Transitions towards New Economies?
A Transformative Social Innovation Perspective

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By Flor Avelino, Adina Dumitru, Noel Longhurst, Julia Wittmayer, Sabine Hielscher, Paul Weaver, Carla Cipolla, Rita Afonso, Iris Kunze, Jens Dorland, Morten Elle, Bonno Pel, Tim Strasser, René Kemp and Alex Haxeltine

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Transitions towards ‘New Economies’? A Transformative Social Innovation Perspective

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Abstract

There are numerous social innovation networks and initiatives worldwide with the ambition to contribute to transformative change towards more sustainable, resilient and just societies. Many of these have a specific vision on the economy and relate to alternative visions of a ‘New Economy’. This paper highlights four prominent strands of new economy thinking in state-of-the-art discussions: degrowth, collaborative economy, solidarity economy, and social entrepreneurship. Taking a perspective of transformative social innovation, the paper draws on case studies of 12 social innovation initiatives to analyse how these relate to new economies and to transitions toward new economic arrangements. The 12 cases are analysed in terms of a) how they relate to narratives of change on new economies, b) how they renew social relations, and c) how their new economy arrangements hold potential to challenge established institutional constellations in the existing economy.

Keywords

Social innovation, transformative change, new economies, sustainability transitions

Research Highlights

- Approaches the new economy from the perspective of transformative social innovation, with a focus on changing social relations.

- Distinguishes 4 meta-narratives on new economy: (1) degrowth & localisation, (2) collaborative economy, (3) solidarity economy, (4) social entrepreneurship & social economy.

- Empirically explores how 12 social innovation initiatives relate and contribute to new economies by renewing and challenging social relations.

- Explores the renewal of social relations at the level of individual actors as well as at the level of institutional constellations.
1. Introduction

The emergence of persistent sustainability problems in such sectors as energy, water and food has led to renewed interest in the ways in which society can combine economic and social development with the reduction of its pressure on the environment. Transitions research has emerged in recent years as an exciting new approach to sustainable development that seeks to contribute by researching transformative change at the systems level, conceptualized as ‘sustainability transitions’ (Grin et al. 2010). This new field of sustainability transitions research has emphasized how change involves more than technology alone. Rather, technical changes need to be seen in their institutional and social context, generating the notion of ‘socio-technical systems’, which are often stable and path-dependent, and therefore difficult to change. Under certain conditions and over time, the relationships within socio-technical systems can become reconfigured and replaced in a process that may be called a system innovation or a transition.

There is an increasing attention for the relation between sustainability transitions and economic developments, including, for instance, the economic crisis (Van den Bergh 2013) and green growth (Geels 2013, van der Ploeg 2013).

Meanwhile, a parallel development, arising to a significant extent in a civil society context, has involved critiques of current economic and institutional arrangements and the emergence of initiatives aiming to promote alternative ‘new economic’ arrangements (such as e.g. complementary currencies, Seyfang & Longhurst 2013). These initiatives are arguably providing experiments, learning and impetus for nascent sustainability transitions. In fact, there now exists a vast, diverse and growing number of networks and initiatives across the world, many of which have the explicit ambition to contribute to transformative change towards more sustainable, resilient and just societies (see e.g. NESTA 2010). Many of these networks and initiatives have a specific vision on the economy, and many of them relate to alternative visions of one or more ‘new economies’ (e.g. ‘Sharing Economy’, ‘Gift Economy’, ‘Social Impact Economy’, ‘Green Economy’, ‘Solidarity Economy’). These visions seem to converge in some general change ambition whilst also bringing forth quite different alternative economies.

A related empirical trend in recent years has been the emergence of a strong policy discourse around ‘social innovation’ in European countries and the EU especially, but also in other world regions such as several countries in Latin America (Haxeltine et al. 2013). This policy discourse frames social innovation as an important response to the persistent sustainability problems faced by societies around the world today, in particular the economic turmoil of the past few years (see e.g. BEPA 2010).

We argue that these recent empirical developments challenge the emerging field of sustainability transitions research to more radically include the dynamics of social and cultural change in researching and theorising the potentials for sustainability transitions. To that end, this paper addresses alternative forms of ‘(New) Economy’ from the perspective of transformative social innovation. We employ a novel conceptualisation of social innovation as changes in social relations, involving new ways of doing, organizing, knowing and framing (Haxeltine et al. 2015, Moulaert et al. 2013, Howaldt & Kopp 2012). With transformative social innovation, we refer to the process by which social innovation contributes to transformative societal change, for example toward new economic systems (Haxeltine et al. 2013, Avelino et al. 2014).
We see social innovation processes as intimately intertwined with technological innovation, as emphasised by the socio-technical transition perspective (Markard et al. 2012). In such a socio-technical perspective, however, the focus often remains on the social dimensions of technological innovation. The concept of social innovation serves to move beyond the social as a dimension of technological innovation, towards specifying how and to what extent this social dimension is an object of innovation in itself. It is this socially innovative aspect that we focus on when considering new economy discourses and practices, combined with an interest in the transformative ambitions, potentials and impacts of those socially innovative phenomena.

Social innovation conceived of in this way, is a much broader phenomenon than only initiatives that relate directly to 'New Economy' thought and practice. Accordingly, the study of the linkages between social innovation and sustainability transformations is a rich and emerging research topic. In this paper we use the limited scope of 'new economy' phenomena and an empirical sample of related networks and initiatives as a way to empirically explore just one aspect of this hugely complex puzzle of how (transformational) social change is contributing to sustainability transitions.

More specifically, this paper seeks to address the following set of questions. What kinds of new economy phenomena are emerging, and how can we conceptualise and distinguish those? (section 2). What are the explicit and implicit narratives about the (new) economy amongst social innovation initiatives? (section 3). What is ‘socially innovative’ about the ‘new economy’ arrangements of these initiatives, in terms of new social relations? (section 4). And what is potentially ‘transformative’ about these arrangements, in terms of how they challenge or confirm existing institutional constellations and underlying power relations between the state, the market, the community, and the non-profit sector? (section 5).

We answer these questions by drawing on empirical analysis of 12 social innovation networks and how they relate to the (new) economy on the three dimensions mentioned above: (a) narratives of change, (b) new social relations, and (c) challenging institutional constellations. An overview of the case-studies is given in table 1 below. These 12 social innovation networks were selected as in-depth case-studies, and finalised as an interim outcome of the research project “TRANsformative Social Innovation Theory” (TRANSIT), which studies the relation between social innovation and transformative change (Haxeltine et al. 2013, 2015, Avelino et al. 2014, Pel & Bauler 2014). The specific cases were selected because they represent (1) transnational networks operating across Europe and Latin-America, (2) working on social innovations, and (3) having transformative ambitions, hence allowing for a cross-national and cross-regional empirical analysis of social innovation in relation to transformative change. Each network has been studied as an embedded case study, both at the level of its transnational networking activities, and its manifestation in two ‘localities’ (Table 1). The in-depth case study work was based on elaborate conceptual and methodological guidelines, which relied on three main research methods for data-collection: interviews, participant observation and document reviews (Jørgensen et al. 2014).

1 For instance, community energy initiatives involve and depend on technological innovation, such as solar energy and other technologies that enable decentralised energy production. At the same time, community energy initiatives are also ‘socially innovative’ in the sense that they lead to new social relations between e.g. neighbours, and/or between consumers and producers.

2 TRANSIT (TRANSformative Social Innovation Theory) is a 4-year, EU-supported research project.

3 This sample of 12 networks is far from exhaustive and merely represents a first batch of empirical analysis, which is elaborated in the TRANSIT research project with a second batch of additional case-studies.
The case-study sample of 12 networks and 24 local initiatives displays a very rich diversity of social innovation types and scales (Jørgensen et al. 2015). The diversity ranges from a case like the Impact Hub - a global network of social entrepreneurs, including over 60 co-working places across the world – to a case like the Global Ecovillage Network - a network of intentional communities where families are living their daily lives –, and from the case of FabLabs - a network of digital fabrication workshops open to local communities, where people gather to make things - to the case of RIPESS - a network of networks and political movement for the promotion of solidarity economy across the globe. Across this rich diversity, there are also commonalities, including, inter alia, explicit linkages to new economies. Those linkages to new economies are the focus of this paper.

Table 1. Overview of Case-studies Social Innovation Networks TRANSIT project

<table>
<thead>
<tr>
<th>Social Innovation Networks under Study</th>
<th>Local Case 1</th>
<th>Local Case 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Impact Hub:</td>
<td>Netherlands</td>
<td>Brazil</td>
</tr>
<tr>
<td>Global network of glocal hubs for social entrepreneurs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Ashoka:</td>
<td>Hungary</td>
<td>Germany</td>
</tr>
<tr>
<td>Network for supporting social entrepreneurs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Time Banks:</td>
<td>UK</td>
<td>Spain</td>
</tr>
<tr>
<td>Networks facilitating reciprocal service exchange</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Credit Unions:</td>
<td>UK</td>
<td>Spain</td>
</tr>
<tr>
<td>Network of different types of credit cooperatives</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 RIPESS:</td>
<td>Romania</td>
<td>Belgium</td>
</tr>
<tr>
<td>Network for the promotion of social solidarity economy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 FabLabs:</td>
<td>UK</td>
<td>Argentina</td>
</tr>
<tr>
<td>Digital fabrication workshops open to local communities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7 Hackerspace:</td>
<td>UK</td>
<td>Argentina</td>
</tr>
<tr>
<td>User driven digital fabrication workshops</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8 Living Knowledge Network:</td>
<td>Denmark</td>
<td>Romania</td>
</tr>
<tr>
<td>Network of community-based research entities/ science</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9 DESIS-network:</td>
<td>Italy</td>
<td>Brazil</td>
</tr>
<tr>
<td>Network for design for social innovation and</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 Global Ecovillage Network:</td>
<td>Portugal</td>
<td>Germany</td>
</tr>
<tr>
<td>Network of eco-villages and other intentional</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11 Transition Towns:</td>
<td>UK</td>
<td>Hungary</td>
</tr>
<tr>
<td>Grassroots communities working on ‘local resilience’</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12 INFORSE:</td>
<td>Denmark</td>
<td>Belgium</td>
</tr>
<tr>
<td>International network of sustainable energy NGOs</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. Strands in new economy thought and practice

We use the term ‘new economies’ to describe a broad set of related and intertwined ideas that emerge from critique of mainstream economic thought and practice and reflect visions about prospective or emerging alternative or complementary economic theories and practices. New economy critiques (some of them with longstanding origins and representing perspectives across the full political spectrum from right to left), focus on perceived flaws of mainstream economic concepts and practices, especially the focus on growth as an economic goal, faith in markets as efficient allocative mechanisms, and the role of government and national banks in issuing money and credit (Boyle and Simms, 2009; Riegel 1944, 1949).

A number of different concepts and terms have emerged within the broader field of new economic thinking to describe forms of economic organization that represent either changes to the currently dominant form (neoliberal market capitalism), alternative forms, or complementary forms. To name but a subset of the various concepts and terms, these include the green, communal, community, collaborative, sharing, inclusive, solidarity, informal, social, social impact, social entrepreneurship, core and commons-based economy. Many of these concepts are still to be defined clearly. The same or similar terms are sometimes used to connote different phenomena and vice versa. This is not surprising as there are clear commonalities and overlaps among some of the concepts and the ideas and visions they are used to project. Greater definitional clarity is likely to emerge over time. Against this backdrop, it is useful for the present paper and its purposes to draw on a subset of such concepts, which illustrate the range of different ideas that are prominent in new economy discourses. We distinguish and highlight four prominent strands, each focusing on a rationale and direction for economic change: (1) degrowth and localisation, (2) collaborative economy, (3) solidarity economy, and (4) social entrepreneurship and social economy.

2.1. Degrowth & Localisation

The argument that exponential economic growth cannot continue indefinitely in a world of finite resources (e.g. Meadows et al. 1972), has led to calls for a reorientation of economic activity away from continuous expansion and toward lower material production and consumption (e.g. Daly 1996, Jackson 2009, Paech 2012). Ayres (1998) conceptualized an end to the growth economy and a turning point, and refers (2014) to the current economy as a ‘bubble economy’. The major ecological concern that underpins calls for degrowth is related to perceived limits on planetary capacities to absorb and process material wastes from economic activities without loss of (or changes) to critical ecosystem properties and functions, such as climate regulation. Degrowth is related, therefore, to calls for other kinds of economic change, such as toward a zero-carbon economy, a dematerialized economy, a circular economy, and switches from selling (material) goods to selling (dematerialized) services. These ideas – combining efficiency, sufficiency and eco-restructuring strategies – are to some extent taken up within the concept of a green economy, although there is continuing discourse over (ecological) constraints on growth and how these might relate, also, to how growth is measured. Arguments for degrowth of western economies are related also to notions of ‘making space’ for developing economies to grow.

Whilst degrowth is something that can be envisaged at the macro-economic scale (Victor, 2009, Jackson 2009) proponents often place a strong emphasis on processes of economic localization as
a component strategy. There are several strands of localist economic thought, but the more radical of these are based in critiques of global capitalism. Here, the central argument is that economic growth itself is the problem rather than just the increased intensity of global economic relations and that Northern levels of resource consumption are ecologically unsustainable (Douthwaite 1992). Therefore the solution is not simply to localise circuits of consumption and production, but to create a steady-state economy, which "minimizes resource use, sets production on small and self-controlled scales, emphasizes conservation and recycling, limits pollution and waste, and accepts the finite limits of a single world and of a single ultimate source of energy" (Sale 1980, 331). More recently the idea of local economic resilience has been promoted in parallel with localisation (Hopkins, 2008). Drawing on wider discourses of 'systemic' resilience, the argument here is that, through processes of globalization, places have lost their resilience to (external) economic shocks. Efforts, should therefore be made to rebuild some of this lost resilience, and processes of localisation are one way in which this can be done.

2.2 Collaborative economy

At its essence, the collaborative economy is about new forms of networked production and consumption - facilitated by new forms of technology - that bring people together in new ways, often without intermediaries and outside existing markets or institutional structures (Belk, 2014). According to Stokes (2014 p.7) "activities and models within the collaborative economy enable access instead of ownership, encourage decentralised networks over centralised institutions, and unlock wealth (with and without money). They make use of idle assets and create new marketplaces". We identify at least two specific sub-concepts under the collaborative economy umbrella: the peer-to-peer economy, and the sharing economy.

Peer-to-peer (P2P) is based on distributed network approaches to manufacturing where people work on common goals and outcomes in projects whilst sharing information, resources, knowledge and outcomes, which become part of a 'commons'. P2P has been practiced in universities and companies for the last thirty years but has now expanded into other spheres of life. Digital tools support collaboration and the sharing of learning and outcomes locally and globally in a process that has been termed 'commons-based peer production' (Benkler & Nissenbaum 2006). It also allows them to co-fund or to seek finance for manufacturing tools for larger scale processes and projects through instruments such as crowd-sourcing on sites like 'Kickstarter'. Troxler (2010, p.2) has argued that, as part of such a revolution 'nonmarket production' processes in combination with 'decentralised production and distribution' will play a greater role in society. Amateur innovators increasingly become able to manufacture their ideas through small-scale, decentralised manufacturing processes, rather than have their ideas dismissed by mass manufacturers (Anderson 2012).

Definitions of the sharing economy vary and overlap with broader ideas of the collaborative economy and peer-to-peer (Schor 2015). Botsman (2013) defines three different systems: i) A redistribution market where unwanted or underused goods are being redistributed or reused (such as freecycle or garden share) ii) Collaborative lifestyles where non-product assets such as time, skills, money or space are exchanged or traded in new ways (e.g. air-BnB or peer to peer finance), and iii) product service systems where people pay to access a good rather than buy it (e.g. car share). In each case, different types of sharing and business (for-profit and not-for-profit) can be identified and the extent to which for-profit businesses are contributing to a wholly new
form of economy has been questioned. It is claimed that growth of sharing and collaborative production and consumption have been fostered by the 2008 economic crisis (Cohen & Kietzmann 2014; Virjan 2014) “that caused some consumers to lose their homes, cars, and investments and made most everyone more price sensitive” (Belk 2006 p.6). Cohen and Kietzmann (2014) argue that the emerging sharing economy is particularly interesting in the context of cities that struggle with population growth and increasing density.

2.3. Solidarity economy

The term solidarity economy tends to have different meanings in different contexts. In this paper we refer explicitly to the movement and discourse which has gained some momentum in North and South America during the last two decades. This has a strong anti-capitalist ethic and advocates a range of collective, grassroots methods of organising economic activity (de Sousa Santos 2007; Miller 2004). Primavera (2010) suggests that the solidarity economy is now recognized as a different form of production and consumption as it attempts to institutionalize the participation of workers and other excluded actors into the economy. This focus on building economic solidarity is a core aspect of this approach. Ideas around the solidarity economy were promoted and popularized by the World Social Forum and anti-globalisation movements of the late 1990s but have now become more widespread and, in some cases, formalized into elements of government policy.

Counterposing the solidarity economy as an alternative to both the capitalist market and planned economies, Miller (2008) defines solidarity economics as “as an organizing tool that can be used to re-value and make connections between the practices of cooperation, mutual aid, reciprocity, and generosity that already exist in our midst. Such a tool can work to encourage collective processes of building diverse, locally-rooted and globally-connected, ecologically- sound, and directly democratic economies”. Miller (2008) emphasizes the bottom up community led nature of solidarity economy activity and how it is something that needs to be actively nurtured and built. Singer (2007) argues that solidarity economy has a number of core themes: participatory democracy; equity; environmental sustainability and transnational solidarity. The latter indicates that whilst much solidarity economy work is focused at grassroots activities, there is a sense of it being a broader transnational movement and network. This is echoed by the Economic Solidarity Group of Quebec (2003) which emphasizes the breadth of solidarity economy activity across the Global North and South.

2.4. Social entrepreneurship and social economy

Social entrepreneurship is characterised by the combination of entrepreneurial and commercial means with social goals (Alvord et al 2004:262, Mair and Martí 2006). It is ‘not-for-profit’ in the sense that profit is made, but such profit is not the primary driver. The main goal is to achieve desired social impact (Dugger, 2010). Interest in social entrepreneurship grew in the 1990s as recognition grew of its role in social provision and welfare delivery. In a report pivotal in popularizing the concept, Leadbetter (1997) argues that social entrepreneurs are ‘social’ in several senses: in promoting social outcomes; in that their focus on social capital gives them access to other capitals; and, in that they establish organisations that are socially-owned and not primarily profit-focused. It is for these reasons social enterprise is often celebrated as providing
a viable alternative to privatization, de-regulation and re-regulation (Laville, 2003, Ridley-Duff 2009).

Social entrepreneurs often focus on developing social enterprises or ethical businesses – businesses which have a double or triple bottom line, i.e. social and environmental impacts as well as economic. Social enterprises are often characterized as operating in the ‘social economy’ (Pearce, 2003). Pearce distinguishes between social enterprises which have a national or regional geographical focus, such as fair trade organisations, and those that have a local focus, which he characterizes as community enterprises. In recent years there has been interest in the latter as potential engines of local economic development (Graham and Cornwell, 2009). Social entrepreneurs are also championed for their innovative qualities, which it, has been argued, are often focused on systemic transformation (Bornstein, 2004). The focus on social and environmental outcomes means that new forms of measurements and metric have emerged which attempt to capture the value produced by social enterprises (Paton, 2003).

2.5 Relating Strands of New Economy to Social Innovation Networks

Whilst these four strands of new economic thinking can be analytically distinguished, they overlap, intertwine and have several commonalities in their underlying philosophies and in the way that new economic ideas are linked to new configurations of economic social relation. These include, among others: new forms of production, consumption, ownership, valuation, exchange, and organization. They incorporate new notions about what constitutes a resource, what constitutes ‘work’ and how useful work should be incentivized, recognized and rewarded.

All these diverse dimensions of new economy thinking feature prominently in the social innovation networks under study introduced in the previous section (see table 1). Each of the 12 social innovation network under study explicitly relates to the underlying philosophies of one or more of the four new economy strands. Table 2 below summarizes which social innovation networks relate to which of the four strands of new economy thinking. In the next section we unpack these relations between the networks and the new economy strands, by discussing how the social innovation networks interact with different discourses on new economies.

Table 2: Relation between new economy strands <-> social innovation networks under study

<table>
<thead>
<tr>
<th>Strands of New Economy</th>
<th>Social Innovation networks under study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Degrowth &amp; Localization</td>
<td>Global Ecovillage Networks, Transition Towns, INFORSE, Time Banks</td>
</tr>
<tr>
<td>Solidarity Economy</td>
<td>RIPESS, Global Ecovillage Network, Time Banks</td>
</tr>
<tr>
<td>Social Entrepreneurship &amp; Social Economy</td>
<td>Ashoka, Impact Hub, Time Banks, Credit Unions, DESIS, INFORSE</td>
</tr>
</tbody>
</table>
3. Findings 1: Narratives of change on ‘new economies’

The 12 networks under study have specific visions about the economy and relate to and/or engage with discourses on new and different forms of economies. Our enquiries found that the ambition to work toward and contribute to a different type of economy was present explicitly in all the cases and included ideas on degrowth, localisation, social entrepreneurship, collaborative, solidarity and social economy, as well as other ideas, such as ‘post-capitalism’, ‘green economy’, or ‘gift economy’. These ideas and ambitions are embedded in so-called ‘narratives of change’. We define narratives of change as the “discourses on change and innovation, i.e. sets of ideas, concepts, metaphors, and/or story-lines about change and innovation” (Avelino et al. 2014: 9). Here we are interested in how the narratives of change of the social innovation networks, relate specifically to the (new) economy.

Narratives are “drawn from social, cultural and perhaps unconscious imperatives” (Andrews et al. 2003), while at the same time revealing and contributing to those imperatives. A focus on narratives of social innovation networks can reveal the assumptions and premises of the network, and how it relates to and frames the broader context in which it is situated. Often, social innovation networks or initiatives express, in narrative terms, the way they think the economy does or should work and how their initiative/network can influence this. Such narrative may also serve to develop a strategy for achieving societal change.

In doing so, networks connect their work to the broader context and engage in (co-)creating societal narratives. In this vein, Davies (2002) talks also about ‘counter-narratives’ as instruments through which social movements (cf. social innovation networks) “struggle against pre-existing cultural and institutional narratives and the structures of meaning and power they convey” (Davies 2002: 25). Counter narratives in this understanding “modify existing beliefs and symbols and their resonance comes from their appeal to values and expectations that people already hold” (idem.)

3.1. Co-shaping Narratives of Change on New Economies

We observe that the social innovation networks under study relate to different and new forms of economy by either referring explicitly to one or several of the new economy strands (as outlined in section 2), or by using other terms, thereby elaborating and co-shaping existing narratives on new economies. Most straightforward are the explicit references to the four strands: degrowth & localisation (e.g. Transition Towns), collaborative economy (e.g. Hackerspaces), solidarity economy (e.g. RIPESS) or social entrepreneurship (e.g. Ashoka, Impact Hub) and social economy (e.g. RIPESS). However, we also see that networks refer to other terms and accompanying narratives, such as distributed economy or knowledge economy (e.g. Hackerspaces), social impact economy (e.g. Impact Hub), open source circular economy (e.g. FabLabs), and post-capitalism (e.g. Global Ecovillage Network). Several networks also develop (their own) very specific concepts, thereby creating new narratives. An example is the FabLab network, which refers to a ‘Fab Economy’, which “is about creating a new economy for everybody, where local fulfilment and customization take the place of mass production and global distribution” (fabeconomy.com⁴). We

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⁴ Fabeconomy.com, website accessed August 5th, 2015.
also see changes over time, with for example the **Impact Hub** first primarily stressing ‘social entrepreneurship’ and now increasingly focusing on the ‘social impact economy’. Additionally, we see different emphases within the same network. While the transnational organisation of the **DESIS** network refers to the ‘sharing economy’, one of its local DESIS initiatives in Brazil focuses more on ‘social economy’.

The **RIPESS** network is an interesting example showing that one network fosters different strands of new economies and revealing tensions that exist between the different strands. The network aligns a miscellany of ‘social’ or ‘solidarity-based’ initiatives all over the world (Hiez & Lavillunière 2013; Utting et al. 2014). Within the European branch of the network, the social economy is considered to be a valuable move towards an economy founded on cooperative principles, on workers sharing in revenues and on creation of societal value rather than shareholder value (Cf. Defourny & Develtere 1999). Still, this social economy sector is seen to include enterprises that take basic structures like worker-boss hierarchies, profit-seeking and environmental externalization largely for granted. A spokesman of RIPESS Europe considers the solidarity-based economy as a radicalisation of the social economy, extending its aims for solidarity between producing individuals:

“...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, that is about solidarity between members. The solidarity economy has extended that solidarity, however... towards the people in the global South (the fair trade), intergenerational solidarity (between the young and the old), solidarity with the unemployed, well, that is the whole angle of ‘insertion’, ecological solidarity (taking the environment more strongly into account)” (interview quoted in Pel & Dumitru 2015).

“It is very common for the social economy to be conflated with the solidarity economy. They are not the same thing and the implications of equating them are rather profound. The social economy is commonly understood as part of a “third sector” of the economy, complementing the “first sector” (private/profit-oriented) and the “second sector” (public/planned). (...) The solidarity economy seeks to change the whole social/economic system and puts forth a different paradigm of development that upholds solidarity economy principles.” (RIPESS website, 2013).

These examples of RIPESS also clearly show that networks do not only relate to specific narratives, but also play a role in co-shaping and spreading narratives as well as putting these into practice. Both Ashoka and the Impact Hub, have from the beginning fostered the narrative of social entrepreneurship – projecting themselves as enablers supporting social entrepreneurs and working to create facilitating conditions through which social entrepreneurs could have positive impact onto the world. Through this attitude and the practice, they co-shaped the concept.

### 3.2. Playing into game changing developments

Narratives are therefore constitutive and constituting of the social context. Of interest is the relation between narratives of change and so-called ‘game-changers’: macro-developments that are framed as or perceived as changing (the rules, field, players in) the ‘game’ of societal
interaction (Avelino et al. 2014). Examples of game changers are ‘globalisation’, ‘climate change’, population aging, migration, and the ‘economic crisis’. A good example of how the narratives can be influenced by game changers is provided by our Transition Towns case study. The Transition Town movement was initiated to deal with the twin game-changers of peak oil and climate change. It positioned itself as a solution to both. Since the economic crisis of 2008 the movement has (re)positioned itself also as a response to global economic instability, focusing on the creation of resilient local economies. This seems not only to be a strategic reframing, but also a matter of genuine realisation of how the economy is intertwined with other targeted problems.

In the following, we zoom in on the economic crisis as an exemplary game changer which has spurred debates about the unsustainability of our current financial and economic systems and drawn new attention to alternative economic narratives. While the mainstream discourse is still about how to regain adequate rates of economic growth, counter-narratives about what might replace the growth-society model are emerging. This includes (longstanding and more recent) ideas on de-growth (Schumacher 1973, Fournier 2008), green growth (OECD 2013), or post growth (Jackson 2009). Ashoka Germany describes the effects of the economic crisis as follows:

"Financially we didn’t take any dent. I think to the extent that this made people reflect on values [...] it’s helpful for the topic of social entrepreneurship. [...] I think students get drawn to the concept [of social entrepreneurship] because they think of ethical questions, and they like the aspect of being able to marry ethical questions and questions about how is the world going, what is the future of the world, etc. to entrepreneurial tools and plans, etc. [...] The more society reflects on meaning and purpose and values, the more often people come across the social entrepreneurship thing" (quoted in Matolay et al. 2015).

Such narratives also question the market logic that constructs human beings as well as nature as resources and commodities in the production of goods (Freudenburg et al. 1995).

While discourses on e.g. ‘solidarity economy’ can be constructed as ‘counter-narratives’ (see RIPESS example above), they have considerable overlaps with mainstream policy discourses on e.g. the ‘Big Society’ (UK) and ‘the participation society’ (The Netherlands). Many of these narratives and associated ideas are not necessarily ‘new’ as such. Indeed many have existed for decades (or even centuries) and the economic crisis has triggered new and revitalised interest in these narratives, thereby translating relatively ‘old’ narratives into a modern narrative on ‘the new, social economy’ as a forward-looking response to contemporary challenges (e.g. Rifkin, 2014).

4. Findings 2: New economies, renewing social relations

While the networks all engage with societal discourses on new economies and strategically reposition and reframe their initiatives accordingly, another shared aspect is that they all have strong internal visions concerning the role of new kinds or qualities of social relations in enabling ‘new economies’ and other forms of social change. New forms of economic exchange entail new social relations as a precondition. New forms of economic exchange, however, also influence how new social relations are put into practice, by creating a range of possibilities for their enactment and experience and by generating conditions for those involved to co-produce and learn about
different ways of relating. Changes in relationships of production, consumption, and exchange, in the roles of actors and in the distribution of burdens and benefits, aim at building a new type of community, mentioned by different initiatives as a key objective of the quest for new economies.

The interrelation of new forms of economic exchange with a different quality of relations is well expressed by an interviewee from the case of Tamera, an ecovillage in the South of Portugal, where ecovillagers explicitly aim to work with a sharing and gift economy:

“Economy is always a reflection of our social behaviour. And so you need to look at this if you want to change the economy also. (...) If we build a new currency, we need to anchor it in a new social system, in a new social behaviour of people, in order for it to work. Because if I don’t trust people, also Gift Economy doesn’t work at some point. [...] I have my doubts [about alternative economic systems] if they are not based in community work.” (Resident Tamera ecovillage, interview #TAM6 quoted in Kunze & Avelino 2015).

Also the German ecovillage Schloss Tempelhof emphasizes connectedness, human interaction and inclusion. Previous studies have shown that ecovillage initiatives are intentionally building new social relations and creating new communal structures (Weber 1964; Coleman 1997). It has also been argued that they re-invent ‘community’ in a fashion that is able to correspond with the background of an individualized society (Kunze 2012). Through building social relations intentionally and in connection with shared economic values, properties, or businesses, community is being re-invented in a new form beyond conventional cultural patterns and norms.

These ideas are present also in the philosophy of Time Banking, which uses service exchange among networks of time bank members as a mechanism not only to produce and deliver socially useful services, but also to build relationships among members of the time bank. The values and principles of time banking stress inclusion and respect; equality (all services are valued equally); reciprocity and cooperation; abundance; and self-empowerment through cooperation (both individuals and the community become more self-reliant and more independent of external forces and systems by sharing and developing the talents, skills and resources of community members). The values of time banking are diametric opposites of the values projected by today’s dominant institutions, such as those of commercial markets, the professionalised welfare state, and the formal money and banking systems, which stress scarcity value, individual property rights, formal contractual arrangements, and money as a measure of value and store of wealth. Time banking challenges the ideas that money is the only (or most important) source of wellbeing and security, that only qualified people can obtain useful work, and that only paid employment is worthwhile. It recognises and rewards unpaid work and those who do it and it offers opportunities in the time banking economy for those excluded from the formal economy (Weaver et al. 2015).

Although entirely different as a case, focused on social entrepreneurship in 60 co-working spaces around the world, the Impact Hub also emphasizes the importance of social relations and community work as a main motivation and a basis for wider economic transformation:

“It is about the quality of relationship and the way we operate with each other. (...) It’s something around being part of a certain type of society, which attracts people here. Not just pure service relationship or nice products and services. That’s nice, but people come in
for something bigger. The way of being together is why people come to our Hubs. We pride ourselves in building another kind of society.” (Member global Impact Hub team, interview 8 quoted in Wittmayer et al. 2015).

Also the Ashoka network in Germany places emphasis on building new relations and connections, and includes dedicated network programmes – such as “The Machbarschaft” – that focus on connecting Ashoka Fellows with other people with necessary expertise, aiming to provide a supportive ecosystem for social entrepreneurs with good ideas but insufficient professional expertise:

“The Machbarschaft is “a play-on-words, based on the German word for neighbourhood, Nachbarschaft, with one letter changed [so from Nachbar: neighbor, to Machbar: feasible/possible] to make it read as ‘a place where everything is possible”’ (Member of organisation Ashoka Germany, quoted in Makolay et al. 2015).

“From the experiences of over fifty Ashoka Fellows in Germany we know that: ‘It takes a village to raise a child.’ It requires a village, a neighbourhood of expert professionals, in order to bring social innovations to a breakthrough. We call this village the ‘Machbarschaft’. It ensures that social innovators and their organizations of any stage of maturity and scale have access to the relevant experts: strategy developers and impact monitors, funders and ambassadors, co-entrepreneurs and opportunity portals, coaches and legal professionals, experts on politics and the welfare state” (Sozialunternehmer-Konferenz, 2014, quoted in Makolay et al. 2015).

The social innovation cases differ in the centrality they attribute to these objectives of relationship transformation. Fab Labs, for example, emphasize connectivity as a value in reaching for a transformation towards the sharing of knowledge and commons-based peer production, as well as active engagement and individual empowerment. Fab Labs can be described as spaces where people come together to learn about versatile digital design and manufacturing technologies and create things in individual or collaborative projects. Fab Labs often originate from existing community centers, thus already possessing a strong link to community development and involvement. Centers are often run by people who are well-trained and experienced within community development and have a repertoire of techniques that they can use to bring local people together (Fieldwork notes in Hielscher et al. 2015).

Some social innovation initiatives bring together already established actors from both private and traditional civil society sectors, who have previously established patterns of relations that are conditioned by existing frameworks of the “old” economy. Those involved in initiatives such as Fiare, a Spanish Credit Cooperative, aimed at promoting social and environmental wellbeing through a new, solidarity-based economy, consider changing relations among actors as a key part of efforts towards societal and economic transformation. Common commitment and engagement with transformation and a collaborative process that stresses relationship building are considered as drivers for success and positive impact. The following quote also alludes at the potential difficulties that arise in processes of relationship transformation, as actors bring old patterns of relating with them into the new project:

“It is important for us to focus on processes of establishing connection, working together and learning to share knowledge. All that in the world of solidarity economy we call reciprocity,
cooperation, decentralized solidarity, all these things to which we say...yes, yes, but when the calls for public funds come out, organizations fight against each other. This has not happened in Fiare. Fiare is a story of cooperation, reciprocity, donation, and altruism of many organizations that have put money, time, knowledge - many resources in general - with a lot of generosity. Organizations that, outside of Fiare, sometimes had difficult relationships, but shared an agreement about the fact that building this project was worthwhile.” (quoted in Dumitru et at. 2015).

A clear link between transforming relations and a new economy is also established by the DESIS network, which gathers together initiatives that change from a delivery approach to services, which considers consumers as passive recipients and focuses on rationalizing provision, to a collaborative approach, which considers consumers as co-producers. Collaboration and coproduction allow for individual differences, non-standardized interactions and unexpected interpersonal encounters (Cipolla & Manzini, 2009). This relational approach to services relies on values of spontaneity, meaningful engagement, connection and collaboration in the co-production of a new economy.

We argue that motivations for change visible in social innovation initiatives arise out of dissatisfaction with, among others, the quality of social relations. The empirical evidence from the 12 case studies analysed points to transformations in relations that are consistent with theory and research on contexts that support the satisfaction of fundamental human needs, and consequently foster human wellbeing. Self-determination theory, for example, has postulated the existence of three fundamental human needs – competence, relatedness and autonomy (Ryan and Deci, 2000) – and argued empirically that physical, psychological and social wellbeing is related to how well these are satisfied. In their attempt to bring about transformative change, we contend that social innovation actors are motivated by a search for contexts that support need satisfaction and that initiatives strive to create such contexts. Optimal satisfaction of human needs is, in turn, a precondition for motivations to maintain engagement and for the individual and relational transformations that are the cornerstone of new forms of economic exchange. These contexts move away from conditions of excessive control and lack of connectedness, which are sources of alienation and ill-being. Initiatives provide spaces of choice and free engagement which stimulate self-driven learning and experimentation, thus promoting active engagement instead of passivity, and helping to satisfy the need for autonomy (understood as the experience of acting in accordance with one’s authentic interests and values).

Many of the social innovation initiatives under study promote shared, co-produced learning, collective entrepreneurship, and active engagement and space for the uniqueness of individual preferences and values, instead of standardization. These thereby help satisfy the need for competence understood here as being effective in dealing with the environment or context. All our case study social innovation initiatives promote connectedness and relationships based on trust and authenticity. Some emphasize direct interpersonal relationships of higher (ecovillages) or lower intensity (DESIS, credit cooperatives), while others emphasize connectedness through sharing of physical and virtual spaces (Fab Labs, Impact Hubs etc). All case study initiatives promote norms of collaboration and sharing on the basis of principles of equality, inclusion and transparency.
All these initiatives aspire to certain qualities of relations and make active efforts to create the contexts in which these can thrive. However, the question of whether and to what extent they succeed remains open and needs further analysis. One of the key findings in a recent special journal issue on 'shared machine shops' argued that 'sharing is not happening' in Fab Labs (Troxler and Maxigas 2014). Evidence indicating that the objective of social connection is achieved through the building of friendships, networks and social trust, is actually quite mixed (Schor, 2014). Further in-depth exploration of the extent to which a shift in the quality of social relations is achieved, and of the processes that lead to the successful resolution of tensions, is needed.

5. Findings 3: New economies, challenging institutional constellations?

So far, we have discussed how our networks under study relate to narratives on new economies, and how they aim to create new, more ‘social’, economic relations. We now turn to discuss the transformative potential of these initiatives, in terms of how and to what extent these networks and local initiatives challenge the mainstream societal context.

While the impact of these initiatives on the dominant economic systems seems marginal or at least difficult to prove at present, we can observe already that they challenge the economic system indirectly, through their counter-narratives (section 3) and by demonstrating alternative forms of social relations (section 4). In this section, we furthermore argue that the networks and local initiative under study also challenge the institutional constellations underlying the current economic system.

To conceptualise institutional constellations, we base ourselves on the Multi-Actor Perspective (Avelino & Wittmayer 2014), which is inspired by the Welfare Mix model of Pestoff (1992) and Evers & Laville (2004). The Multi-Actor Perspective (MaP) identifies three main institutional boundaries: public vs. private, non-profit vs. for-profit and formal vs. informal. On that basis, it distinguishes between the following four ‘institutional fields’: (1) the state (formal, public, non-profit), (2) the market (formal, private, for-profit), (3) non-profit organisations (formal, private, non-profit) and (4) community (informal, private, non-profit). Across these different fields, there is an intermediary ‘Hybrid Sphere’, which mediates and crosses institutional boundaries (including, for instance, social enterprises, which cross the boundaries between for-profit and non-profit). Each institutional field harbours multiple actor roles (see figure 1 below).

5 The Hybrid Sphere in the original Welfare Mix model is referred to as the “Third Sector”. We choose to call it the Hybrid Sphere to avoid discourses in which the Third Sector is equated to the non-profit or voluntary sector. This MaP has similarities with the common distinction between ‘state’, ‘market’ and ‘civil society’, but adds an unpacking between the informal community and formalised non-profit organisations. We find this distinction between formal and informal particularly pertinent in new economies and social innovations, because the interaction between informality on the one hand and formalisation on the other hand is often at the core of many discussions and tensions. Moreover, the explicit inclusion of a Hybrid Sphere in the Multi-Actor Perspective is useful to acknowledge the existence of initiatives, organisations, sectors and domains that explicitly cross institutional boundaries, e.g. social enterprises, science, education, religion, media, health care. Each of these sectors/domains come with recurring political debates about which institutional logic they (should) ‘belong’ to. The same applies to many of our cases. While it is often argued that social innovation comes – or should come – from the community or from the non-profit sector (Mulgan et al. 2007), we observe that social innovation can come from anywhere, and more importantly, in between anywhere.
5.1. Challenging institutional boundaries

Most of the networks we have studied are ‘part of’ the non-profit sector, in the sense they are formalised as non-profit associations, foundations or other type of network organisations. However, when we look at how these networks operate, both transnationally and locally, we can observe clearly that the networks operate at the intersection between different sectors and institutional logics, and more important, that they act to redefine and renegotiate the boundaries between those sectors. As such, the boundaries between these sectors are not black and white – they are very much blurring, shifting and contested boundaries that are continuously negotiated. A concept like ‘sharing’, for instance, means different things in each of the different institutional logics, is driven by different motivations and has differing interpretations and implications (e.g. ‘tax evasion’ from a state perspective). As such, there is also a renegotiation between different sectors on what a concept like sharing means and how different sectors can hold each other accountable for ‘sharing practices’.

A typical example of boundaries being blurred lies in the awkward notion of ‘not-for-profit’ as a category in between for-profit and non-profit (Moulaert & Ailenei 2005). This not-for-profit category is often associated with cooperatives and social enterprises, who do make profit, but not as their primary goal. The awkward term ‘not-for-profit’ nicely illustrates that there is a renegotiation between boundaries, a search for changing institutional relations. Many of the networks that we study play an important role in such processes of (re)negotiation.

For instance, **Time Banking** in the UK was involved from its inception in a dialogue with public authorities to clarify the fiscal status of time exchanges. This has led to formal recognition by the authorities of time exchanges as being equivalent neither to employment nor to volunteering, but...
rather as constituting a different class of activity. On this basis time banking activities are not subject to taxation and those claiming job seekers allowance and some (but not all) categories of welfare payments can participate in time exchange without risk of losing benefits (Weaver et al. 2015).

The **Impact Hub**, working with notions of social entrepreneurship and social impact economy (section 3), explicitly challenges the distinction between for-profit and non-profit, aiming to combine for-profit entrepreneurship (i.e. making a living) with non-profit societal goals (e.g. sustainability, poverty reduction, environmental protection, etc). For many entrepreneurs that come to the Impact Hub for the first time, this is reported to be one of the main empowering insights, i.e. that it is possible to combine the two:

"A lot of people think that you have to make a choice, it’s either choosing for something that is good and (...) not being be able to sustain yourself, or choosing for something which is destroying the world a little bit more but you can make a living with that. And I see people coming in here and slowly waking up and lightening up and seeing (...) that you can actually combine the two. And it’s possible, it’s not some kind of a fairy tale." (Member Impact Hub Amsterdam, interview 4 quoted in Wittmayer et al. 2015).

The blurring of the boundaries in the context of the Impact Hub is also exemplified by the way in which the role of individual actors is constructed: as ‘members’, ‘change-makers’, ‘hosts’, and ‘social entrepreneurs’ (rather than ‘producers’, ‘consultants’ ‘managers’, ‘employees’, ‘service-providers’, or ‘clients’). In relation to that, there also seems to be a sense that the emergence of such new constellations of actors is challenging the power of the market, both that of large companies and investors. As formulated by members of the Impact Hub São Paulo:

"Nowadays it is really easy to open a company in a shared economy model (...). The power today is with the entrepreneur and not with the investor" (Member Impact Hub São Paulo, interview 14 quoted in Wittmayer et al. 2015).

"Relations with work are totally different: careers focused on new values, which are autonomy, freedom, welfare, investment in learning rather than in security... [There is] Zero fidelity with companies (...) [Even when] not entering a company, you have an alternative to earn money as a start-up, so even if you want to make money, soon and enough, there is another system there. (...) It will be very difficult for the companies (...). The companies have no idea of what to do" (Member Impact Hub São Paulo, interview 15 quoted in Wittmayer et al. 2015).

The **Fab Lab** phenomenon puts into questions several institutional logics by providing innovative capabilities to citizens. One instance is the educational work within Fab Labs that aims to challenge the relation between formalized knowledge provided in current educational system and more informal knowledge developed within Fab Labs. Such informal knowledge manifest itself through the network actors’ ambitions of wanting to create ‘*the world’s first global distributed university*’ with no real ‘*infrastructure apart from services, networks and people*’ (Transnational networker B, interview, 28th August 2014) and with peer-to-peer learning aims.
“My desire is that it [the network] ends up as a global distributed university... an incredible outcome to an experiment that is going to say that education is being disrupted...” (Transnational networker FabLabs A, interview quoted in Hielscher et al. 2015).

The Living Knowledge network also challenges institutional constellations around education, in particular those of higher education and science. Higher education institutions (HEI) are often expected to carry out a “third mission” (Jongbloed et al., 2008), mostly associated with community engagement, outreach, or community-based research. Even though the rise of neo-liberalism - and the accompanying requirement for commercialisation of knowledge - increasingly have moved focus to partnerships with industry (Brennan and Naidoo, 2008), traditionally the third mission has been, and often still is, a one-way relationship, with a strong charity character and ‘enlightenment mission’ (Haywood and Besley, 2014). The Living Knowledge network of science shops has aimed to develop alternative relations between science and citizens, which are more equal and mutual, emphasising a type of partnership where knowledge is co-produced, and where the community influences the research agenda. As such, institutional boundaries between the community and the traditionally Third Sector status of education and research are being challenged.

Existing institutional constellations are also challenged by the INFORSE network in the domain of energy. The Danish local INFORSE initiative OVE started making it possible for people to produce their own sustainable energy, and connect to the grid. For this, OVE fought with both the energy companies and the state concerning the rules for getting local electricity on the national grid. In the early 1980s, OVE also fought with the state and the energy companies concerning the complex rules for owning wind turbines (including a maximal distance between the wind turbine and the owner's house), concerning local consumption and concerning the tariffs (Tranaes n.a.). Today, the focus is on trying to find new ways of using local energy co-operatives to create an economy in deprived local communities (VE 2014). The increased share of wind generated electricity in the grid causes new controversies concerning taxes and tariffs related to 'surplus' electricity.

5.2 New economies and the neo-liberal agenda

Many of the critical debates and concerns about social innovation and new economy are related to the observation that power relations between the different sectors and institutional logics is far from ‘equal’. We can argue that the state logic and in particular the market logic have become very dominant in the past decades. With societal challenges and trends such as the economic crisis and welfare state under pressure, we can observe that the hybrid sector, challenging existing institutional boundaries, is increasing. This could be seen in terms of an emergence of new economies as an integrating, hybrid domain, which is transcending the traditional separations by blurring and mediating across the boundaries between the traditional sector logics, as well as including elements and roles from all of them. We could even argue that we can begin to observe the emergence of a ‘parallel’ or ‘shadow’ economy, in which new economies – mostly part of the ‘Hybrid Sphere’ – are rising in parallel – and/or often in explicit opposition to – the market economy (see figure 2 below).
Within this context, there is a growing concern that phenomena such as ‘sharing’ through organisations such as AirBnB and Uber is not about the informal community economy becoming larger, but quite the opposite; i.e. about the commercial market logic becoming even bigger and ever more so penetrating the informal sphere, even entering one’s bedroom and one’s car. There are also concerns about the rise of the informal economy (i.e. black market) and reactions against some innovations by established interests that feel threatened by new competition. Many such critical questions and concerns on the new economy seem to revolve around the distinction between community vs. market, non-profit vs. for-profit, formal vs. informal.

Several of our networks seem to be confronted with such tensions and concerns regarding the politics of ‘new economies’, in particular in terms of their ideas being ‘hijacked’ by neo-liberal or commercial agendas. In the case of the Fab Lab network, for instance, there has been an increased interest from governments and companies (i.e. large cooperations such as Airbus, Nike and the World Bank) over the last few years. Often it is hoped that labs might create jobs and increase people’s entrepreneurial spirit. Several network actors have foreseen potential tensions between the community and commercial activities within labs, including distinctions between for-profit and non-profit endeavours. Labs might run the risk of not being able to open up the lab for the public if they engage too much in commercial activities, whilst in the process sacrificing some open-source values and peer-to-peer sharing activities that relate to ideas of developing a new economy.

“I think, we will need to deal with more ethical considerations in the future and what the ethos of the Fab Lab is and will it further our mission to get funding from these sources and then report back to them and change our plans to match what they want to do. But on the other hand, there are very large amounts of funding that wouldn’t be possible otherwise and so
there’s a whole bunch of potential for new projects, new initiatives, and larger-scale collaborations” (Transnational networker A, interview quoted in Hielscher et al. 2015).

Also in the case of the Impact Hub network, there are similar and explicit concerns about cooperation with government and mainstream business:

“If we allow a significant flow of money from the government without making sure we have the right relationship, it would skew the overall dynamic of our community. So honestly, that’s why we are rather staying away for now. Because also the level of business we can develop for now is not yet big enough to be able to play with the level of resource that they can invest. So then the risk we perceive there is that their capital would take over the power dynamic. (...) Second in line would be with corporates, mainly because corporates are great at growing and scaling things, but not so great at enabling starting innovation. So in fact they are great at stifling innovation. (...) So we have to be careful about not having them influence too much this early stage innovative approaches. (...) The downside of that struggle is that both corporates and governments sit on really important resources and really important data, really important ideas. It’s quite slowing down, the way we work with them to create that connection, because we need to make sure the power dynamic doesn’t get quickly squeezed in their favour.” (Member global Impact Hub team, interview 8 quoted in Wittmayer et al. 2015).

Within the RIPESS network, there is a certain suspicion regarding alternative economies that mainly reproduce neo-liberal order, such as the individualistic concepts of social entrepreneurship and micro-credits. RIPESS is united through the basic understanding that the economy should work in the service of people and planet, and not in the service of the few shareholders or just its own sustained operations. The critique is thus that economic practices have become disconnected from civil society norms and public control, and from sustainable ways of subsistence on the planet. The various RIPESS initiatives are therefore trying to bring in again what has been excluded from economic practices (social relations as summarized under ‘solidarity’), and seek to do so in institutional contexts in which governments are sometimes sought as allies, and sometimes rather avoided as representatives of neo-liberal order. The solidarity-based economy principles of RIPESS are ventured in various political-economical-cultural contexts. The latter implies for example that African and Latin American SSE practices often develop in contexts of weakly developed institutions and developing welfare states, whilst European practices often develop in the context of well-developed and sometimes even declining welfare states. In the first context, informal economies and parallel systems such as micro-credits and cooperatives are typical practices, in the second there are the practices of social and sheltered workspaces (involving labour subsidies for socially beneficial not yet marketable activity) and alternative banking (asserting the wealth and power of responsible consumers/civil society). In the European and Northern-American contexts, welfare state reform and restructuring is widely considered inevitable in the face of current societal developments. Especially the passive role of welfare benefits recipients is widely considered untenable – in Belgium, for example, social workspaces have actually been supported by a governmental reform towards a so-called ‘active welfare state’. The current stimulation of social entrepreneurship, as self-supporting rather than subsidy-dependent activism, similarly reflects broader institutional change in which the alternative economical ‘niches’ are not to end up as market-disturbing silos (Pel & Bauler 2015).
6. Conclusions

This paper has addressed phenomena of new economies from the perspective of transformative social innovation. We used the term ‘new economies’ to describe a broad set of related and intertwined ideas that emerge from critique of mainstream economic theory and existing economic practices and reflect visions about prospective or emerging alternative or complementary economic theories and practices. We distinguished and discussed four main strands of new economy thinking: (1) degrowth and localisation, (2) collaborative economy, (3) solidarity economy, and (4) social entrepreneurship and social economy. We then empirically discussed how 12 social innovation networks and local initiatives relate to these new economy strands. For this empirical discussion, we focused on three specific dimensions to examine the networks and initiatives under study: (a) their narratives of change on new economies, (b) their creation of new social relations as underlying new economies, and (c) their challenging of dominant institutional constellations in the existing economic system. In this conclusion, we aim to synthesise the answers to these questions, as well as formulate challenges for future research.

**Narratives of change on new economies?**

We found that all social innovation networks under study relate to different and new forms of economy, either by referring explicitly to one or several of the new economy strands as outlined above, or by using different terms, thereby co-shaping existing and/or new ‘narratives of change’ on new economies. Most straightforward are the explicit references to the four strands: degrowth & localisation (e.g. Transition Towns), collaborative economy (e.g. DESIS), solidarity economy (e.g. RIPESS) or social entrepreneurship (e.g. Ashoka, Impact Hub) and social economy (e.g. RIPESS). However, we also see that networks refer to other terms and accompanying narratives, such as peer-to-peer economy, distributed economy or knowledge economy (e.g. Hackerspaces), social impact economy (e.g. Impact Hub), open source circular economy (e.g. FabLabs), and post-capitalism (e.g. Global Ecovillage Network).

These narratives of change interact with game-changers such as the global economic recession of 2009: narratives respond to such game-changers, while at the same time (re)framing them. None of the narratives on ‘new economies’ as observed in our case-studies are entirely ‘new’, nor are they explicit ‘responses’ to the economic crisis. However, it seems that the perceived economic crisis has provided these alternative narratives with a ‘boost’ of renewed interest and opportunities. Our empirical studies demonstrate that several of our social innovation networks strategically and intentionally play into such ‘discursive dynamics’ and game-changing trends. In doing so, they connect their work to the broader context and engage in reframing societal developments and co-shaping public discourses and debates. It is worth noting that all cases have their own particular stories about what they are doing, and particular ways of relating to their social context. Further work is needed to ascertain the particular nuances of the narratives of the initiatives and the people involved in them.

**New economies, renewing social relations?**

All our initiatives under study involve articulations of new social relations, as an important element of new economic arrangements. New forms of economic exchange entail new social
relations as a precondition and influence how new social relations are put into practice. This is done by creating a range of possibilities for their enactment and experience and by generating conditions for those involved to co-produce and learn about different ways of relating. Changes in relationships of production, consumption, and exchange, in the roles of actors and in the distribution of burdens and benefits aim at building a new type of community, mentioned by different initiatives as a key objective of the quest for new economies.

All our case studies of social innovation initiatives promote connectedness and relationships based on trust and authenticity. Some emphasize direct interpersonal relationships of higher (ecovillages) or lower intensity (DESIS, credit cooperatives), while others emphasize connectedness through sharing physical and virtual spaces (Fab Labs, Impact Hubs etc.). All case study initiatives promote norms of collaboration and sharing on the basis of principles of equality, inclusion and transparency. They defend a transformation of relations towards collaboration/cooperation instead of competition, towards inclusion instead of exploitation, towards connectedness instead of alienation, and to empowerment instead of passivity.

The values that social innovation initiatives strive to implement in new forms of relating can be framed as deviating from – or even opposite to - those currently underlying mainstream economic systems and business-as-usual forms of relating, which have resulted in disenchantment with existing frameworks and have led to a search for alternatives. Further analysis is needed on the degree to which social relations are in daily practice based on such values and why it may occur that actually practicing these values can be challenging, without implicitly reproducing practices or relations embedded in ‘old economy’ values. Even in more egalitarian organisations, competition, strife and elements of authority frequently exist (which may or may not undermine the integrity of the organisation).

New economies, challenging institutional constellations?

The social innovation initiatives that we studied, challenged the dominant economic system mostly indirectly, through counter-narratives and by demonstrating and developing alternative forms of social relations. Most initiatives seem to focus more on devising alternative possibilities, than on explicitly ‘fighting’ existing economic systems or established institutions. Nevertheless, we observe that the social innovation networks do - implicitly and explicitly - challenge institutional constellations underlying the current economic system, in the sense that these initiatives often operate at the intersection between different institutional boundaries. In section 5, we empirically discussed how the initiatives under study often seem located in a so-called ‘Hybrid Sphere’. Many of them lack a dear ‘institutional home’, struggle for legitimacy and funding, and are often concerned about being ‘hijacked’ by government or business interests (see also Pel & Bauler 2014). While this is a considerable constraining factor for these initiatives, we argue that there is also a transformative potential therein, in the sense that these networks are involved in renegotiating institutional boundaries between formal and informal, for-profit and non-profit, public and private, and challenging – or at least questioning established power relations between state, market, community and the non-profit sector.

How and to what extent the challenging of institutional boundaries contributes to actual transformative change of the economic system remains a question for future research. In particular, more research is needed into initiatives and networks (such as e.g. RIPESS and
INFORSE) that have a more explicit political ambition to challenge the existing economic system and seek a more open confrontation with established institutions, while at the same time proposing socially innovative solutions. This is one of the challenges that the TRANSIT research project will take up in its next phase of empirical analysis, when analysing additional case-studies, including phenomena such as participatory budgeting as an alternative method for municipal budgeting, basic income as an alternative to existing welfare systems, or the global seed movement opposing the dominant agricultural industry (TRANSIT 2015).

In conclusion, we argue that transformative social innovation is an interesting perspective to make sense of empirical phenomena related to the new economy, and that this contributes to our understanding of “transformative diversity” (Stirling 2014) in sustainability transitions. New economy arrangements (e.g. sharing practices or cooperative organisational forms) seem to play a significant role in various initiatives and networks aiming to contribute to sustainability transitions, or other manifestations of more just and resilient societies. While new economy arrangements certainly include many technological aspects, we argue that these empirical phenomena also deserve more focused and elaborate attention for their deeply socio-cultural and socio-political dimensions. As such, we have proposed to understand ‘new economy’ phenomena as social innovations, i.e. as involving changes in social relations and new ways of doing, organising, knowing and framing. The concept of transformative social innovation invites us to question the transformative ambitions, potentials and impacts of new economy initiatives and to enquire into the role of such initiatives in challenging existing institutional constellation and enabling transformative change.

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