

SOCIAL ECONOMY: TWO PERSPECTIVES

Understanding The Social Economy: A Canadian Perspective

by Jack Quarter, Laurie Mook, & Ann Armstrong

Toronto: University of Toronto Press; 2009.

ISBN: 978-0-80209-645-6

CIRIEC: The Worth of the Social Economy. An International Perspective

edited by Marie J. Bouchard

New York: Peter Lang Pub. Inc.; 2009.

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Rupert Downing

THESE TWO BOOKS REPRESENT MILESTONES IN DEFINING, EXPLAINING, AND describing the social economy and some of its component sectors and organizations. One from a perspective that builds on the current work of the Social Economy Research program funded by the Social Science and Humanities Research Council (Quarter, Mook, & Armstrong) and the other from a global perspective that brings together the rich analytical material of the International Centre for Research and Information on the Public, Social and Cooperative Economy (CIRIEC).

Marie Bouchard nails the definition of the social economy in the first chapter of her book firmly in the context of economic and empirical analysis of a plural economy of which the social component is “a growing pole of social utility ... positioned between the capitalist ... and public sector” (p. 19).

Quarter et al. take a different road, defining the social economy in their opening chapter as “a bridging concept,” involving social mission and economic value.

And so the two books pursue their analyses along very different paths, reflecting perhaps the different conceptual frameworks that have emerged in the whole discourse over the social economy: One discussion is rooted in a critical analysis of political economy built on efforts to understand the socially constructed nature of economic relations; the other built on a more sociological analysis of social relations between organizations – “how organizations in the social economy interact with other parts of society” (p. 7).

Quarter et al. recognize some of these differences in definition and approach in his opening chapter, noting the view of some Quebec writers (Eric Shragge and Jean Marc Fontan) that the social economy isn't just a definition of a particular sector but is a framework for a social movement to advance socio-economic change and to build a more people-centred and democratic economy and society. This has certainly been the perspective of organizations like le Chantier de l'économie sociale in Quebec, and organizations involved in international networks of the social and solidarity economy (such as RIPESS, the International Network for the Promotion of the Social Solidarity Economy).

RUPERT DOWNING is Co-Director of the Canadian Social Economy Research Hub, a six-year national research program funded by the Social Science and Humanities Research Council. He is also Executive Director of the Community Social Planning Council of Greater Victoria, and was Executive Director of the Canadian Community Economic Development Network and a senior official in the BC Government's Ministry Responsible for Community Development, Cooperatives and the Voluntary Sector.
Email: redowning@shaw.ca

Quarter et al. go on to discuss the components of the social economy with useful illustrations of different typologies of organizations, covering social economy businesses, community economic development organizations, social enterprises, public sector non-profits, and civil society organizations. Written for academic instruction, each chapter has discussion questions for the reader.

The book finishes with a look at three critical issues the authors consider to be significant. The first deals with organizational design and governance, looking at models of governance in examples from the nonprofit and cooperative sectors, and strategies used to respond to challenges across the social economy. The second issue dealt with is financing, with good analysis of some of the new forms of social financing that are emerging in Canada that invest private capital in the production of goods and services that involve social ownership and benefits. The final chapter deals with social accounting and traces the development since the 1970s of new forms of accounting for social impacts and outcomes alongside more traditional measurement of financial performance. Of note, the opening chapter of this book contains a section on the size of the social economy in Canada, which brings together key statistics on employment in, and income of, nonprofits, cooperatives, and mutuals. Overall the authors conclude that the social economy represents 8% of GDP in Canada (based on 2003 figures), noting that this does not include the imputed value of voluntary work.

The second book, edited by Marie Bouchard, pulls together a series of papers on the evaluation of the social economy. The emphasis is on analyzing and evaluating the activities and outcomes of the social economy, at both a macro and micro level. The heart of the book is seven national papers on evaluating the social economy in France, Quebec (Canada), the UK, US, Brazil, Portugal, and Japan. Where these chapters lay out a context of how the social economy has developed in their respective countries (e.g., Japan, Portugal, Quebec) there are interesting comparative narratives that inform some conclusions on the importance of evaluation methodologies in demonstrating the social economy's potential contribution to social and economic issues. Unfortunately, the authors do not consistently take this approach for each country, and so the material becomes difficult to digest. This is particularly the case when it becomes evident that the various authors are dealing with very different sub-sets of the social economy (e.g., nonprofits in the US, cooperatives in Japan). The book also presents four theoretical chapters on evaluation of the social economy from four different disciplinary perspectives: management, economy, sociology, and philosophy.

Bernard Enjolras of Norway deals with the "normative foundations of social economy organizations" (p. 44) and the analytical paradigms that need to be made explicit in efforts to evaluate their solidarity, democratic and productive functions. He asserts the importance of the paradigm of market and government failure to produce public goods resulting in the role of nonprofit organizations in contributing to social utility, that is the social economy as an alternative to Capitalism that contributes to a more equal distribution of social wealth; the solidarity economy that contributes to social cohesion, job creation and a more plural economy; and, finally, civil society that contributes to democracy and the common good. These are all important analytical frameworks to use and consider, although I am not sure that the distinction between social and solidarity economy is at all clear. It certainly doesn't feature in the narrative and dialogue between,

for example, the Solidarity Economy Network in Brazil and the Social Economy Network in Quebec, Canada. Rather, they take the view that they are using slightly different language to describe the same purpose and phenomenon.

The book finishes with a concluding chapter on evaluation methodologies and their relevance to governance structures that are characteristic of the social economy. Perhaps the most important point to emerge from this analysis is the authors' collective call for innovative methods of evaluating the social economy at a macro-level, not just as a set of autonomous organizations and actors at the micro-level. Because social economy organizations aim to produce systemic impacts on large societal issues (poverty, social exclusion, democratic access to resources, sustainable development) its imperative that they and others can analyze and demonstrate the evidence of their impacts at an aggregate level. Unfortunately this is a particularly difficult field at this time in Canada because of the lack of statistical data for even the most basic metrics. Until federal and provincial governments move, as other jurisdictions have, to capture and support statistical measures relevant to the social economy this will be a tough agenda to move forward.

In conclusion, both of these books, from very different perspectives, give readers a rich supply of information and analysis on the social economy. It wasn't an objective of either to deal with the question that I still have after six years of co-directing the Canadian Social Economy Research Program: What is the potential of the social economy as an organized and united movement or sector to respond to the major issues facing Canadian society, and how do we maximize it?

This is certainly our focus at a regional level on Southern Vancouver Island, and seems to be an increasing outcome in those places where progress has been made on a common social economy public policy agenda (e.g., Quebec and Brazil). At a time of unprecedented social, economic, and environmental challenges, the potential of the social economy to advance democratic and sustainable human development is a subject I would like to see take more prominence in literature like this. The International Forum on the Social and Solidarity Economy being held in October in Montreal will be one opportunity to have that kind of dialogue.