

EXPANDED ABSTRACT

From social innovation to the solidarity-based economy: key practices for the development of public policies

Identifying the existence of democratic governance rules in economic activities is considered a necessary first step towards linking the solidarity-based economic sector to the promotion of social innovation. Faced with a non-critical use of the notion of social innovation (and considering that democratic economic principles applied to business activities always manifest themselves gradually), one of the first issues to be tackled in order to foster social innovation with socially transformative aims is to identify certain basic principles to define economic practices that may be included within what is known as the social and solidarity-based economy. As the previous literature has shown, these practices are basically defined by their aims and by their governance rules and they are not directly linked to an exclusive legal form. Although the sector has been historically and ideologically related to the development of democratic cooperativism, the practices that can be framed within the social and solidarity-based economy are defined primarily by the ways in which they face the effects of different economic cycles in terms of social and ecological transformation. In addition to the search for a human and socially transformative scale for economic activity, one of the main common criteria signalled in the literature is the identification of participative and democratic governance practices in business decision-making. This involves the development of strategies to consider the complexity occasioned by the existence of a growing multiplicity of types of actors engaged in economic processes, in consonance with what are called multi-stakeholder dynamics. In this sense, economic activity may be an area of democratic experimentation and the search for private gain is no longer going to be the main ruling principle of the system.

The positive disposition towards social innovation shown by initiatives framed within the social and solidarity-based economy is reinforced by their inclination to link non-speculative productive activities with democratic development, but also by many of their organisational aspects. The resilience of the sector's entities, or the economic risk that they are capable of assuming, has popularised (especially in the current context of multidimensional crisis) the identification of the sector with an approach that confronts the multiple social challenges that emerge in the context of economic globalisation and its particular negative effects on territories. These types of economic practices are especially suited both to fostering partnerships between different kinds of actors involved in the provision of welfare services and to promoting an integrated approach to local economic development. Since the mid-1990s, there has been an awareness in Europe of the third sector's role in providing solutions to basic social ser-

vices, considering the growing importance of new modes of organisation as well as new productive factors. This is linked to the increase of different types of actors with different forms of commitment and different modes of operation that define social enterprises as especially hybrid organisations in comparison to hegemonic forms of private enterprise. From the public administration's perspective, this coincides with the social innovation paradigm in which public management systems may gain in complexity by adapting themselves to issues such as the activation of citizens as co-producing agents of public services. Other innovative trends with a special presence in the social and solidarity-based sector are: the intensive use of the Internet; the adoption of crowdsourcing dynamics; the cooperative consumption of goods and services; the initiatives' territorial sense of belonging; the emphasis on the construction of communities supporting concrete collective practices; or multi-activity as a principle promoting entrepreneurialism, among others. In addition to these organisational dynamics, it is necessary to consider changes in production factors. For instance, the social sector has witnessed and adapted itself to growing selectivity in volunteer work and organisational activism, which nowadays are especially geared towards concrete aims. Also, it has been particularly exposed to the effects of the influx of financial resources from public policies in terms of the aims, objectives, and working dynamics that drive the operation of social entities.

Considering the previously cited aspects, and approaching the main question of the research from a local administration perspective, it is crucial to consider the importance and complexity of promoting and spreading knowledge of a set of economic practices that are not easily parameterised. Through an analysis of the existing literature and the consideration of different case studies derived from our fieldwork in the province of Barcelona, we can underline three basic mechanisms used by municipalities in this regard: (1) the organisation of citizen awareness-raising events; (2) the study and parameterisation of the sector; and (3) the development of outreach activities geared towards policy makers and public managers. The strategy of awareness-raising through the organisation of events requires avoiding the 'folklorisation' of the sector and the linking of its popularisation to situations of exceptionality. In turn, the study and parameterisation of the sector involves confronting analytical complexity in its delimitation and developing a shared diagnosis in conjunction with the sector itself. Lastly, with regard to popularisation among policy makers and public managers, it is crucial to avoid the risk of sectorialisation that policies geared towards the promotion of the solidarity-based economy have. This means seeking a cross-cutting approach in the incorporation of economic democratisation principles.

On the other hand, apart from the popularisation of the sector, there is a set of administrative stimuli and concrete executive measures used by some municipalities to promote the sector. Financial supports for social entrepreneurs, aimed at helping small initiatives in their development phase, are useful mechanisms, especially in the search for providers responding to local needs. Another promotional measure is to support those spaces that are useful for backing socio-communitarian activities, fostering collective learning about the challenges for local development and exploring the intersection between entrepreneurial activities and citizenship practices. In this regard, local governments can also foster exchanges between networks, as well as boost complementary currencies as a tool to tackle

financial scarcity and to promote labour activation, while at the same time offering opportunities to small businesses. In this sense, we can also identify the introduction of social clauses in the administration's contracts as a way to incorporate social and environmental criteria in contract documents and as a policy tool allowing multiple applications. Lastly, public stimulus for business transformation involves encouraging the improvement of social, economic, and ecological aspects through incentives for the private sector.

Despite the variety of possibilities presented here for public policies linking social innovation and solidarity-based economic practices, and in an effort to offer some practical conclusions, it is important to point out several limitations. Firstly, public policies fostering the sector have to face the crucial difficulty of the absence (for the meantime) of a clear articulation of the interests of the social and solidarity-based sector at the macroeconomic level. This is considered a necessary step to guarantee the positive development of the relative weight of the social and solidarity-based sector in relation to the rest of economic activity. Secondly, it is necessary, as already indicated, to seek cross-cutting and integrated approaches in policies fostering social and solidarity-based economic practices. This means avoiding their institutionalisation as a specific activity niche within public policies and promoting their presence as a driving principle in all public management areas. Lastly, a third important unresolved issue for public policies fostering social innovation is that the social and solidarity-based economy, in its operating and governance principles, is geared towards the subversion of the hegemonic model of the capitalist enterprise motivated by private profit. As a consequence, this requires a complementary effort not only in favour of the emergent sector but also in favour of defending economic democracy in a broad sense. This means, for instance, penalising and regulating the scope of business practices that are contrary to the principles of social and environmental justice.

KEYWORDS: Social innovation, social and solidarity-based economy, local economic development, co-production of public policies, democratic governance.