
From social enterprise to solidarity based economy, a European perspective

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ALOE, Alliance for a responsible, plural and solidarity economy – www.aloe.socioeco.org

***EMES, Emergence of social Enterprise in Europe
www.emes.net***

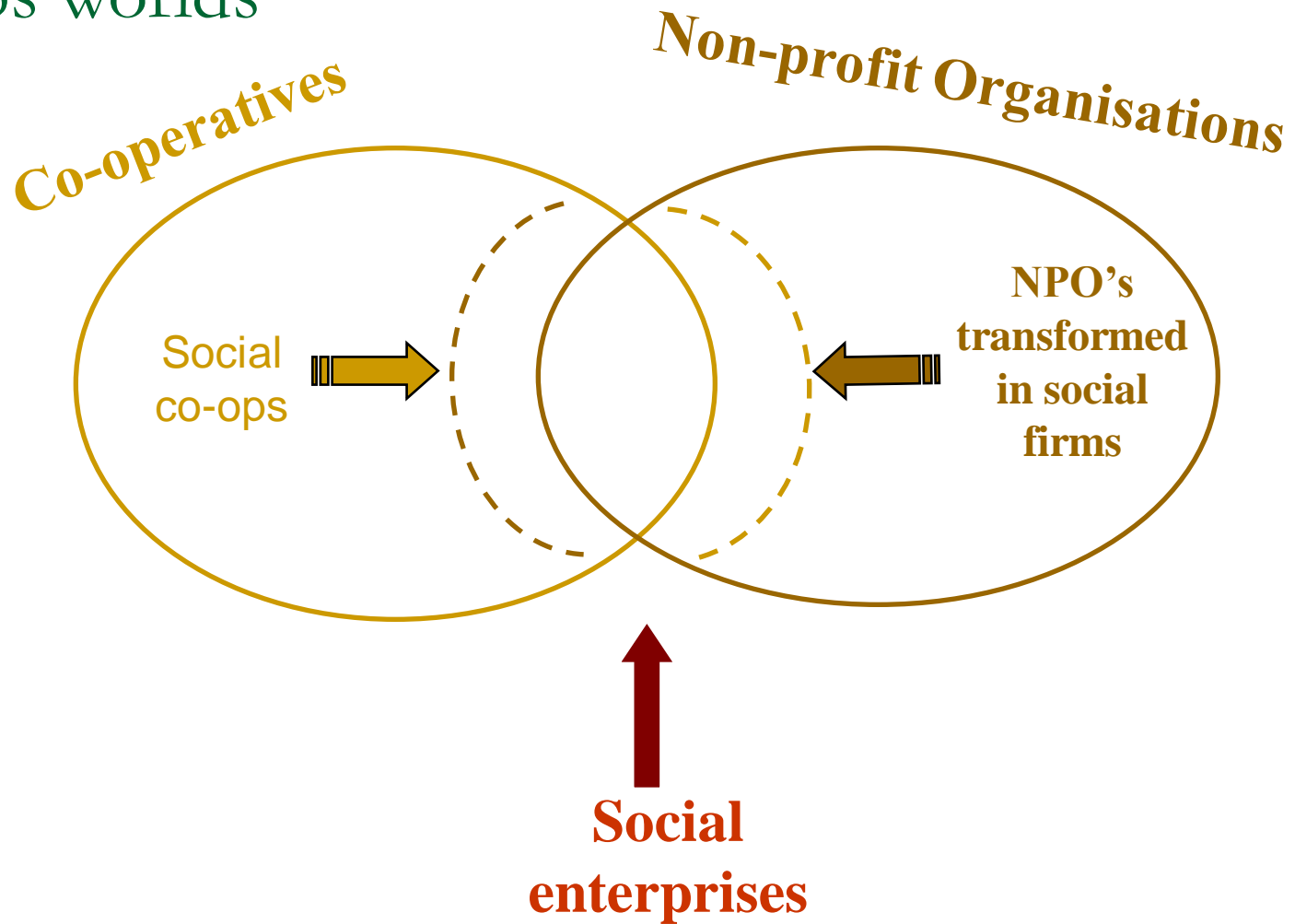
Origin of social entrepreneurship in US

- Ashoka Foundation, Harvard University business School
 - An individual and vocational conception of SE rather than a collective and participative process. Strong leadership with social vision
 - Transcend the boundaries between business activities and non for profit sector (NPO)
 - Very large scope of social entrepreneurship
 - The use by NPO of trading activities and management/fundraising methods for generating additional income to fulfill a social purpose
 - For profit enterprises delivering social services
 - Big companies investing in philanthropic venture or social programs through foundations
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The European perspective of Social enterprise

- A conception rooted in the history of coop's and associations movements
 - A more collective conception of SE by keeping some common organizational principles :
 - A decision making process not based on capital ownership
 - A criterion of the limitation of redistribution of profit
 - A participative governance
 - High degree of autonomy
 - Additional and different criteria (EMES)
 - An explicit social or ecological aim to benefit to the community (not only to the members)
 - A multi-stakeholders dynamic and governance (workers and consumers but also volunteers and local authorities
 - A mix economy of resources (market, non market and non monetary)
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Social enterprise as a bridge between NPO and Co-ops worlds



Social enterprises : practice, methods and statutes

- *Practices* : work integration social enterprises, social care services (elderly and childcare services), community services (housing, education, sport , culture, social tourism...).
 - *New methods* (labelling, certification, social accountability, social performance indicators...) to guarantee the ethical, social and ecological dimensions of the products and the production process.
 - *New statutes* (social coops in Italy, Coop's society of collective interest (SCIC) in France, Community business corporation in UK...) for organizing a multi-stakeholders governance;
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Limited and ambiguous vision of social enterprise

- Limited and ambiguous vision of social enterprise
 - ✳ Functional role of social enterprises: income and job opportunities of the most excluded, access to credit and market for the small producers without any contestation of the economic system.
 - ✳ A limited vision: another enterprise is possible without any discussion on the market rules.
 - ✳ A market-based approach to address societal issues
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From social enterprise to solidarity based

economy

- A definition : “All the production, exchange and consumption activities which contribute to the democratization of economy through citizen commitments” (Laville, 2007)
 - An extensive definition of the economy:
 - * not only based on production (social enterprise), but also exchange (social money), trade (fair trade), finance (solidarity finance), consumption (ethical consumption)
 - * not only focused on enterprise and business but on all economic dimensions of the everyday life, such care services in the community but also energetical and material flows and interactions with ecosystems
 - * not only on corporate governance but also on the economic governance as a whole. Embedded competition rules in social and ecological standards, building solidarity production chains, democratic redistribution (participatory budget)...
 - * Another conception of wealth and development based on well-being and ecological justice principles rather than monetary and material growth (basic GDP indicators)
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RPSE faced to the financial and economic crisis

- *The crisis is an opportunity for claiming a democratization of economy, disseminating SE values and up-scaling their practices*
 - * *Financial and economic elite failed. They have been socially irresponsible. Private and voluntary based CSR has partly failed.*
 - * *They (indirectly) call for solidarity of tax payers and future generations to secure the bank system and relaunch the economy*
 - * *There is a need of citizen control on the billions €/ \$ injected in the economy system by the governments without any democratic debate*
 - * *Social and ecological counterparts to public support to banks and companies*
 - * *No government supports without changing the rules of corporate governance and remuneration no more driven by the creation of shared value for financial market.*
 - * *No socialization of financial losses without transparency and control of the savers on the use of their money by the bank*
 - * *No additional debt and massive public investment without a debate and a change of the development model*