

Presentation to PRI-SSHRC Roundtable on Policy Research  
Needed to Support the Social Economy

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# Conceptualizing the Social Economy in Canada Outside Québec

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# Starting Points

- The Social Economy is not organized as such
- Academics and volunteers are becoming more familiar with the term
- It is important for public agencies to define what they mean and where their interests lie



# Social Economy: definitions

- **Co-operatives+mutuals+associations**  
(Desroches 1984; cf. Quarter 1992)
  - People before profit
- **Normative definitions**  
(Vienney, Defourny, Chantier de l'économie sociale, Laville...)
  - Values: solidarity, autonomy, citizenship
  - Forms of associative structures, economic activities, actors
- **See Ninacs, 2002**



# Community Economic Development (CED)

- Forms of development that benefit depressed communities or marginalized groups
  - Regional development organizations: Community Futures, development corporations, etc.
  - Group development organizations: women's CED, Aboriginal economic development corporations, etc.
  - Social housing, health initiatives



# Third / voluntary sector

- Religious
- Charitable and philanthropic
- Artistic and cultural
- Sports
- Trade and economic-interest
- Public education and lobbying
- Service and commercial
- NGOs, not-for-profit enterprises, “non-owned” institutions



# Social Capital

- Term introduced and debated by academic community
- Relationships (norms, values, trust) that can be mobilized
- Can be quantified and studied
- See Putnam



# Social Cohesion

- Term introduced by policy community
- Shared values and commitment to community
  - Inclusion, reducing disparities (Jenson 1998)
- Contrast to social capital:  
An emergent property of society?  
(Dayton-Johnson 2003)



# Summary

- There are existing discourses about CED, voluntarism, social capital, social cohesion
- Social economy overlaps these
- Conceptualizing social economy means appropriating portions of these discourses
- There is a general shift in many areas to focus more on values



# Social Economy as discourse

- Social Capital and Social Cohesion are abstractions
- Social Economy invites focus on a sector that can be organized and can understand itself as a unit
- Social Economy covers multiple areas of activity (services, industries)
- Common interests are community orientation and organizational issues



# Question 1

- Are policy makers interested in the Social Economy itself as an object of policy?
- Or, are they interested in particular groups or services to which the Social Economy contributes?



# Question 2

- Does policy make the Social Economy?
- Does the Social Economy make policy?
- *Policy engagement as a model?*



# Social-economy research in Canada

- Québec: CIRIEC, CRISES
- Prof. Jack Quarter (OISE)
  - 1992 *Canada's Social Economy*
- Prof. Marie Bouchard, CRC (UQAM)
- Researchers of co-operatives, CED, voluntary associations, health, etc.
- CURAs
- Emerging research networks



# Co-operatives within the social economy

- Co-op = association + enterprise
  - “An autonomous **association** of people united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled **enterprise**.”
- Invented by ordinary people
  - Woolwich and Chatham, U.K., 1760
- Mature, highly institutionalized component of social economy



# Co-operatives in Canada

- 9,271 co-operatives  
40% of Canadians are members  
70,000 volunteers  
\$160 billion assets

(Co-operatives Secretariat, 2004)



# Co-operatives and Social Economy

- By definition, co-operatives are built around **enterprises**
  - All have a substantial pragmatic focus
- Some co-ops have clear social purposes
  - “Social co-ops” (solidarity co-ops)
  - Social audits by co-ops



## Co-ops & social economy, cntd.

- Many co-ops do **not** have explicit social goals
  - Are commercial ones not part of social economy?
- Most co-ops have differential social **impacts**
  - Ownership base conditions benefit distribution
  - Democratic control defines group



# Question 3

- Who owns, who benefits? (Does this matter for policy purposes?)



# Examples

- Antigonish movement in N.S.
- Acadian co-operative communities (Évangeline, Chéticamp)
- Small Prairie towns
- Arctic communities
- Aboriginal co-operatives
- Urban housing co-operatives



# Question 4

- Is public policy interested in values or in groups?
  - e.g. a highly commercial co-op whose members are Aboriginal people:
    - Support it because development of Aboriginal people is a priority?
    - Or don't, because it is commercial?



# Autonomy and policy

- Autonomy from government is a co-operative principle
  - Extensive international experience
  - Outside influence degrades co-op character and efficiency by reducing member control and responsibility
  - Co-ops are a policy “tool” that is ruined by “hands-on” use



# Spectrum of public policy

(Hoyt, 1989)

- DESTRUCTIVE
- NEUTRAL
- SUPPORTIVE
- PARTICIPATING
- CONTROLLING



# Why respect autonomy?

- A reason to favour co-ops (social economy) is when autonomy and civic participation are desired
- Cf. Foucault: “governmentality”
- States require citizen participation in order to achieve objectives economically



# Question 5

- How exactly do governments promote, without distortion, sectors that define themselves by *autonomy*?
- Answer 1: with difficulty
- Answer 2: as they have learned to do with business enterprises



# What types of policy régimes?

- “Market-like” systems:
  - stable frameworks
  - incentives or limitations defined in advance
  - scope for innovation within this framework
- vs. “Paternal” type systems:
  - ongoing approvals
  - changing rules



# Conclusions

- Outside Québec the Social Economy is not (yet) well-defined
- Adopting Social Economy discourse means engaging existing discourses
- SE implies policy engagement with an emerging sector
- SE implies policy constructed around ideas of autonomy



## **Key References**

Ninacs, William A. *A Review of the Theory and Practice of Social Economy/Économie sociale in Canada*. SRDC Working Paper 02-02. August 2002.

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