS network seeks to construct a unifying banner. Concrete examples are CRIES’ ASAT partnerships, and especially the broader conglomerate of the various initiatives in the local service economy, recycling and insertion enterprises in Belgium. CRIES plays a key role in the field of SSE in Romania in SSE through demonstrating alternative models of doing and organising built upon a different conceptualization of social relations. The leaders of CRIES acknowledge that developing a common frame for the social and solidarity economy in Romania becomes “*a matter of social experimentation*” in building new social relations (Cries\_01). To CRIES, social innovation involves the combination of new discourses (the SSE discourse), which are put in practice on the ground, by means of establishing new forms of social relations in economy or democratic institutions at the local level (e.g. launching participatory democracy projects or facilitating community-supportive agriculture models). Through the community supported agriculture initiatives, ASAT, the initiative forges collaborative partnerships among consumers and producers, which involve “rethinking work-relations or exploitation relations” promoted by traditional companies or food system practices. This redefining of multiple (production and consumption) relations is also striking in the Belgian Social Economy initiatives: The recycling social enterprises for example can be seen to redefine the concepts of ‘marketable goods’ and ‘waste, the societal position of the people who work there, the role of consumers in sustainable consumption, and the role of government as a supporter (through labour subsidies) of economic activities with positive external effects. Some other initiatives in the Belgian Economy sector also display strong emphases on the development of workplace democracy, as a SI occurring next to the social innovation in terms of the inputs and outputs of social enterprises.

Third, with regard to the relation to system innovation, it is a striking feature of the RIPESS case that the associated transformative social innovation is strongly connected with the political agency of

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political parties, NGOs, and **forms part of a political movement**. For RIPESS Europe, its linkages with newly emerging political factions like Syriza (Greece) and Podemos (Spain) are important ways to re-gain the historically strong embedding in political movements – which loosened somewhat as many traditional left parties lacked a strong solidarity-economy oriented political profile. As Europe seems to be “having a momentum” in terms of arising critical voices against institutional political parties system, we have noted that also other TRANSIT networks are being approached by “the new left” to contribute to build the new political discourses, even at the European level (e.g. ethical finances). The interesting thing here is observing how these networks respond to these opportunities and articulate coordinated discourses to gain influence. We have observed this in the coordination between Slow Food, Greenpeace and many other agriculture initiatives in order to change EU agriculture policy or the social rejection to TTIP in Europe for example.

## 6.3 Aspects of empowerment and disempowerment

A first striking feature of the (dis)empowerment processes in the RIPESS case pertain to the challenges of **maintaining the own organisation**. For RIPESS as a loose network structure it is already important to secure funding, as way to secure continuity that is difficult to achieve on the basis of voluntary efforts alone. On the other hand, it is not the desire of RIPESS members to have the network grow into a formalized network, with a dedicated network organization and an extensive staff of paid workers: of far greater relative importance is the maintenance of the initiatives that are aligned through the network and the SSE concept. In this regard we have seen how both VOSEC and its members and CRIES have experienced challenges towards sustained functioning.

The CRIES case points to the difficulties of maintaining a stable membership, which include volunteers and hired personnel. As many other SI initiatives, which are voluntary-based non-profit associations (CRIES is not a social enterprise although it collaborates with some of them), the organization relies on the effort of highly motivated people which sustain and coordinate the main activities while the number of members fluctuate over time, depending on external resources and funding. This is also the case for the ASAT collaborative model. It endorses values of community and solidarity but, in reality, the actual engagement of consumers in the activities of ASAT stays at a very low level. Thus, the SI initiative struggles with maintaining its members’ motivations and commitment as well as improving the good functioning of its projects and increasing the impact of its activities. Solidarity motivations are important for ASAT members, as they mention contributing to the sustenance of rural communities and helping local peasants to maintain their small local organic production, through the ethic and practice of co-responsibility.

By contrast, the VOSEC case represents an instructive history of having incidental project subsidies eventually supplanted by structural funding – the development of the Belgian Social Economy sector can be taken as a case of successful institutionalization, in which more encompassing processes of system innovation and governmental reforms made sure that civil society was supported on a more permanent basis. Still, this institutionalization provided policy frameworks within which it was still not at all easy to maintain operations, and which posed pressures to attenuate the transformative ambitions in favour of more ‘businesslike’ social entrepreneurship: Entailing mainstreaming and development towards a SE ‘sector’ that had lost its transformative teeth somewhat, the institutionalization thus only underlines the difficulty maintaining an SSE initiative. Finally, the



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particular case of VOSEC as federation-of-federations is instructive for the way in which it shows risks of congealment. After having been set up as a political representative, and therewith supporting the sustenance of its member initiatives, also certain motives towards self-preservation arose within the representative organization. So even if the generally more acute problems of maintaining continuity are amounted, there are still the challenges of doing so within losing one's transformative bite, and without eventually becoming a conservative organization.

A second striking feature of the (dis)empowerment processes in the RIPESS case is the high importance of developing/maintaining a **collective identity**. RIPESS is a network that has creation of collective identity as its *raison d'être*. They try to convince very diverse initiatives that they're doing solidarity-based economy, often without knowing it or not under that banner. Even when we can conclude that the role of the international network (RIPESS) is limited in the development of CRIES and VOSEC, it has been and continues to be important somewhat indirectly, namely through the construction of a unifying narrative of change and a collective identity for otherwise isolated and marginal initiatives and projects. In Romania, there is a lack of collective identity or "shared thinking" within the sector of social and solidarity economy, which inhibits the expansion of social economy; SE actors do not feel being part of a common field which pursues a systemic or social change and the concept seems to be often reduced in its practical manifestations to social inclusion, a very narrow vision of SSE. RIPESS (or its early developments through the CoE corresponsability project) did facilitate the creation of meaningful alliances with other SSE actors and CRIES emphasizes the enriching interaction with SI initiatives and networks at the European level, in particular IRIS and URGENCI, which provided examples and experience to learn from, knowledge, methods and practices, to be adapted and introduced in the Romanian context. Given their isolation in the Romanian context, these connections were experienced as empowering and helped them develop CRIES in a non-favourable local context. The active role of the Council of Europe has also enabled the formation and development of CRIES.

A third observation is directly related to the creation of collective identity, in the sense that the abstract concept of solidarity-based economy needs to be shown concretely for it to catch on. The initiatives associated with VOSEC and CRIES exemplify **empowerment through demonstration projects**, i.e. a conscious strategy of creating showcase examples – as ways to show the more general viability of certain values and new ways of doing and knowing: CRIES has chosen to create a pilot project that could showcase the values and practices of SSE. Unable to only remain in a role of support for existing bottom-up initiatives, they have developed community supported agriculture pilot projects, which are presented as sustainable and fairer alternatives to the capitalist agriculture model promoted in Europe. Through these projects, which have been successful in attracting members in different parts of the country, CRIES has attempted a *contestation-in-practice* of Western neoliberal economic practices. The pilot projects were set up in the hope of starting a process of bottom-up generation of SSE initiatives, and of making a set of alternative practices visible across Romania and disseminate the discourse of SSE in different contexts and oriented to different audiences. Importantly, this awareness raising has not only outward functions (towards the political world and the public), but also inward functions (toward SSE actors not yet aligned with the network, or towards enthusing existing members). As the discourse of SSE remains still vague and might cause reticence, the leaders of CRIES focus their efforts on providing examples of "good practices" in the field, which could served as inspiring examples of new ways of doing, framing and relating in economy (for new social entrepreneurs and future social innovators). Taking the double



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role of promoting the SSE concept as well as undertaking the experimentation with it, CRIES is very similar to the accounts of social and sheltered work places in Belgium – whilst being managed to provide continuous services to clients and provide sustained empowerment for their target groups of people “at a distance from the labour market”, these sites of socially innovative activity also serve a second purpose, namely proof-of-principle. As several respondents indicated, the practices also served to establish clearly and publicly that alternative forms of economy do exist, and that they are viable.

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## Annex 1: List of interviews

<b>Interviewee</b>	<b>Purpose of interview</b>	<b>Date</b>	<b>Duration of interview</b>	<b>Interviewer</b>
<b>Quentin Mortier, SAW-B</b>	<i>Local initiative Belgium (Wallonia/Brussels)</i>	03/12/14	1H 14	Bonno Pel
<b>Stephanie Bawin, Koepel Lokale Diensteneconomie</b>	<i>Local initiative Belgium (Flanders)</i>	18/12/14	1H 25	Bonno Pel
<b>Eric Lavillunière, President RIPESS EU coordination committee</b>	RIPESS EU global network, interview following earlier introduction (03/12/14)	29/12/14	2H 10	Bonno Pel
<b>Salvatore Veltro (Groupe Terre)</b>	<i>Local initiative Belgium (Wallonia)</i>	12/01/15	1H53	Bonno Pel
<b>Gilda Farrell and Samuel Thirion (Council of Europe/URGENCEI)</b>	RIPESS EU network	12/01/15	1H 09	Bonno Pel
<b>Lieven van der Stock (PITS)</b>	<i>Local initiative Belgium (Flanders)</i>	21/01/15	1H 33	Bonno Pel
<b>Marleen Vos (KOMOSIE)</b>	<i>Local initiative Belgium (Flanders)</i>	21/01/15	0H59	Bonno Pel
<b>Mark Vanhumbeeck (In-C/VOSEC)</b>	<i>Local initiative Belgium (Flanders)</i>	22/01/15	1H30	Bonno Pel
<b>Peter Bosmans (FEBECOOP/VOSEC)</b>	<i>Local initiative Belgium (Flanders)</i>	23/01/15	1H34	Bonno Pel
<b>Kathleen vandeBroek (Flanders Department of Labour and Social Economy)</b>	<i>Local initiative Belgium (Flanders)</i>	27/01/15	1H 03	Bonno Pel



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## *List of interviews conducted on the CRIES case study*

<b>Interviewee</b>	<b>Purpose of interview</b>	<b>Date</b>	<b>Duration of interview</b>	<b>Interviewer</b>
(Cries_01) Anonymized	The purpose of the interview was getting insight knowledge on the emergence and development of CRIES and its relation with RIPESS network	12-01-2015	1H 15	Adina Dumitru
(Cries_02) Anonymized	The purpose of the interview was getting insight knowledge on the emergence and development of CRIES and its relation with RIPESS network	29-01-2015	1H 35	Adina Dumitru
(Cries_03) Anonymized	The purpose of the interview was getting insight knowledge on the emergence and development of CRIES and its relation with RIPESS network	21-01-2015	1H 10	Adina Dumitru
Council of Europe- Division de la recherche et de l'anticipation de la cohésion sociale  Gilda Farrel & Samuel Thirion <i>Gilda Farrel, former Head of the Social Cohesion Development Division, DG Social Cohesion, Council of Europe</i> <i>Samuel Thirion, former administrative officer, Social Cohesion Development Division, DG Social Cohesion, Council of Europe</i>	The purpose of the interview was getting insight knowledge on the emergence and development of CRIES and its relationship with RIPESS network and European institutions.	12-01-2015	1H 09	Bonno Pel