



Local Social Economy

Learning Package

A European Curriculum for
Social Enterprise Practitioners and Supporters

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We would like to take this opportunity to acknowledge the support we have received from the Leonardo project. It has enabled us to meet regularly over the last two years and discuss in detail a curriculum and learning package specifically designed for practitioners and supporters of social enterprises.

As many of you will be aware, there is a considerable amount of learning material available for people working in, and engaged with, the social economy. In this Local Social Economy Learning Package we have made an effort to present learning in a participative way, stressing those elements that are exclusive to social enterprises. We believe that the social economy offers a different way of “doing business”. It offers an alternative system of exchanging goods and services based on social justice and being aware that human beings are a result of our particular cultures but at the same time an integral part of the global environment.

As well as the funders, we would like to sincerely thank all those people who have contributed to the development of this Learning Package. This includes those people and organisations who were consulted on the earlier drafts, those that read and commented on whole passages and those that gave up their time to attend experiential seminars in our partner’s countries. We are also grateful to the Trade Union Federation of Berlin and Local Council of Borough of Pankow, Berlin who offered us unwavering support throughout.

We would urge you to read and use this Learning Package!

Finally we would be grateful if you could feedback any thoughts and suggestions you may have to improve this package. Learning is a continual thing and we, like you, are constantly learning from experience, from each other and from other people’s writing and practical experience.

Please enjoy!

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Preamble

This Preamble will explain the background behind this Learning Package. It covers who the users will be, the reasons why it is important, an explanation of the Local Social Economy, the terms and definitions and the philosophy underpinning the Learning Package. We conclude with suggestions on how the Learning Package has been designed and how it can be used. It can also be modified to suit differing circumstances.

Who is the Learning Package for?

The Learning Package (sometimes referred to as the curriculum) has been designed for 'multipliers' – that is, everybody who is actively committed and involved in the promotion and development of the Local Social Economy Movement which we believe is fast becoming international. Therefore, the 'multipliers' are:

- practitioners, workers in, and managers of social enterprises or related social economy organisations
- supporters of social enterprises or related social economy organisations
- consultants, researchers, managers and other staff members of intermediary organisations supporting the Local Social Economy
- politicians and administrative staff members of national or regional government or local authorities who are interested in the Local Social Economy
- post-graduate students who want to learn about and prepare for work in the social economy

Why have we written this Learning Package?

We have discovered that in some European countries there are already many training courses on the social economy. They cover a variety of different topics and vary considerably – from very specialised courses in some countries to being general and vague. Past research has revealed, we believe, a number of problems and weaknesses in some of the available training and learning packages.

Firstly, many of these training courses relate to national, regional or even organisational frameworks and lack a European and/or international perspective.

Secondly, many of these training courses are often targeted to the needs of special groups, sectors or areas and tend to focus on special aspects of setting up, running and funding certain types of enterprises or organisations. They often lack an integrated or holistic approach which reflects the overall social and economic framework in which these organisations operate.

Thirdly, many of these training courses operate in an assertive way given their geographical, cultural or administrative limitations and are accepted without critical debate. They often lack a strategic policy to accommodate further development and changes in the political, cultural and economic environment.

Finally, there is often a gap between researchers (or teachers) and practitioners in the field of the social economy. Research often remains academic and their findings do not reflect the work of practitioners thus failing to combine theory and practice.

In view of these problems and weaknesses and a need to address them, this Learning Package will take an innovative approach and will:

- reflect and learn from international experiences and perspectives
 - analyse and debate the overall cultural, social, environmental as well as economic framework in which the Local Social Economy is embedded
 - analyse and develop practical policies and strategies on a macro as well as micro-economic level
 - include and use theoretical thinking and empirical research to influence practical work
- To sum up, the overall objectives of this Learning Package will be to...
- understand the emergence, the nature and future possibilities of the Local Social Economy Movement
 - analyse and reflect the overall framework in which the Local Social Economy Movement operates
 - analyse and propose practical policies and strategies for Local Social Economy organisations
 - analyse and reflect on the successes and failures of Local Social Economy organisations
 - improve the performance of consultants, researchers, politicians, managers and other staff of intermediary organisations as well as public authorities in relation to Local Social Economy organisations
 - improve the performance of activists, practitioners and supporters working for and with Local Social Economy organisations
-

What is the Local Social Economy?

We have to admit that the term 'Local Social Economy', as used in this Learning Package, is neither clearly defined nor generally accepted. There are currently a confusing variety of different terms which are used for similar economic activities - like the 'social economy', 'solidarity-based economy', 'community economy and community economic development', 'local economy and local economic development', 'people's economy and people-centred development', 'third sector' and 'third system' - to mention only the most frequently used.

In this Learning Package we shall tend to focus on a broad variety of alternative economic activities which have been developed from grass-roots initiatives or citizen's movements all over the world emerging from a variety of different geographical, cultural and political backgrounds.

Many of these terms are used after the initial purpose for which they have been founded and reflect some of the problems or conflicts from which they have emerged. Others have been defined and grouped together according to the legal or institutional framework they have adopted – for example, 'cooperatives', 'charities', 'foundations', 'mutuals', 'associations', etc.

In languages other than English we find even more explanations and terms although they refer to organisations that seem to be active in the same field.

Therefore, the term 'Local Social Economy', we believe, can only be understood as a provisional overall term for a subject which is complex, confusing and dynamic. It boasts not only a historical dimension of more than 150 years, but has also expanded and developed in different ways and along different pathways.

To understand the Local Social Economy we have decided not to build on widely accepted definitions, but feel that we have to follow a different approach: the historical approach.

The historical approach to understanding was introduced by the German economist and sociologist Max Weber who tried to understand societal phenomena by studying its historical development. This approach starts with questions such as 'Why did the societal phenomena emerge?' and 'How did it come about?'

At the beginning of all new economic initiatives certain needs and/or conflicts are identified which desire action and lead to the formation of a movement around them - for instance, poverty, unemployment, disadvantage, violence and war, natural catastrophes, devastation and ecological damage, social and economic exclusion, cultural or political domination, lack of necessary goods and services like food and housing, transport, energy and other infrastructural services, medical, educational, cultural and other community services and so on. The list is endless and explains why there is such a wide range of new initiatives and organisations with a confusing variety of names and terms.

Of course, all new ideas have different objectives and act in response to different situations within different historical and cultural backgrounds. What they have in common is that they all react to *unmet needs* which are not served either by the market or the state or in the case of conflicts are not solved by politicians or authorities. If traditional protesting and campaigning fails, some of these movements become entrepreneurially active and embark on ideas of economic self-help.

To sum up, the Local Social Economy can be characterised as: **citizen's movements with social entrepreneurship**

What is the rationale for the Local Social Economy and how can it address crises in society?

As the Local Social Economy often originates from social and economic conflicts or crises, this Learning Package will place the conflicts and crisis situations centrally and take them as the starting point. We shall reflect on how the Local Social Economy (and social enterprises) can provide a solution to the crises and still be run effectively to develop a sustainable future.

The present crisis in the world economy and the fall in the financial markets reminds us that the social cohesion in our societies – both in the North and South - is endangered by deeply rooted systemic crises in *work*, the *economy* and in *communities*.

Firstly, there is the **crisis of work**. Since mankind is not living in a 'paradise', it is a fundamental anthropological fact that we have to work to make a living. Of course, there have always been periods in history where not everybody was able to do so for various natural, social or economic reasons. In modern societies, however, 'work' (as independent business, self-employed work or dependent labour) has become the dominant precondition - not only for those making a living, but also for participation in society or to find a personal identity and a place in society. Growing mass unemployment which towards the end of the last century also reached the highly industrialised countries caused not only a serious lack of income and the beginning of a downward spiral into poverty, but also a loss of personal identity and the beginning of a depressing process of disintegration and social exclusion.

Secondly, there is the **crisis of the economy**. Mankind cannot avoid economic activity to serve its needs. In this context we understand the economy as a set of means to produce the necessary or otherwise deserved goods and services and especially to allocate the available resources in an effective and

sustainable way. While in the past economic activities were often limited by the scarcity of available resources, technological progress has broken down these barriers and paved the way for *apparently* unlimited economic growth. This has been accompanied by an ongoing concentration of capital and power in fewer and fewer hands, beyond national boundaries and democratic control.

The present crisis in the financial markets might illustrate that the limits of economic growth have already been exceeded and economic growth and the further concentration of capital and power have become a problem in themselves. There are also environmental challenges such as climate change. In addition, there is the widening gap between the rich and the poor and the polarisation of the world economy into islands of prosperity and a sea of crisis areas around the globe. In these crisis areas in the 'underdeveloped' world the economy often does not serve even basic needs and rarely provides the population with all necessary goods and services.

Thirdly, there is the **crisis of communities**. Localities, places and their communities are more than just geographical points on the map. Despite increasing mobility, most people depend on certain localities and the social fabric in which they are embedded. This includes not only social life, but also the natural environment and the cultural traditions which give these communities a specific and often unique character. In the process of 'globalisation' more and more localities are losing their character and are becoming a uniform monoculture. At the same time economic polarisation forces communities into disastrous competition which endangers and often destroys their local economies. This may end in social and economic crises in communities which threaten their actual existence. This happens predominantly in remote rural areas, former industrialised regions and urban agglomerations where a process of social segregation takes place,

which divides towns, cities and regions into rich and poor, employed and unemployed, socially integrated and excluded neighbourhoods.

We believe that the three crises outlined above have led to the emergence of the Local Social Economy Movement. This Learning Package will address the three crises in the Modules 1 - 3. It is interesting to note that the word 'crisis' in the Chinese language consists of two symbols the second one meaning 'a chance for a new beginning'. Thus, each of the first three modules will consist of a section which focuses on what the Local Social Economy can provide to counter these crises and how this can be achieved in a very practical way. The fourth module will concentrate only on practical questions of setting up, running, improving and evaluating successful and sustainable social enterprises.

It has been argued that this rationale is rather theoretical and that the practical aspects appear only in the fourth module which many practitioners might find the most interesting. Although this argument is understandable, the overall intention of the Learning Package is to improve the practical performance of social enterprises or other Local Social Economy organisations. We believe that practical information without a clear understanding of the context in which the practitioner operates and the theory and philosophy will not meet the entire needs of practitioners. We note, however, that there are a number of other courses that focus on the purely practical needs of social enterprise.

Therefore, this Learning Package will have the following structure:

- Module 1: The Future of Work
- Module 2: The Future of the Economy
- Module 3: Community Development and the Community Economy
- Module 4: Developing a Social Enterprise Culture

What are the terms and definitions used in understanding the Local Social Economy and social enterprise?

It has been pointed out that many terms which are used in this Learning Package are debatable. However, for the purpose of this Learning Package it has been necessary to decide on a number of definitions and their limitations. This was done on the basis of our research and years of active participation in the international debate on the Local Social Economy.

The term **local economy** was introduced in the UK in the early 1980s in the context of local economic development strategies promoted by the Greater London and other Metropolitan Councils in opposition to the neo-liberal economic policy of the Conservative government. This was done within the background of economic polarisation and social segregation which divided the country and left localities and their communities at the mercy of market competition without national help or protection. Instead of traditional economic thinking which focuses either on the microeconomic level of the single enterprise or on the macroeconomic level of the nation state, a new 'meso'-level was introduced which focused on the economic performance of regions, cities, towns, villages and even neighbourhoods. As an analytic category it included all economic activities which happen in or affect the localities and/or regions. The term 'local' in this context can cover very different geographical areas from small villages to big agglomerations. However, they have a common identity which has evolved historically. This is what constitutes a 'local community' which represents the localities and their local economies.

As a category of economic policy, **local economic development** has a more specific meaning. It refers to keeping alive, restructuring or revitalising the local economy. It is about strengthening and/or restructuring

local economic cycles, mobilising the endogenous potential and untapped resources and creating work and income for local people through serving local needs. In other words: 'Local work for local people using local resources' (Robertson 1985).

The term **community** has a lot of different meanings in English speaking countries and is therefore not easy to translate into other languages (for instance, as 'communauté' in French or 'Gemeinwesen' in German). Also, possible explanations in other languages may cause even more misunderstandings - such as the use of the term 'local authority'. The term community is used in this Learning Package for a local community in a certain territory, as distinguished from a 'community of interest' which might also have a common and historically evolved identity, but is not necessarily rooted in a certain locality. Community is not an administrative category, but an explanation for a 'living organism' (Abercrombie) which consists of a certain population (the social dimension), in a given natural environment (the environmental dimension) and with specific historical traditions (the cultural dimension). Because of its strong relation to a given locality, the term **community economic development** is often used synonymously for 'local economic development', but this in practice is usually restricted to economic activities which are owned or controlled by representatives of the local community and working for the benefit of this community.

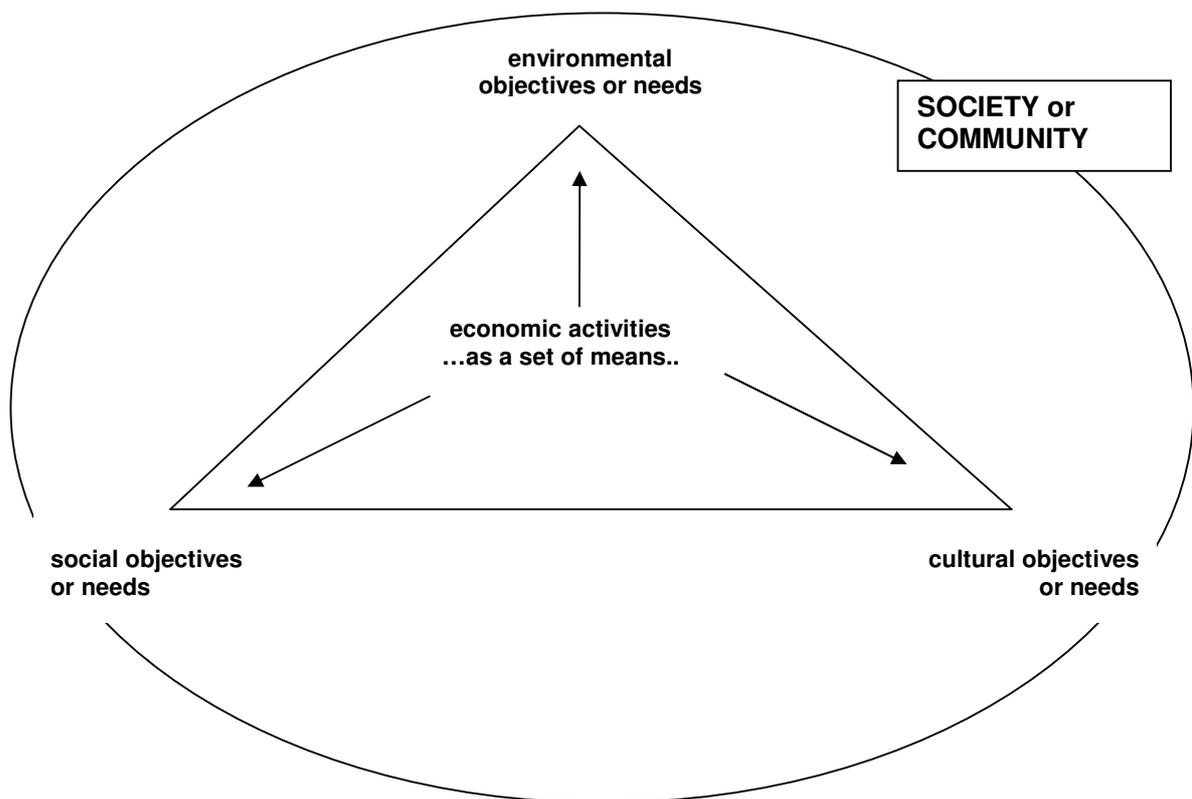
The terms **economy** and **economic development** are often misunderstood and are often seen as a way to make or accumulate money. We believe that although money plays an important role as a 'means of exchange', the economy is mainly about producing and re-producing necessary (or otherwise) goods and services. To achieve that, resources have to be allocated effectively. This is sometimes referred to as the 'factors of production', mainly land, labour and capital. In this sense the economy as well as economic activities, strategies and/or policies are not an end in themselves, but a

'set of means of production' to achieve the primary objectives.

In this Learning Package the term **sustainable development** has been introduced as an attempt to avoid unlimited exploitation of the available resources and to thus save the people and the planet for future generations. Traditionally the **sustainability triangle** proposes a balance of social,

environmental and economic dimensions. But as economic dimensions cannot be understood as an end in themselves, or play only a role as secondary dimensions to fulfil the primary ones, they cannot be accepted as of equal importance or acting at the same level. For that reason, we believe, that the traditional sustainability triangle has to be revised as follows:

Diagram 1: Sustainability triangle



In the above diagram, the social and the environmental objectives (or needs) are joined by a third group of cultural objectives (or needs) which represent the historical aspects or 'second nature' of cultural heritage, traditions, languages, beliefs, arts, skills, settlements, lifestyle, laws, norms, etc. Instead of introducing economic objectives (or needs) in the triangle, economic activities have been put in the centre of the diagram as a set of means to achieve social, environmental and cultural objectives (or needs).

Local economies are built on different **economic sectors or systems** which can be distinguished by their specific 'mode of production'. As all economic activities attempt to serve needs by producing necessary or otherwise deserved goods and services, at least four different ways or systems can be identified:

First sector - for private profit: This is often understood as 'the economy'. It certainly seems to be the dominating one, at least in the media and in public opinion. Its mode of production is driven by profitability or more precisely by monetary return on private investment. It provides goods and services which can be marketed in a profitable way. It is based on a demand for needs which is accompanied with the necessary purchasing power. Needs which do not appear as a demand on the market, are not met.

Second sector - for public service: This is traditionally responsible for 'everything else', predominantly the reproductive services from childcare to welfare and most of the infrastructural services which are the precondition for the development of the first sector. Its 'mode of production' is redistribution driven by law or public obligations and all citizens have to contribute to the costs of this by taxes and other contributions. Despite its importance, the public sector is increasingly under threat to privatise its profitable services and to cut down the costs of all other services. Such reductions, together with the deregulation of

standards, endanger the quality of its services and end up with their decline.

As more and more needs are not met by both sectors, people have to find ways to help themselves – as follows...

Informal sector or shadow economy: The above concept of a **mixed economy** probably never worked sufficiently well - not even in Western Europe where it was invented. There was always a **shadow economy** or **informal sector** which is seldom mentioned or recorded in monetary terms. In some parts of the world it is the dominating economic sector and is now increasing in the industrialised countries as well. Its mode of production is economic self-help of any kind. Some self-help schemes are based on moral values or solidarity like in families, voluntary mutual services and neighbourhood assistance; others operate in the field of illegal and undeclared work and are often highly competitive and even exploitative or violent. This sector is very dynamic and always at risk of criminality. But... very importantly... it has also often been the starting point for solidarity-based initiatives – the Local Social Economy.

Third sector or social economy: This emerged from the formation of solidarity-based citizen's movements formed in response to unmet needs or unsolved conflicts left over by the market and the state. Its 'mode of production' is for the 'common good' and 'not-for-private-profit' and in positive terms for 'social profit' and 'community benefit'. The economic actor here is neither the single entrepreneur nor the state, but the ordinary citizens or in terms of political scientists the **civil society**. Its most innovative impacts are its entrepreneurial activities which transform formerly informal activities into visible and legal entities which are able to intervene directly in the economy. Social economy organisations start from *needs* instead of from *demand*; they accumulate wealth – at times in non-monetary terms which later might also appear in monetary terms as a future demand.

The term **third sector** was introduced by researchers to describe a third sector in society beyond market and state and is more or less synonymously used for 'the civil society'. The term the third sector is more of a sociological or political science category and includes all civil society activities - the economic as well as the non-economic ones.

The term **third system** was introduced by the European Union some years ago and refers to a third system in the economy and, we believe, is almost synonymous with the **social economy** which could also be described as the economically active part of the third sector or civil society.

The origin of the social economy dates back to the 19th century and in retrospect we can identify four major strands which contributed to the emergence of the present third system or social economy:

- economic self help in the tradition of the cooperative and mutual assistance movement
- charitable help 'for others' in the tradition of the welfare organisations
- philanthropy in the tradition of donations and foundations
- voluntary community action and volunteering in the tradition of civic associations

The term **social enterprise** has appeared only recently under various definitions and can be understood as the overall term for single units which, aggregated together, make up the social economy. This is similar to the term 'enterprise' which is generally used for all single units of the overall economy. However, the term 'social enterprise' is used in various countries in very different forms with different understandings and, we believe, cannot be solely defined using purely legal or institutional frameworks. From an international or European perspective, operational criteria have to be developed by which social

enterprises can be identified through empirical research. Although there is no universal agreement social enterprises possess the following four characteristics:

- social enterprises are formally established enterprises to achieve primarily social and/or community-oriented objectives and often include environmental and cultural objectives
- social enterprises are set up, run and controlled by initiatives from citizens or other civil society organisations to serve unmet needs and/or solve conflicts
- the economic performance of social enterprises is subordinate to their social and/or community-oriented objectives by statutory agreements to work not-for-private-profit and re-invest the surplus in the overall objectives
- social enterprise's organisational structures are based on co-operative or collective principles

Finally, the term **social enterprise culture** – as we use it in this Learning Package - will include not only the social enterprises themselves, but also their environment of support structures, intermediary services, legal and institutional framework, research, education and training, etc.

In recent years the terms **social entrepreneur** and **social entrepreneurship** have appeared increasingly on the agenda without a clear distinction between the social entrepreneur as an active member of a social enterprise and the philanthropic entrepreneur in a traditional for-private-profit business. Both are working towards social and/or community-oriented objectives. However, the difference is not '*what*', but '*how*' they are operating ie. their mode of production. On a practical level it might not always be able to make clear distinctions and there are enterprises with a mixed or hybrid character eg. between 'social' and 'public' as well as between 'social' and 'for-private-profit enterprises'. Taking that into

account, the social economy will include a range of different types of social enterprises.

We do not argue in this Learning Package that it is only the social economy able to act in a socially useful way. Organisations in all sectors could and should contribute to the well-being of people and/or change attitudes to have more social responsibility. Some companies make this explicit by having a **corporate social responsibility (CSR)** policy. But just having a CSR policy does not constitute a social enterprise.

A further misunderstanding might be to mix up the social economy with the **socialist economy** which is the state-owned economy

of the former Eastern block, or the **social market economy** of German post-war origin. The latter was an attempt to re-build the economy on a social consensus between the 'social partners' on the basis of a tripartite 'social partnership' between the employers, the trade unions and the state. In fact, it was only a partnership between representatives of the first and the second sector while the third sector was not understood as a relevant social partner. However, in the future things may change, especially at the European level where the third sector is increasingly accepted as a full partner in its own right within the concepts of **social dialogue** and **local partnership**.

How to use this Learning Package?

This Learning Package has been primarily written to be used by 'multipliers' as described at the beginning of this preamble and covers all subjects and issues which are relevant for professional work in this field.

The Learning Package offers a high level of flexibility depending on the needs of the learners. The package consists of four modules which are subdivided, offering the opportunity to choose between sixteen or more topics and to use it as toolkit adapting a course to suit the various needs of the learners.

The Learning Package follows a certain logical order which is based on our previous practical experience and international exchange. This is understood as an 'ideal type' in the sense introduced by Max Weber and we would recommend following the full programme.

This Learning Package is ideally designed for a one-year post-graduate course running alongside professional work with up to 40

days of personal attendance in intervals of two days every two weeks (a full curriculum timetable will be attached as a possible example – it is not yet available) but all users should feel free to develop their own format.

The Learning Package can also be used as the starting-point for the development of more specialised courses - selecting parts of the programme, regrouping and eventually expanding modules according to the needs of learners without losing the rationale. There may be some practitioners working in social enterprises who would prefer to work only on Module 4 but some parts of Modules 1 to 3 should be included to make sure that learners understand the special character of the enterprise in which they are working. Politicians, local authority and other administrative staff might need more emphasis on the issues covered in Modules 2 and 3; economists and trade unionists in Module 1 and 2; and so on.

What are the general methodological principles?

The Learning Package lists a number of subjects and issues which can be used

flexibly by the learners. However, there are a number of general principles around the methodology and they are:

- the courses should be centred on the learners and their needs
- the learners should take responsibility for their own learning under each of the modules
- the learning should be connected with individual actions and projects
- there should be a connection and balance between theory and practice

To achieve this, the courses should have a balance between phases of new information including debate; and self-organised exercises for the learners. Each module will offer a set of hypotheses and statements for debate and further elaboration as well as a number of suggestions for practical exercises or research projects to verify or falsify the introductory hypotheses. These exercises can be done individually or in groups. The results of these exercises or projects should be debated, put together and presented as the final output of the modules and finally of the full course. A possible certification then could be based on that portfolio of work.

What is the structure of the modules?

Each module opens with an **introduction** and consists of four topics.

Each topic opens with the learning **topic objective**.

Each topic will be characterised by a **set of introductory hypotheses or statements** which serve as initial input. This can be presented in paper form or by the moderator/facilitator or by a guest speaker.

In order to explore the introductory hypotheses there will be a number of **suggested tasks or projects** for the learners to enact thus exploring the hypotheses. These can be tackled in groups using brainstorming, formal debate, case studies, modified Action Learning Sets and other participative methods; or individually by the learners thus improving the learners' expertise of these issues.

This is followed by a number of **possible outputs** for the learners.

In some topics there is **additional information** on already existing research as well as **best practice examples** of tools, instruments and things others have done. This information is included in boxes with the light yellow boxes being additional information and the light green boxes being best practice examples.

At the end of this Learning Package is a list of **sources, websites and further reading** which focuses primarily on references of international importance (mostly in English) which can be enlarged by references of national or regional importance (in other languages).

Box 1: Outline of some methods that can be used to explore the introductory hypothesis

Brainstorming: This is an exercise with a group of people who are facilitated to shout out a number of ideas that come into their head on a particular subject. These ideas are captured by the facilitator on a flipchart. The rules are: do not be judgemental of other's ideas; do not initially discuss the details of the ideas.

Formal debate: This is where there are two teams of two people – Principal Speaker and a Seconder – and the debate is controlled by a Chair. The Chair opens the debate and explains the Motion (the subject matter usually put in positive wording eg. "This house believes that capital punishment is a good thing."). The Principal Speaker on one side opens by speaking for 5 minutes "for" the Motion. This is followed by

the Principal Speaker on the other side speaking “against” the Motion. Then the Seconders speak in turn and do a critique of the opposing Principal Speaker’s main points. It is then opened out for the “floor” (or others in the room) to make points or ask questions. At the end of 30 minutes debate a vote is taken “for” and “against” the Motion.

Case Studies: This is a short description of what happened within a project over a particular time period. The case study should be short, informative and make a specific point which is of wider value to others. Case studies can be structured so that they address the same issues and this is most useful especially when looking at comparisons.

SWOT Analysis: This is a useful tool to identify the “state” of a social enterprise or similar organisation. Divide a large sheet of paper into four quadrants with Strengths in the top left; Weaknesses in the top right, Opportunities in the bottom left; and Threats in the bottom right. As a group or individually use your (their) knowledge to list Strengths, Weaknesses, Opportunities and Threats in the appropriate boxes. The lists can also be prioritised. Sometime people then consider how weaknesses can be tackled and how threats can be diverted. This can provide an action plan for the enterprise.

Modified Action Learning Sets (ALS): This is often used to help a member of a group solve a problem or situation that they may be experiencing. Each member of the group is assigned a “role”. The Issue Holder will explain their problem or issue. Role 1 Person will then have the job of clarifying points made with the Issue Holder and summarising the problem. Role 2 Person will then ask a question and this is followed by each person in the group asking a question of the Issue Holder who listens closely but does not respond. Sometimes each person is assigned a more specific role – one asks the “if-I-was-in-your-shoes” question; another may ask the “effect-on-others” type question; another “what-will-happen-if” type questions; another “have-you-thought-about” type questions; and so on. After all questions are exhausted the Issue Holder will then say if he/she feels he/she has a better understanding of the issue and what he/she might do next. ALS can be modified to suit the situation.

Module 1: The Future of Work

Introduction

In situations of economic crisis like at present, everybody tends to talk about money. This reflects that everything from the economy to our social and cultural life seems to depend on financial transactions. The question is whether or not the financial system will be able to continue or if it will break down. This

is what seems to decide our future and if we accept that then perhaps this first Module should be the ‘Future of Money’.

But, looking at economic crises in the past, people have lost money several times, and have had to start again from scratch. The same relates to people who are affected by long-term unemployment, live in poor communities or suffer from territorial exclusion (it is a new term in the European debate). We would argue that the only available resources they can really rely on for a new beginning are their abilities and capacity to work.

In times of prosperity the central importance of work seems to be almost forgotten, but after economic as well as natural catastrophes it becomes clear that work is at

the heart of all economic activities. It is there for survival, revitalisation and/or development. It is one of the few renewable 'energies' or means of production to which almost all people have access and at the same time it is the source of all accumulated wealth whoever might own or control it. So, if all other systems are breaking down - financial markets, the 'real' economy or even communities - work is the only available resource for a new beginning.

This is why the proposed sequence of modules in this Learning Package starts with the 'future of work' (although it may be possible that the learners might utilise it from different angles). However, we proposed to spend a considerable amount of time on this subject, subdivided into four major topics:

- Definitions and limitations of 'work'
- Historical development of work and employment
- Employment and labour market policies
- Strategies and recommendations

At this point we would like to refer you back to the Sustainability Triangle which will dictate the structure of this Learning Package. Work is located in the centre of the diagram and is a critical aspect of economic activities.

Topic 1: Definitions and limitations of 'work'

Topic objective: To get the learner to think about how we define and understand work, non-work, employment and unemployment

Introductory hypotheses:

- The term 'work' in everyday life has a lot of different meanings and is often used without a clear understanding of what is really meant. It becomes even more complicated if the term is translated into different languages.

- The definition of work, therefore, cannot be taken for granted. Work is much more than wage labour or employment. It comprises all determined activities to produce and reproduce goods and services that are required to 'make a living' and to sustain livelihoods.
- 'Work to make a living' in people's minds is often reduced to paid employment. However, the process of making a living comprises a broad range of activities such as paid work, informal work, volunteering, domestic work, neighbourhood and self help, etc.
- Unemployment, on the other hand, is more than just the loss of paid work. It results in social exclusion and a loss of active participation in the societal process of production and reproduction.
- Work as a whole can be considered as an anthropological term. That is, the principal condition of human existence when in confrontation with nature and with culture.
- There is sometimes a debate about whether or not 'work' has a future and what sort of future it will have. It is likely that the form of work will change. There may be a reduction in paid employment and an increase of different and new forms of work. But there will be nothing like an 'end of work'.
- Some languages use different forms of work in the same expression (like the German 'Arbeit'). Others differentiate between 'work' and 'labour' like in English. In the English language context the term 'work' characterises more individual, practical and concrete aspects of the activities: while 'labour' is centred around the more societal and abstract side.
- This phenomenon was reflected in economic theory as the double or hybrid character of work as a source of 'use

values' (the concrete side) on one hand and of 'exchange values' (the abstract side in terms of money or profit) on the other.

Suggested tasks or projects to explore the hypotheses:

- Brainstorm on all forms of work as it is understood and cluster the results into different types of work that add up to 'making a living'
- Group activity on re-defining work and discussion on the limitations of the definitions; expanding understanding about how one thinks about work
- Carry out a literature search into the definition of work in all its forms and comparisons in different languages
- Write a short article on the etymological and/or historical development of the terms 'work', 'labour', 'employment', 'unemployment', etc.

- Interview different people and organisations on their understanding of work and how society defines it generally and specifically
- Action Learning Sets (ALS) on 'work'
- Investigate into how 'work', 'labour', 'employment' and 'unemployment' have been used in the media and other published documents
- Analyse the limitations in defining 'work' and 'non-work' using different presentation techniques including non-verbal ones

Possible outputs:

- Results from modified Action Learning Sets (ALS)
- Verbal presentations
- Short articles and papers
- Recordings of interviews
- Record of discussion seminars

Topic 2: Historical development of work and employment

Topic objective: To provide a debatable framework for understanding the present situation, the trends and the possible options for the future of work and employment

Introductory hypotheses:

- In the modern processes of production (and in particular manufacturing), technological progress and innovation was mainly implemented to reduce the cost of labour. This resulted in an increase in productivity on one hand and a massive loss of workplaces and job opportunities on the other (given the fact that the increase of productivity was not accompanied by a similar expansion of production).

- There was an expectation that the service industry would compensate for the loss of jobs in manufacturing and more traditional industries. This expectation has not been fulfilled and through rationalisation and a perceived need to reduce costs there has also been a loss of jobs in the service industry.

- In the past, capital was much more dependent on the labour force which could influence progress by disrupting the production of goods and services with strikes etc. in order to better the conditions of the workers. However, technological progress has not only increased the so-called 'reserve army' of unemployed people that might replace them in the work force, but also created a new army of workers which may never get the chance to be integrated in the work force again.

- Economic growth within a national economy does therefore not guarantee an equivalent growth of employment. This is sometimes called 'jobless growth' – and it is often the case that economic growth can only take place to the detriment of jobs. The consequence of this is that paid employment in the private sector in particular is being reduced, not necessarily in numbers of the overall employed, but in terms of the paid volume of working hours.
- It was once thought that through expansion of the service industry, there would be a compensatory increase in employment in the public sector. But this, generally, does not happen - on the contrary, the level of paid employment in the public sector also shrinks. Linked to this is the increase in contracted work being done by those people who are independent and rely on 'portfolio working' (eg. freelancers).
- The resultant drop in paid employment in the private and public sectors means that low paid work and precarious labour becomes more common. This puts more people into the marginalised category of what is sometimes referred to as the Three-Third Society of (a) included people (people with work); (b) marginalised people (people with precarious jobs such as contract workers); and (c) excluded people (people outside the system of work).
- This can result in more socially indispensable work is either not done or is marginalised into the shadow

economy which covers family supportive work, neighbourhood self help based on mutuality, work through social networks and illegal economic activities.

Suggested tasks or projects to explore the hypotheses:

- Formal debate
- Modified Action Learning Sets (ALS)
- Analyse the historical development and trends of work and employment in different sectors: private (for profit) sector or system; public sector; and third (not-for-profit) sector.
- Analyse the historical development and trends of work and employment in different trades or sub-sectors: manufacturing industries; service industries; house work and family work; culture industries; leisure industries; health; community work; agriculture; etc.
- Analyse trends in work and employment: in different world regions; regional and local case studies; rural/urban divide; etc.
- Analyse the trends in work and employment for different social groups: young people, elderly people, women, migrants, disabled, etc.

Possible outputs:

- Verbal presentations on the main findings
- Short articles and papers with some summary conclusions
- Case Studies
- Written documents on the findings

Topic 3: Employment and labour market policies

Topic objective: To explore employment and labour market policies and test how effective they have been in combating unemployment

Introductory hypotheses:

- It can be argued that the predominant labour market and employment policies are based on the wrong premises and do not get to the root cause of unemployment.
- Most labour market and employment policies in European countries are biased and supply-side oriented. We can regard the supply side of the labour market as being the number of people seeking jobs; and the demand side being the number of jobs available. Labour market policies tend to stress that the onus is predominantly on the job seekers (the supply side) to change and adapt to the expectations and conditions of possible employers. But this strategy must fail when there are insufficient workplaces available (on the demand side).
- The consequence of this is that focus is placed on the unemployed and not on the reasons why unemployment has happened in the first place. There is often a call for more 'appropriate' training, new and future-oriented skills, more mobility and flexibility, lower wage expectations and fewer claims for good working conditions and job security, etc. Arguably, the onus should be placed on the demand side by enlarging the job opportunities.
- The argument then follows that there should be more schemes to create more jobs - job creation would become more important. However, most job creation

schemes do not produce enough additional and sustainable jobs.

- To help people back into work, Intermediate Labour Markets (ILMs) have been set up over the last 20 years. Although a considerable amount of money has been spent on ILMs, many of the schemes (like the so-called 'Arbeitsbeschaffungsmaßnahmen' or ABM-schemes in Germany) failed. The setting up of these 'secondary labour markets' offered only transitional workplaces and/or training without real job opportunities. Most of the clients had to leave such 'employment and training companies' again to find jobs somewhere else instead of acquiring sustainable jobs in these companies. However, having said this, there are also positive examples where ILM-schemes have been used to integrate their clients in the development and establishment of new social (or other) enterprises.

Suggested tasks or projects to explore the hypotheses:

- Presentation or lecture with case studies to illustrate the hypotheses
- Group discussion using the learner's prior knowledge
- Brainstorm on successes and failures in past policies
- Analyse the statistical data on: the number and structure of the employed, of the unemployed and non-employed by region or by sector; development of the volume of work (paid and unpaid working hours), distribution of income, by region and/or sector
- Evaluate labour market and employment policies on national, regional and/or a local level
- Analyse and assess the effect of selected employment policy instruments or schemes in terms of qualifications/training, intermediate labour markets, job creation, precarious jobs, subsidized jobs, micro-loans,

- minimum wages, business start-ups, civic engagement, etc.
- Make comparison of labour policies in different European Member States and at a European level
- Analyse different employment and labour market policies regarding the underlying assumptions about the development of work and the economy
- Investigate the roles of trade unions, public institutions, civil society organisations and media with respect to

labour policies - including their impact on them

Possible outputs:

- Results of Action Learning Sets (ALS)
- Verbal presentations followed by written up discussion and debate
- Short articles and papers
- Written documents on the findings.
- Short articles looking at the successes and failures of past and current policies

Topic 4: Strategies and recommendations

Topic objective: To explore and assess different strategies and recommendations on work

Introductory hypotheses:

- The trade union movement has traditionally followed a strategy which aimed to reduce the working hours of workers and argued that this could still happen without a subsequent drop in productivity and thus no accompanying drop in wages. Although this is a valid argument there has, arguably, been a reduction of working hours but with a sometimes dramatic fall in real wages.
- There have been other attempts at the redistribution of work such as job-sharing, etc. But often these forms of redistribution have not allowed a decent income to workers to 'make a living'. Although there seems to be a general increase in the number of those formally employed at present, this is mainly due to employment increasing in the areas of low-pay and precarious employment – resulting in an increase in the 'working poor'.

- There remains considerable faith in the 'labour contract' (especially in Germany) which includes normal and acceptable working conditions with wages derived from collective bargaining and social protection - workers' rights and health and safety at work. Although such contracts are at present not valid anymore for an increasing part of the workforce, these standards and regulations, developed over decades in sometimes hard negotiations between employers and employees are nevertheless still right and fair for human work (or 'decent work' according to the terminology of the International Labour Organisation).
- This 'decent work' can also be achieved in combinations of different working contracts – for example in the concepts of 'New Work', 'working mix' ('Mischarbeit'), 'workforce pools', etc. But even with this there are problems when volunteer work and civic engagement is seen to replace paid and contractual employment – especially in terms of social protection, worker's rights and an income sufficient to make a living.
- The term 'making a living' should not be mixed up with the 'minimum for existence' or the 'poverty line'. It is about fairness and equal participation in

the economy and in society. This ultimate objective of equal participation should also be the guideline for other measures like 'minimum wages', 'wage subsidies', 'social benefits' and similar schemes.

- This argument should particularly be taken into account in the debate about a 'basic income' or combining this basic income with low wages. Such concepts may be subject to misuse in the establishment of income levels – especially if they do not allow for equal participation and might even cause exclusion from permanent work.
- The present measures of subsidies or social benefit for the unemployed, non-employed, disabled or otherwise disadvantaged are not in themselves a solution. The establishment of social benefits are usually accompanied with the argument that costs have to be reduced. The argument of cost is accurate as schemes to support the unemployed are expensive. However, it has to be emphasised that there remains a potential labour force that is idle and this means a waste of millions of Euros.
- Therefore, a paradigm change is necessary - from concentration on 'cost control' to one of becoming a more productive society. This means spending money on new additional working places which can provide a decent income and serve additional needs which otherwise might not be met. To invest in 'decent work' for the unemployed should not be understood as an increase of costs, but as an increase of productivity and - like the expenditure for education and training - as an investment in the future. Society as well as the economy would benefit from strengthening the purchasing power, revitalising local and regional economic cycles, and reinforcing the

economic capacities of individual localities.

- The reduction of paid-work contracts in the traditional economic sectors offers an historic opportunity for self-organised and self-managed forms of work. This can be achieved with local initiatives and economic self-help. But for this to happen an alternative economic *concept* has to be understood and accepted.

Suggested tasks or projects to explore the hypotheses:

- Presentation or lecture with case studies to illustrate the hypotheses
- Discussion using the learner's prior knowledge
- Brainstorm alternative strategies and recommendations
- Make a synopsis of the literature which considers the future of work
- Investigate new concepts of the distribution of work like 'New Work', 'working mix', 'workforce pools', civic engagement, volunteer work and 'basic income'
- Conduct a study into the relationships between paid and unpaid; professional and voluntary work
- Identify the opportunities and barriers to providing a decent income and social protection in start-up businesses, voluntary work, freelancing and self-employment
- Write short case studies in different sectors which addresses the question of what kind of work is paid or what kind is not paid, but possibly should be paid
- Write short case studies on best practice to create new and additional sustainable work opportunities

Possible outputs:

- Verbal presentations followed by written up discussion and debate

- Short articles and papers
- Written documents on the findings
- Short articles looking at past strategies and recommendations

Module 2: The Future of the Economy

Introduction

Before the breakdown of the financial markets at the end of 2008, many people felt that the 'future of the economy' was not really open to question. On the contrary, under the hegemony of neo-liberal economic thinking, globalisation and unlimited economic growth were promoted as unavoidable to guarantee prosperity and as the only possible way of economic development for the future. Things have changed now as nearly everyone is adversely affected by the recent financial down turn.

In the past, economic crises were often only a problem for particular groups of people – namely the unemployed or socially excluded or people in the third or 'underdeveloped' world. It was often thought then that the economic crisis could be tackled by 'integrating' the affected people or places in the existing systems of work and the economy.

Module 1 looked at the efforts, strategies and their impact in integrating excluded people into work. However, a considerable number of people and places still remain excluded and we would argue that changing this situation requires changes in the economic system. Although it is not often exposed in the media, the adversely affected people have always worked on alternatives not only at a theoretical level but also at a very practical level showing that there are real alternatives to the current economic system.

Module 2 starts with the assumption that there is not just one economic system. Instead the economic system is plural and that more or less everybody lives in or is affected by different economic systems at the same time. Therefore, the future of the economy has to be debated in all its aspects.

This Module will consider the trends in the globalised economy as well as in the three main systems: the First System (privately owned corporations for private profit); the Second System (generally, the public sector); and the Third System (for the common good or not-for-private profit). We shall also include the Shadow Economy which can also be understood as a Fourth System.

We shall then go on to consider the 'new economics' which emerged in the 1950s but came from an almost submerged tradition extending back more than 150 years. This will include local economic development, the emergence of the social economy, the third sector (sometimes also known as the third system) and civil society.

There follows an explanation of the **concepts of a plural economic systems in three diagrams.**

The concept of a plural economic system was first introduced in France by Jean-Louis Laville and others from the Centre de Recherche et d'Information sur la Démocratie et l'Autonomie (CRIDA). It was taken up by

the European Network for Economic Self-Help and Local Development in a European-wide research project on “Key Values and Structures of Social Enterprises in Western Europe” (Publication Series Local Economy No.29e. Berlin: Technologie-Netzwerk Berlin) and further developed by two of its partners. The following diagrams show two different approaches to describe this plural economic system: Diagram 2 and 3 have been developed by the Interdisciplinary Research Group Local Economy at the Technical University of Berlin and Diagram 4 by Community Business Scotland Network. The

main differences in the diagrams are about the position and components of the Third Systems in relation to the shadow economy. The structure of Diagram 4 is also more detailed and covers different levels from the neighbourhood to the global.

Presenting these different approaches shall demonstrate that the debate is not finished and further research and development on these issues is required.

Diagram 2: Sectors of the Economy

Source: Birkhölzer, K. et al. (2005): Dritter Sektor/Drittes System. Wiesbaden: VS Verlag für Sozialwissenschaften

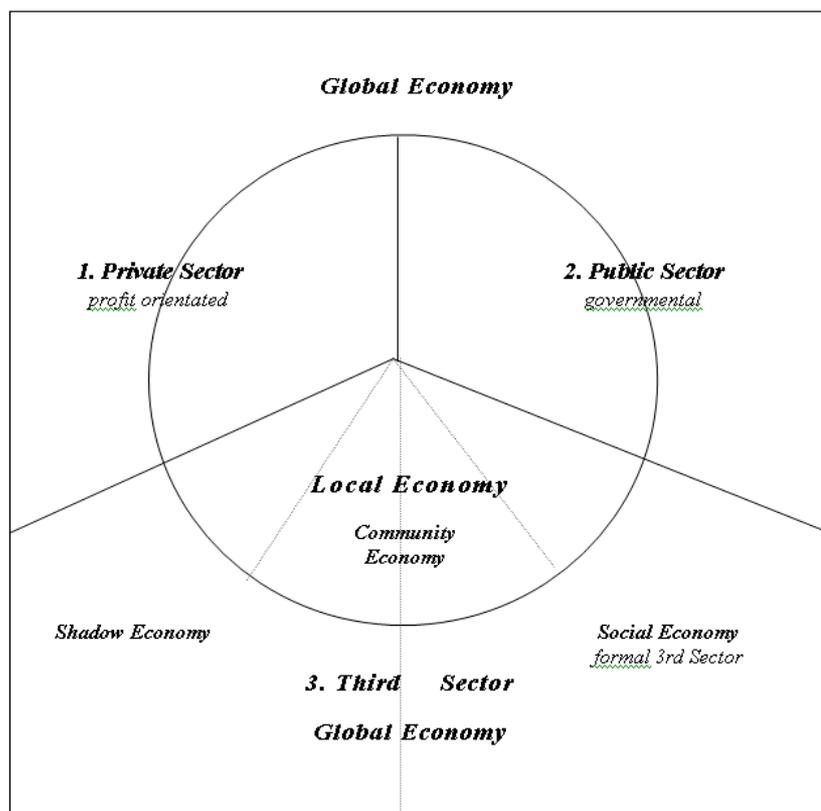


Diagram 2 shows the local economy (within the circle) and the global economy (outside the circle). It does not fully describe the

concept of a mixed economy where goods and services which could be marketed profitably are delivered by the traditional

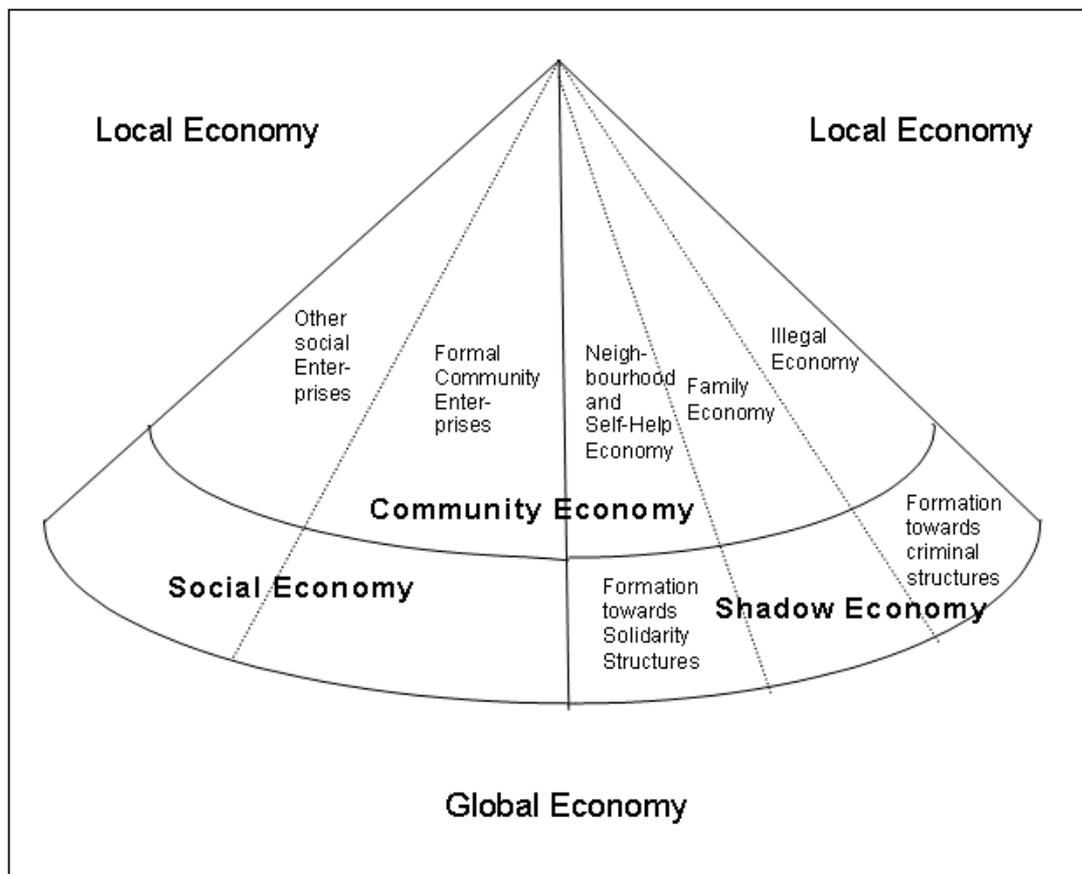
Private Sector and all others by the Public Sector or the state. There has always been a Third Sector of unmet needs which has not been served by the market or the state (the first and second sector). The Third Sector is where people had to find other ways of delivering the necessary goods and services. These activities can be divided into a formalised economic sector, the not-for-private-profit or Social Economy and an informal sector, the Shadow Economy - 'in the shadow' because its activities are not officially measured or valued. The dividing lines between the Social Economy and the Shadow Economy are often overlapping. The Social Economy and in particular the Community

Economy (on local level) are evolving out of the Shadow Economy by putting informal activities into formal structures. This move is based on placing value on things that were previously not valued and often underestimated. This is exemplified in Local Exchange and Trading Systems (LETS) and volunteering organisations.

Diagram 2 shows the Third Sector as a necessary and complementary economic system which emerges 'out of the shadow' from below and that it becomes only visible in formalised structures. Diagram 3 looks at this process in more detail.

Diagram 3: Development Prospects in the Third Sector

Source: Birkhölzer et al. (2005): Dritter Sektor / Drittes System, p. 78/79



The Shadow Economy is made up of basically from 3 sub-sectors:

- Neighbourhood-help and self-help economy
- Family and household economy
- Illegal or grey economy

Some people argue that the Shadow Economy should be understood as a fourth sector which has its own dynamic. This is a

strong argument because it can become also the starting point of a criminal organisation which will gradually involve families and neighbourhoods and spread over whole towns and regions creating mafia-like organisations. The other option for the Shadow Economy is the formation towards solidarity which will become more successful if it acquires formal support structures - thus creating the Social Economy and Community Economy.

Diagram 4: Three Systems of the Economy

Source: Pearce, J. (2003): Social Enterprise in Anytown. London: Calouste Gulbenkian Foundation

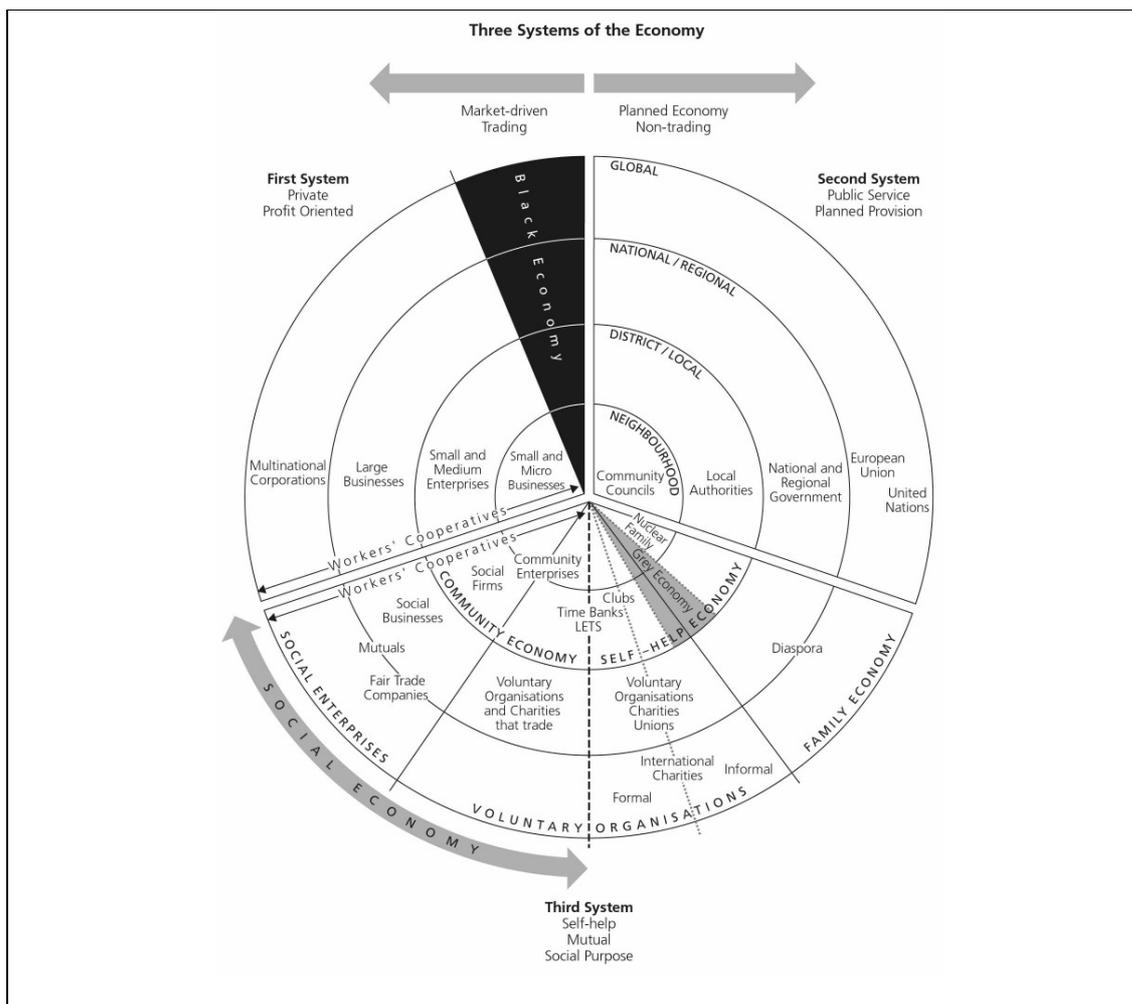


Diagram 4 defines the Social Economy in relationship to other economic systems. The 'economy' refers to the provision, production and distribution of goods and/or services. The diagram shows spatially the relationship between systems (modes of production). The lines in the diagram are NOT 'hard and fast' but there is transition between the sections. The diagram is divided in three ways:

Firstly, the diagram is divided into three economic systems. Linked to each system are associated concepts as follows:

- **First System:** based on maximising profit at the expense of resources (labour, environment); competition; individual gain; ultimately unsustainable; wealth hierarchy; structure dictated by the 'market'
- **Second System:** public service; centralised; autocratic; managed economy; highly structured and departmentalised
- **Third System:** social aims; community action; self-start and self-help; socially just; care for the most vulnerable; disorganised; fragmented; discredited and undermined by the other systems; loosely defined.

Secondly, into concentric circles showing that each system operates at neighbourhood, district/local, national/regional and global levels.

Thirdly, the whole diagram has been divided into 'trading' or market driven (left

hand side) and 'non-trading' planned economy (right-hand side).

The First System is about businesses – small and micro, medium, large and multinational. The Illegal Economy has been put in the First System as it is often for individual gain. The Second System is about the public sector – community councils, local authorities, national and regional government and the EU and United Nations, etc. The Third System is made up of social enterprises (which are community enterprises when community-based), voluntary organisations and the family economy.

The Social Economy is made up of all the social enterprises and community enterprises trade for community or social benefit; and some voluntary organisations that trade. At the local level and across the Third System (inner circle in the diagram) there are community enterprises, clubs and voluntary organisations in the neighbourhood self-help economy and families.

The ways in which economic systems have been defining in the previous diagrams will impinge directly on some of the hypothesis in this module which is subdivided in four major parts:

- Trends in the globalised economy
- Local economic development
- Emergence of the social solidarity-based economy
- Third sector and civil society

Again, at this point we would like to refer you back to the Sustainability Triangle. Economy is located in the centre of the diagram and is a set of means to an end and not an end in itself.

Topic 1: Trends in the globalised economy

Topic objective: To learn about globalisation and the current direction

of the world's economy and how that affects people's work and livelihoods

Introductory hypotheses:

- There are different understandings of what the term 'globalisation' means. Some focus on the benefits of international communication and transport; others understand that globalisation is based on the ongoing process of concentration of capital across national boundaries. This has been happening for the last 150 years but has only recently accelerated and reached a new level. This is what we understand globalisation to mean (see Box 2).
- Built within globalisation there are a number of contradictions: The exploitation of the world's natural resources means that they are being depleted and more and more people will have less and less natural resources such as oil and water. This may lead to conflicts and wars over limited resources.
- Another problem is that large transnational companies may not invest in local areas. Instead they are looking for big projects and big developments (such as dams, etc.) as they are constantly required to grow and be more competitive. Thus large amounts of money are chasing larger investments causing money to lose its real value; this will lead to major financial crises like at present and, probably, the eventual demise of capitalism. So far the globalisation of capital has enabled the economic break-downs to be managed with systematic booms and busts.
- The theory of modernisation where poorer countries are considered to be 'behind' and are working to catch up with more developed countries is questionable. Instead there might be another paradigm of active over-development which in turn causes under-development of the world's poorest people.
- The way that economic growth is measured in monetary terms (as in the Gross National Product - GNP) is highly debatable and there is an increasing need to measure the economy in terms of sustainability. Arguably, there is a limit to economic growth under globalisation and we are fast approaching that limit.

Box 2: Consequences of Globalisation

Source: Birkhölzer, K. (2005): Consequences of Globalisation in the North and Civil Society Responses and Alternatives. In: Castelli, L.: European Social Entrepreneurs. Ancona: Le Mat Partnership

Globalisation and the concentration of capital is characterised by 5 major challenges:

- 1 The concentration of capital in trans-national companies means that capital has achieved an extraterritorial status and is no longer controllable by nation states which results practically in the end of national economics.
- 2 Economic polarisation has occurred with some nations and areas becoming wealthier at the expense of others. This polarisation has concentrated capital in islands of prosperity with people earning high incomes, few unemployed and an improved environment. This 'leaves behind' an increasing number of crisis areas with characteristics of low income, high unemployment, social exclusion and a neglected environment. It divides not only nations or regions but also cities, towns and neighbourhoods (social segregation).
- 3 Trade unions and the labour movement in general have lost power because technological progress has enabled capital to replace workers by machinery and shift the workplaces around on a worldwide level. For the same reason it has become much more difficult to protect workers by national legislation.

4 There is a decrease in public income because taxing the 'global players' is more problematic and the private sector in general contributes less and less to the costs of the social security systems and infrastructural services because of deregulation and the possibility to internationalise profits. This undermines in the long run the national welfare systems and finally the concept of the welfare state

5 There is a loss in the democratic process as economic decisions are often far from localities and no longer transparent or accountable to people and places.

Suggested tasks or projects to explore the hypotheses:

- Systematic newspaper research on cases illustrating the 'ups and downs' of globalisation
- Group discussion on 'does globalisation have a future and is it sustainable?'
- Consider ways in which social economy organisations can use globalisation eg. the way some organisations use the internet for information exchange, mobilisation, political campaigning, etc.
- Research into the literature on globalisation and the direct impact it has on people's livelihoods
- Modified ALS on globalisation
- Write case studies on globalisation using live examples, eg. Nokia, Monsanto, Lehmann Brother and other actual cases following the financial crash

- Interview politicians, community workers, managers, trade unionists etc. on what does globalisation mean to them
- Keep a video diary with young people on what they think of globalisation and their futures

Possible outputs:

- Results from modified Action Learning Sets on globalisation
- Papers and presentations with discussion and debate
- Role-play taking different roles eg. manager of a transnational company, Prime Minister, Secretary General of the UN, a worker in a clothing factory in Indonesia, a leader of an NGO, a local mayor etc.
- Documents and relevant bibliographies
- Video diaries
- Recorded discussions

Topic 2: Local economic development

Topic objective: To explore local economic development as a counterbalance to the adverse effects of globalisation

it can vary from small neighbourhoods and villages to big cities or agglomerations. It could be argued that bigger localities are made out of smaller localities, but the boundaries are usually defined by the lines of local identities based on historical development within a particular area.

Introductory hypotheses:

- There is an issue around how 'local' can be defined in local economic development (Box 3). In practical terms

- One of the basic arguments for local economic development is that it is only local people in communities that can organise themselves to counter the effects of decisions that are made elsewhere. They are also the most relevant experts about what they need, what their problems are and what happens in their locality.
- Local economic development should be a partnership between local people and local authorities. But often local authorities look for public-private-partnerships only and do not recognise that their 'natural' partners should be the local people. Local partnerships should, therefore, include all economic actors at a local level.
- Local economic development is about being as self-sufficient as possible and protecting local economic cycles and markets ensuring that money is also circulating several times within the local area and reducing the 'leaks'. Generally it is about 'local work for local people using local resources' (Robertson).
- Often, in the past, people have tended to move or emigrate in order to solve their economic problems. But if they do not want to move they have to try to counter the economic problems by investing in volunteering labour and using the local resources as much as possible.
- Local economic development has to mobilise the factors of production to fulfil social, environmental and cultural objectives. But in areas of economic crisis the access to financial and physical capital is obviously restricted. Therefore, the most important local resources are the human and social capital ie. the abilities and knowledge of local people and their capacity to work and to co-operate.

Box 3: What is local economic development?

Source: Birkhölzer, K. (2008): Local economic development and its potential, www.technet-berlin.de

The terms 'local economy' and 'local economic development' have a double meaning.

As a descriptive or analytical category these terms cover all economic activities which happen at a local or regional level and/or have an impact on localities. From this perspective the *locality* is seen as an economic actor in its own right. In traditional economic thinking the locality exists more or less only as a place or space where other economic actors like enterprises, industries, investors, authorities etc. compete and use and exploit their natural and human resources. From a local economic view point the localities, ie. the neighbourhoods, villages, towns, cities and regions are seen as 'living and organic structures' (Nicholson) which in English would be called 'communities' ('communautés' in French and 'Gemeinwesen' in German).

But also 'local economic development' has a more activity oriented or political meaning as an alternative type of economic development. Instead of development 'from above' (carried out from the state or other authorities), development 'from outside' (relying on investors) or 'laissez faire' (wait and see) it could be characterised as 'endogenous' development or development 'from below and within'.

Local economies have been the basis of the overall economy for centuries but economic growth and especially globalisation have endangered and are finally destroying such local economies. Local economic development is a reaction to these trends in globalisation and an attempt to re-gain power – economic, political and social – in localities. It is a special economic self-help strategy originally invented by and for the losers of globalisation - disadvantaged social groups and disadvantaged communities at a local or regional level. Local economic development is mainly based on practical experience, improved by trial and error and learning from successes and failures of others.

Although there are a lot of corresponding aspects, the term 'community economic development' is slightly different and refers to economic development only which is carried out, owned and controlled by representatives of the local community. It could, therefore, be understood as a special type of local economic development.

However, what 'local economic development' and 'community economic development' have in common is the main aim or objective of their economic interventions which is 'for the common good' or 'community benefit'. This will be achieved by:

- Integrating social, environmental and cultural policies
- Identifying and serving unmet needs
- Protecting and re-establishing local economic cycles
- Building and improving social capital
- Mobilising the untapped resources of local people
- Setting up locally based and accountable enterprises

In Boxes 4-7 are some illustrative examples of 'local economic development'. We believe that a good way to understanding is to know about and analyse best practice examples.

Box 4: Best practices example: self-managed associations in Moscow

Source: Birkhölzer, K. (2008): Local Economic Development and its Potential. www.technet-berlin.de

When the Soviet army had to withdraw from East Germany their former soldiers had to be reintegrated into civil life. In Moscow some of them were placed in typical huge housing blocks of the type which you can find in almost all big cities. The houses were in a bad condition, some of them empty or devastated, and the surrounding neighbourhood was lacking almost all necessary infrastructure - from shops to health care facilities. The population living in such neighbourhoods was between 8,000 and 10,000 and they waited for years for the local authorities to carry out necessary improvements to the buildings. As nothing happened some of the former army members took the initiative to form a 'self-managed neighbourhood association' whose representatives were democratically elected from all inhabitants in the neighbourhood (two delegates per staircase). The association acted as a neighbourhood or community enterprise. It started to take over responsibility for the maintenance of the housing blocks as well as the delivery of services. They negotiated successfully with the authorities about their right to organize and the permission to work in their neighbourhood. They had to invest a lot of voluntary work at the beginning but they were able to make an income from their services and employ people on a regular basis. The idea spread to a lot of other neighbourhoods in Moscow as well as to other parts of Russia. In 1995 we were able to identify up to 250 'self-managed neighbourhood associations' in Moscow alone. They even got the right to build such self-managed associations included in the new constitution of the city of Moscow.

Box 5: Best practice example: The Stutterheim Development Foundation in South Africa

Source: Birkhölzer, K. (2008): Local Economic Development and its Potential. www.technet-berlin.de

This example occurred in the Eastern Cape in South Africa at the end of the apartheid period (see also Nussbaum 1997). The municipality of Stutterheim consisted of a small town of around 10,000 white inhabitants surrounded by townships with a black population of about 40,000. The living conditions in the townships were horrible - housing of the poorest possible standard with almost no fresh water and sewage facilities. At the peak of the political conflict against apartheid the black community decided on a consumer strike and would not buy anything anymore from the white shop keepers. The boycott lasted for almost a year and the white community was for the first time confronted with the possibility of economic

break-down and the possibility of having to leave the area. Then a group of people formed around the white mayor and the leader of the black community. They started for the first time to talk to each other in a series of meetings which they had to keep secret. A lot of patience and courage was needed to re-establish trust between the communities but in the end the Stutterheim Development Foundation was established, a local partnership which was equally set up, owned and controlled by representatives of both communities. A local development plan was agreed by which young people from the black community would be trained and employed to improve the living and housing conditions in the townships. After the political change Stutterheim became a model for local economic development in other parts of South Africa - especially under the aspect of how local development could be combined with the necessary process of peace and reconciliation. In the following years the foundation managed to build a lot of new houses, streets, gardens, water supply and sewage systems, schools and health care centres and created a slowly, but steadily growing wealth not only for the first time for the black community but surprisingly for the white population. All this was achieved with a lot of voluntary work and commitment invested by local actors and – at least at the very beginning – with locally available resources only. Paradoxically, help from above and outside was only offered later after they had become known and accepted for what they had achieved out of their own resources.

Box 6: Best practice example : The eco-village of Wulkow in East Germany

Source: Birkhölzer, K. (2008): Local Economic Development and its Potential. www.technet-berlin.de

Wulkow is a small village of 150 inhabitants near the Polish border in East Germany. After the unification of East and West Germany the local residents almost immediately lost all their job opportunities due to the closing down of a local agricultural cooperative and a big electronic company. As most of them did not want to leave their homes, they combined their efforts to find alternatives in order to make a living out of their own available resources in the village. In the beginning they occupied a disused four-storey grain store and converted it into a community development centre. They opened a market for locally produced bio-dynamic food and started to develop new ecologically sound processing techniques. They were especially interested in using locally-based renewable energy systems and ended up establishing their own local power station and plant sewage system. Today the villagers sell their knowledge and experience to others and own an international seminar centre for rural development. The reason behind this success story was rather simple – they wanted to generate and circulate work and income locally. Although all the activities were done on a small scale, they fitted into each other and formed a chain of activities which could be called a 'local exchange and trading system'. Income is circulated from the market to the households, from the households to the power station and the sewage system where it finances new employment. At the same time the wages are spent for local services and in the market and reappear as income in the households. The most difficult thing is to find the starting point to set the cycle in motion. Of course, usually money is the trigger but if you do not have it the only way to start is to invest (at least at the beginning) in unpaid work.

Box 7: Best practice example: The community co-operative of Papa Westray in Scotland

Source: Birkhölzer, K. (2008): Local Economic Development and its Potential. www.technet-berlin.de

This example occurred on the island of Papa Westray in the North of Scotland. Papa Westray is located in the North Sea and on the same day the local shop and the ferry boat closed their services – these being the only two connections to the outside world. As the islanders depended heavily on these two facilities they came together and formed an island cooperative with the initial objective to reopen the shop and the ferryboat service. They managed to do this by investing in unpaid work and collective work. This generated an income and in the end a shopkeeper and a ferryman were employed. As the islanders were now used to working part-time for their co-operative, they were looking for new projects. They went on to convert a disused farmhouse into a youth hostel and later into a family hotel; they established a nature

reserve as well as improved archaeological sites; they combined this with organizing package tours to the island and finally reopened their local school. The co-operative and its achievements were more or less built on social capital which has become the source of a modest, but steadily growing wealth for the island.

Suggested tasks or projects to explore the hypotheses:

- Discussion and debate using live examples from the learner’s prior knowledge including the historical development of their own local communities
- Sketch localities where the learner’s come from and analyse the deficits/unmet needs as well as the available employed and unemployed resources
- Investigate and explore written case studies on local economic development
- Write case studies on best practice examples – for example Greater London Council, Mondragon (Basque country), Papa Westray (Scotland), Wulkow (East Germany), Stutterheim (South Africa), Seikatsu Clubs (Japan), In Loco (Portugal), etc
- Explore and analyse local economic development models like the one of the IFG Local Economy in Berlin (see Diagram 5)
- Write out the opportunities and barriers to local economic development in one’s own locality

- Carry out more detailed deficit and resource analyses in one’s own locality
- Explore best practice examples for mobilising local people like Local Action Plans, Popular Planning, Planning for Real, etc.
- Write case studies on best practice example for local partnerships and local development agencies
- Monitor the money flows (inside and outside) in selected localities
- Explore the different interpretations of local economic development and related concepts such as community economic development and community development

Possible outputs:

- A critique of live examples of local economic development
- Discussion and debate about various development models
- Brainstorm the opportunities and barriers to local economic development and discuss how the barriers could be overcome
- Case studies and best practice examples
- Recorded discussions and debates

Diagram 5: Concept for a programme of local economic development

Source: Birkhölzer, K. (2008): Local Economic Development and its Potential. Berlin: www.technet-berlin.de

The following is an ‘ideal-type’ concept based on the exploration and evaluation of best practice examples all over Europe, identifying successful tools and instruments which could be found behind these examples.

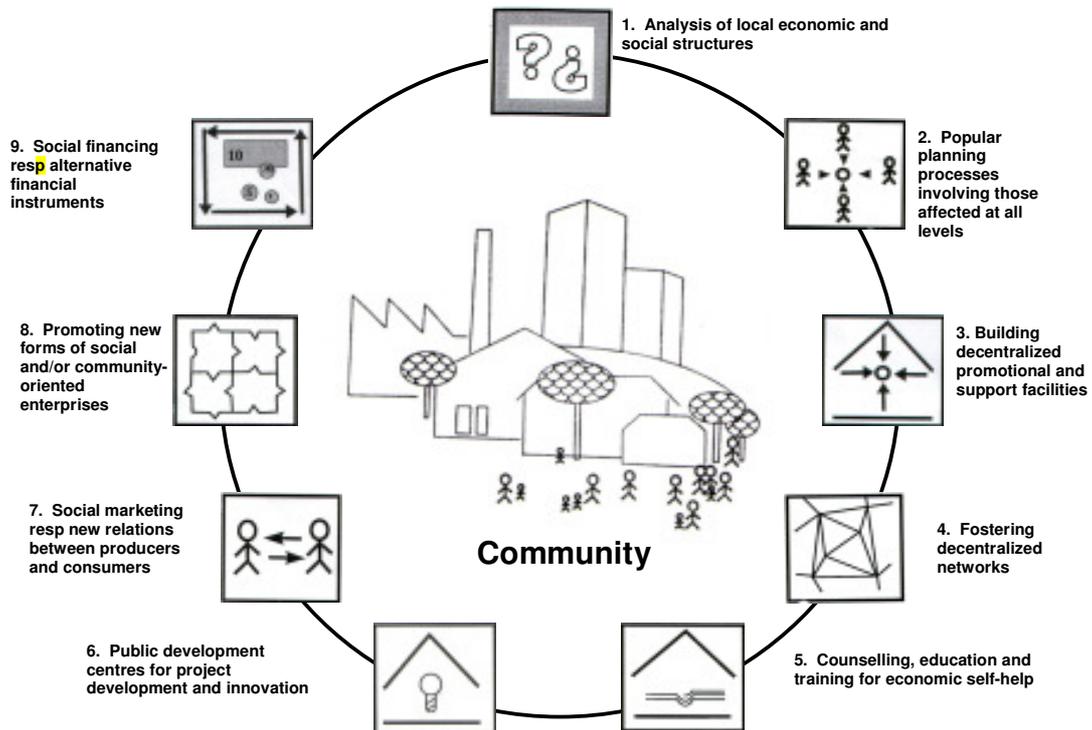
Local economic development has to be understood as a **process** (not a result) which needs time and patience. Within this process we distinguish between three phases:

- a first phase of building ground in the community (steps 1 to 4)

- a second phase of further community development (steps 5 to 7)
- a third phase of establishing a working community economy (steps 8 to 9)

In the centre of the model we have placed the community as the main actor. But a group of people has to come together to form a community initiative or organisation to start with the process. Without such a body nothing will happen.

CONCEPT FOR A PROGRAMME OF LOCAL ECONOMIC DEVELOPMENT



Topic 3: Emergence of the social solidarity-based economy

Topic objective: To introduce the idea and concept around local social enterprises and how they have been developed as well as problems they have encountered

organisations on regional, national and international levels. These federations exchange experiences and develop a coherent framework for the whole sector or system. Although there are a lot of other expressions, the term 'social

Introductory hypotheses:

- In the last decades the initiatives and organisations for economic self-help have formed federations and other umbrella
- 'social solidarity-based economy' is the most widely accepted in Europe (or the 'social economy' in the UK) (see Box 8).
- In some countries there are legal definitions for the sector and its

enterprises (see Box 9 with examples from Italy and the UK). However, these legal definitions vary considerably and depend on national legislation systems. Therefore, a common understanding cannot be built on legal or institutional definitions. To understand and measure the social economy a new approach is necessary - built on other operational criteria.

- A considerable amount of research in various countries has been carried out to try to define the 'social solidarity-based economy' but it is still in its early stages. Research networks such as EMES with its programmatic title 'Emergence of Social Enterprise' has introduced a widely accepted definition (see Box 10). Another attempt was undertaken in a comparative research project by the European Network for Economic Self-Help and Local Development (see Box 11). Although both research organisations started from different points, the findings have a lot in common and arguably might be the starting point for a converging debate which will lead to a common understanding.
- In the context of this Learning Package, the term 'social enterprise' will be understood as the overall term for all economic units out of which the 'social solidarity-based economy' is composed. If we look at the criteria which the different research definitions have in common, we can identify the following (in short):
 - Priority of social and/or other community oriented objectives
 - Citizen's entrepreneurship
 - Not-for-private-profit or profits-for-the-common-good
 - Collective or co-operative structure
- The social enterprise sector has grown considerably over the last decades and according to recent studies from the European Union it has a remarkable growth potential for the future. This is based on the ability of social enterprises to cope with limited markets in socially or regionally disadvantaged areas. But there are two main problems to solve: there is a lack of purchasing power on the 'demand side'; and a lack of financial and physical capital on the 'supply side'. To overcome these shortages social enterprises have to develop alternative economic strategies, for example:
 - to get rid of the idea that the enterprise has to create a profit beyond covering costs
 - but if a surplus can be achieved, to reinvest it in new activities according to the overall social and/or community oriented objectives (the so-called 'strawberry strategy' where activities can be 'spun off' into sustainable entities operating independently)
 - to avoid providing a financial return to private investment and compensate the lack of financial capital by building and using social capital
 - to develop a mixed income strategy which combines income from trading with income from delivering services for the public sector with income which is generated from donations in terms of money or working time (volunteers and mutual non-monetary exchange)

Box 8: The emergence of social enterprise

Source: Birkhölzer, K. (2006): Development and Perspectives of the Social Economy or Third Sector in Germany. In: Matthies, A.L. (ed.): Nordic Civic Society Organisations and the Future of Welfare Services. Copenhagen: Nordic Council of Ministers

Local economies as well as the economy in general are basically centred on serving needs. In the traditional concept of a 'mixed economy' it was assumed that private companies serve these needs by providing goods and services in areas where they expect to make a profit (in return for private investment). In areas or in sectors where such a profit was not possible but a service or good was still required for the local population then the public sector would provide it. This model, although it has always been periodically under threat, is not working anymore. An increasing number of people and places are left on their own to find ways to serve their needs.

In this situation there is 'no escape from self-help' (Aaronovitch). This means that more and more economic activities are pushed into the 'shadow economy' - the families, the neighbourhood – are pushed towards illegal work. But this is (and was also in the past) the starting point of citizen's movements. People gather around unmet needs or unsolved conflicts and start collective action for change. Often such action starts with protesting and campaigning in order that others from the public or the private sectors solve the problems. If nothing can be achieved that way, people look for alternatives to intervene directly in the economy setting up collective enterprise using local resources that aim to serve the needs or to solve local problems.

This is why and how a third economic system, the social or solidarity-based economy came into existence. As this is based on very practical approaches, there is so far nothing like a clear definition or common understanding of the term. In fact there are as many different expressions as there are problems to be solved. For this reason it is not known how many initiatives or organisations exist and how many people might be involved. However, it is estimated that in the European Union up to 10 million workers are already employed in this sector together with several times as many volunteers.

Box 9: Examples of legal definitions

Italy: The New Italian Law on social enterprises

Source: Fici, A. (2006): The New Italian Law on Social Enterprise. Conference paper. Zagreb: OECD LEED Trento Centre and ISSAN University of Trento

"With the 155/2006 Law a definition of social enterprise has been introduced to the Italian legal system...

The first general aspect that has to be highlighted is that social enterprise is neither a new legal form, nor a new type of organisation, but a legal category in which all eligible organisations may be included, regardless of their internal organisational structure...

The requirements ... are:

- being a 'private organisation'
- performing an entrepreneurial activity of 'production or exchange of goods and services of social utility'
- acting 'for the common interest' and not for profit."

United Kingdom: Social Enterprise Strategy

Source: Department of Trade and Industry (2002): Social Enterprise: A strategy for success; London

"A social enterprise is a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owner."

Recently the UK government has introduced a legal structure for a Community Interest Company (CIC) which is specifically tailored for social enterprises. This new legal structure is popular in England.

Box 10: Examples of operational definitions by researchers

The EMES (Emergence of Social Enterprise) Network

Source: Nyssens, M. (2006): Social Enterprise. London: Routledge

The EMES definition distinguishes between, on the one hand, criteria that are more economic and, on the other, indicators that are predominantly social. These indicators, such as they can be found in the works published by the Network, are presented below.

To reflect the **economic and entrepreneurial dimensions** of initiatives, four criteria have been put forward:

- **A continuous activity, producing and selling goods and/or services:** Social enterprises, unlike some traditional non-profit organizations, do not normally have advocacy activities or the redistribution of financial flows (as do, for example, grant-giving foundations) as their major activity, but they are directly involved in the production of goods or the provision of services to people on a continuous basis. The productive activity thus represents the reason, or one of the main reasons, for the existence of social enterprises.
- **A high degree of autonomy:** Social enterprises are created by a group of people on the basis of an autonomous project and they are governed by these people. They may depend on public subsidies but they are not managed, directly or indirectly, by public authorities or other organizations (federations, for-profit private firms, etc.). They have the right to take up their own position ('voice') as well as to terminate their activity ('exit').
- **A significant level of economic risk:** Those who establish a social enterprise assume - totally or partly - the risk of the initiative. Unlike most public institutions, their financial viability depends on the efforts of their members and workers to secure adequate resources.
- **A minimum amount of paid work:** As in the case of most traditional non-profit organizations, social enterprises may combine monetary and non-monetary resources, volunteering and paid workers. However, the activity carried out in social enterprises requires a minimum level of paid work.

To encapsulate the **social dimensions** of the initiative, five criteria have been proposed:

- **An explicit aim to benefit the community:** One of the principal aims of social enterprises is to serve the community or a specific group of people. In the same perspective, a feature of social enterprises is their desire to promote a sense of social responsibility at local level.
- **An initiative launched by a group of citizens:** Social enterprises are the result of collective dynamics involving people belonging to a community or to a group that shares a well-defined need or aim; this collective dimension must be maintained over time in one way or another, even though the importance of leadership - often embodied in an individual or a small group of leaders - must not be neglected.
- **Decision-making power not based on capital ownership:** This generally refers to the principle of 'one member, one vote' or at least to a decision-making process in which the voting power in the governing body with the ultimate decision-making rights are not distributed according to capital shares. Moreover, although the owners of the capital are important, decision-making rights are generally shared with the other stakeholders.
- **A participatory nature, which involves the various parties affected by the activity:** Representation and participation of users or customers, stakeholder influence on decision-making and participative management are often important characteristics of social enterprises. In many cases, one of the aims of social enterprises is to further democracy at local level through economic activity.

- **Limited profit distribution:** Social enterprises not only include organizations that are characterized by a total non-distribution constraint, but also organizations which - like co-operatives in some countries - may distribute profits, but only to a limited extent, thus avoiding profit-maximizing behaviour.

Box 11: European Network for Economic Self-Help and Local Development

Source: European Network for Economic Self-Help and Local Development (1997): Community Economic Development and Social Enterprises. Berlin: Technologie-Netzwerk Berlin

“Working definition of social enterprises:

The following are the **key characteristics** which can be identified as common to all social enterprises:

- They seek to tackle specific **social aims by engaging in economic and trading activities.**
- They are **not-for-profit-organizations**, in the sense that all surplus profits generated are either re-invested in the economic activities of the enterprise or are used in other ways to tackle the stated social aims of the enterprise.
- Their legal structures are such that all the assets and accumulated wealth of the enterprise do not belong to any individuals but are held in trust to be used **for the benefit of these persons or areas** who are the intended beneficiaries of the enterprise's social aims.
- Their organisational structures are such that the full participation of members is encouraged on a **co-operative basis** with equal rights accorded to all members.
- It is a further characteristic of the social enterprise sector that it encourages **mutual co-operation** between social enterprises and with other organizations in the wider social and local economy.”

Suggested tasks or projects to explore the hypotheses:

- Use case studies to introduce the subject, including visits to Local Social Economy organisations
- Brainstorming about the various objectives and fields of activity of social enterprises
- Presentation and discussion about the learner's personal experience with social enterprises
- Make a synopsis of different theoretical approaches to define and measure the social solidarity-based economy
- Explore the different movements or milieus out of which social enterprises emerged
- Explore the historical development of such movements like the co-operative movement, the charities and welfare organisations, the mutual and other associations, the foundations, the alternative and self-help movement, the voluntary and the community sector, social co-operatives and social firms, local exchange and trading systems, etc.
- Map social enterprises in one's own locality or region
- Develop a typology of social enterprises on regional or national level
- Compare legal and institutional frameworks and/or support structures in different countries and at European level

- Examine the relationship between the public sector and the Local Social Economy – examining the changing policies; and the possible co-operation between the Local Social Economy and the for-private-profit sector
 - Explore in-depth historical analysis of a local social enterprise
 - Look at a local social enterprise that no longer exists and examine the reasons why
- Possible outputs:**
- Notes from group work
 - Presentations followed by discussions
 - Documents
 - Case studies – those social enterprises that are successful and those that failed
-

Topic 4: Third sector and civil society

Topic objective: To examine the nature and content of the third sector and civil society and explore how it could be used to establish and develop the Local Social Economy

Introductory hypotheses:

- Alternative economic strategies such as 'local economic development' and 'social enterprises' need political support. It is unlikely to expect this from the traditional political parties which are too close to the authorities, bureaucracy and the public sector in general. Therefore, the new citizen's movements have established the concept of a new political power 'beyond market and state' which is summarised as the 'third sector'. This term is often used to describe the organisations, groups and initiatives that operate socially and economically outside of the public sector as 'non-governmental organisations (NGOs)' and also outside of the private sector as 'non-profit-organisations (NPOs)'. It is a diverse and unruly coalition of groups.
- 'Civil society' is another term that is used widely. The term 'civil society organisations (CSOs)' is used usually to mean any organisation that has been organised by citizens to benefit society as a whole. Civil society includes charities, churches, clubs, societies, etc. The term covers the same organisations as the 'third sector' but with more emphasis on particular aspects of society. Both terms (civil society and the third sector) are particularly pertinent in the United States of America where traditionally there is a much less powerful public sector. Civil society is seen as the main complement to the corporate sector - compared with Europe where the public sector has been much more developed and thus more powerful. But in the light of the diminishing role of the public sector within the nation states, the political concept of civil society becomes more relevant in Europe and especially in parts of the world where the public sector is traditionally weak.
- The terms 'third sector' and 'social economy' are often used synonymously, although the 'third sector' has a broader meaning which includes economic as well as non-economic activities. Having said this, comparative research has shown that even the 'non-economic' activities have a major economic impact in terms of employment. The third

sector and civil society have enormous economic power which, if recognised, and in conjunction with the norms and values inherent in civil society, could play a much more influential role in the political sphere.

- The strength and quality of civil society and the third sector are directly linked to levels of 'social capital'. Social capital is seen as a set of resources based on trust, mutual reciprocity, shared norms and behaviour, identity and commitment as well as social networks (see Box 12). It is the glue which affects social cohesion and a powerful means of production which is often only fully understood when it is no longer there (eg. the present financial crisis has been confounded through a loss of trust).
- Finally, a new social policy or a 'new deal' is required on a European as well as a worldwide level – especially as nation states are less capable to control or counter the adverse impacts of globalisation. The same is true with environmental policies and ways to counter climate change which seem to be under threat - again due to the financial crisis. Civil society and the third sector have to gain enough political power to oppose global players at an international level. That is why international co-operation and exchange of third sector and civil society organisations is crucial for the future. For the same reasons it would be an advantage to have a political coalition between civil society and the public sector which could be dedicated to an economy 'for the common good'.

Box 12: Definitions of social capital

Source: Evans, M.(2005): The Role of Social Capital in the Social Economy. In: Birkhölzer, K.; Klein, A.; Priller, E.; Zimmer, A. (eds.): Dritter Sektor / Drittes System. Theorie, Funktionswandel und zivilgesellschaftliche Perspektiven. Wiesbaden

Bourdieu, Coleman and Putnam

A starting definition for social capital could be that which has been used in documentation of previous European Union programmes: "Social capital consists of features of social organisations such as networks, norms and social trust that facilitate co-ordination and cooperation for mutual benefit." This definition has its origin in a number of sources. The current debate on the concept of social capital derives mainly from the work of two Americans: the sociologist James Coleman, writing in the 1980s', and the political scientist Robert Putnam writing in the 1990's. The French Marxist sociologist Pierre Bourdieu, also writing in the 1990's is frequently cited in the literature as a third source of the present theorisation on social capital. The three respectively define social capital in the following ways:

- "social capital is defined by its function. It is not a single entity, like other forms of capital, social capital is productive, making possible the achievement of certain ends that would not be attainable in its absence. ... Social capital is embodied in the relations among persons.. (a) group whose members manifest trustworthiness and place extensive trust in one another will be able to accomplish more than a comparable group lacking that trustworthiness and trust". Coleman (1990);
- "social capital refers to features of social organisation, such as trust, norms and networks, that can improve the efficiency of society by facilitating co-ordinated actions". Putnam (1993)
- "the sum of resources, actual or virtual, that accrue to an individual or group by virtue of possessing a durable network of more or less institutionalised relationships of mutual acquaintance and recognition". Bourdieu (1992)

The CONSCISE Working Definition for Social Capital

“Social Capital consists of resources within communities which are created through the presence of high levels of:

- trust;
- reciprocity and mutuality;
- shared norms of behaviour;
- shared commitment and belonging;
- both formal and informal social networks; and
- effective information channels,

which may be used productively by individuals and groups to facilitate actions to benefit individuals, groups and community more generally.”

Suggested tasks or projects to explore the hypotheses:

- Lecture on civil society and third sector
- Presentation on social capital – what it is and how it is used - then how it might be used as a resource available to the third sector.
- Discussion and debate
- Investigate the definitions of civil society and the third sector
- Analyse the theoretical and practical relations or contradictions between third sector/civil society organisations and the third system/social economy organisations
- Analyse the differences and commonalities between ‘profit’ and ‘surplus’, ‘non-profit’ and ‘not for private profit’, ‘economic’ and ‘non-economic’
- Examine how to measure the economic impact of third sector and civil society organisations

- Analyse third sector and civil society organisations political potential together with whether they are economically and politically independent or dependent
- Write case studies on civil society organisations, NGOs, etc. which act on an international level
- Explore the advantages and barriers for a ‘new deal’ regarding social and environmental policies
- Conduct a literature search into social capital emerging with some strands of thinking behind social capital

Possible outputs:

- Results from group work
- Presentations followed by notes from discussions
- Documents and papers
- Case studies – those organisations that have been successful and those that failed

Module 3: Community Development and the Community Economy

Introduction

There are three basic elements which constitute the Local Social Economy and they are 'work', 'economy' and 'community'. The term 'community' is placed at the centre of the overall objectives of the Local Social Economy which is about establishing an 'economy as if communities matter' (Herman E. Daly in his vision of a sustainable future economy).

The term 'community' can have a lot of different meanings in English speaking countries. However, it is used in this Learning Package for 'local communities' delimited by geographical boundaries in a certain territory - neighbourhoods, quarters, villages, towns, cities or regions. Communities may vary considerably in size with bigger ones being built out of smaller ones. They also include certain 'communities of interest' such as ethnic communities and other social formations. In this Learning Package we consider that a community is a certain 'community identity', a sense of belonging to a given locality, based on its historical development which created a specific social fabric, as well as a natural and cultural environment.

Therefore, the term 'community' in this sense comprises more than just a locality or place for economic activities. It is understood as 'a living and organic structure' as it was characterised by George Nicholson (presumably citing Abercrombie). Despite increasing mobility and worldwide communication, growing up and living in a certain community is still a precondition of human development. Protecting and keeping alive our local communities is not just a

desirable economic objective, but a question of economic survival and sometimes a matter of life and death as witnessed by the increasing number of migrants who can not survive in their home communities.

Much has been written about the importance of 'social cohesion'. Social cohesion can be stressed in communities which are at risk and to improve social cohesion requires a policy for community work and community development. In the recent past the concept of 'community work' was introduced as a new type of social work aimed at integrating vulnerable groups by improving and developing their communities as a whole besides providing individual assistance and working with target groups. Recently, this approach has fallen into oblivion but has reappeared on the agenda in areas of economic crises and increasing social segregation.

However, 'community work' in the traditional sense might not be enough to re-establish social cohesion. An adequate concept of 'community development' needs to go beyond measures of social integration and focus on the community as a whole. Three main dimensions of a community can be identified:

- **Social dimension:** focussing on the local population, the social fabric and the quality of social life
- **Environmental or ecological dimension:** focussing on the quality of the natural environment and/or natural resources
- **Cultural dimension:** focussing on traditions, mentality, heritage, landscape

and the quality of local culture, including not only art and crafts, but also education, life style, habits, food, communication – and other products of the civilisation process

The Local Social Economy of which social enterprises are a part can then be understood as the 'systems of means' which is owned and controlled by the community to achieve its social, environmental and cultural objectives for the benefit of the whole community.

Thus, this module will be subdivided into four major parts:

- The social dimension of community development
- The environmental or ecological dimension of community development
- The cultural dimension of community development
- Historical trends and perspective of sustainability

Again, at this point we would like to refer you back to the Sustainability Triangle (Diagram 1). The Local Social Economy is located within the community and has three dimensions – a social dimension, an environmental dimension and a cultural dimension. A social enterprise has an effect on each of these dimensions.

Topic 1: Community development and the social dimension

Topic objective: To examine, discuss and analyse the social dimension of community development, including its applied policies, tools and instruments

Introductory hypotheses:

- Community development policies are usually fragmented, sometimes competing and even contradictory. They are often formed by different administrations and become 'social policy', 'labour market and employment policy', 'economic policy', 'rural and urban development policy', 'neighbourhood regeneration policy' and so on. This is contrary to successful community development which requires an integrated holistic approach.
- The social dimension of community development policies is often described by the term 'social cohesion'. Indicators are poverty, unemployment and social exclusion added to the level of education, health, social security, housing, democracy and participation.
- The traditional approach of social policies focussed on the 'integration' of 'target groups' (ie. disadvantaged or socially excluded people) into the existing social structure of the communities which were thought to be already sound in principle. Community-oriented approaches would argue that the existing social and economic structure is exactly one of the reasons why disintegration and social exclusion happens and why successful integration needs certain changes to these structures.
- Community development, therefore, is about the necessary changes in the social structures in order to achieve real social integration and finally social cohesion. In most countries (and especially in Germany), community development policies in this sense are either neglected or marginalised. It is therefore necessary to move away from 'social work' towards 'community work'.

- Also in countries where such community development policies have been already introduced, the existing programmes and measures often have not been sustained and continued when funding for them finally dries up. One of the reasons for this is that these programmes and measures have often been introduced from the top downwards without real participation by the affected communities. Community development should start working 'with' the people instead of working 'for' the people. In doing this it should enable communities to help themselves and become self-sustaining.
- Another rather new phenomenon is 'social segregation' within communities. This is a process in which the 'better-off' are concentrated in certain parts of the communities and the 'disadvantaged' in other parts. It is the segregation process itself which causes further disintegration and exclusion and this is the reason that community development policies have to stop or reverse such processes. Practical experience has shown that this cannot be achieved with traditional social work integration schemes only but has to be embedded in economic development strategies developed by the community.
- Using an understanding of social capital can help as it can be regarded as a 'heuristic tool' and can further our knowledge of how people within communities can interact and develop such Local Social Economy strategies.

Box 13: Tools and instruments - the social dimension

(see references)

The most innovative tools and instruments to develop the social dimension of community development have been introduced and developed by citizen's movements working with affected communities.

Good practice examples for real community involvement are 'Planning for Real', 'Popular Planning', 'Community Futures Workshops', 'Public-Private-Community Partnerships', 'Neighbourhood Development Agencies', etc.

Good practice examples for successful social and work integration strategies are the 'social co-operatives' in Italy and Poland, the 'social firms' (for and with the disabled) in other countries, 'community co-operatives' and other 'community enterprises' in Ireland and the UK and a variety of other 'social enterprises' in Belgium, Finland, France, Germany, Portugal, Sweden and Spain.

There are also good practice examples of community development from the 'bottom up' like the village of Wulkow in East Germany, the island of Papa Westray in Scotland, the Basque region of Mondragon, the 'self managed associations' of the city of Moscow, the 'Stutterheim Development Foundation' of the Eastern cape in South Africa and the 'Seikatsu-Clubs' of Japan. See previous Modules.

Suggested tasks or projects to explore the hypotheses:

- Brainstorm the snags and benefits on all the policies (or tools/instruments) that the learners are aware of. Take several of the policies that have been applied in your country or region and conduct a critical analysis of it
- Carry out an in-depth study of particular policies and see how they have impacted on community development – perhaps using a SWOT analysis
- Conduct ‘socio-economic profiling’ studies of the communities where the learners come from to examine their social dimension
- Critically examine practical exercises of community involvement techniques like Planning for Real, Community Futures Workshops, and others

- Write case studies of successful social and work integration strategies like social co-operatives, social firms and others
- Write case studies of other social and work integration strategies which have been not successful or run into certain difficulties
- Write case Studies of good community development examples from the bottom-up like Wulkow, Papa Westray and others

Possible outputs:

- Written reports
- SWOT analysis on specific policies or tools
- Snags and benefits of specific policies or tools
- Written papers
- Case studies – those that have failed and those that have succeeded

Topic 2: Community development and the ecological or environmental dimension

Topic objective: To examine, discuss and analyse the ecological and environmental dimension of community development, including its applied policies, tools and instruments

Introductory hypotheses:

- Communities will not be able to survive in the long term without protecting their natural environment and resources. It is, therefore, a moral duty as temporary custodians of the planet to protect the natural living conditions of all flora and fauna. The protection of the bio-sphere is also an argument for economic rationality. The environment or ecology, in this case, includes air, water, energy, food, transport, waste and biodiversity.

- The protection of our shared ecology must take account of environmental protection policies, consumer protection and technological development. The respective policies in this field are also fragmented and sometimes very contradictory - especially between environmental protection and technological development - not to mention the obvious contradictions and conflicts the environment may have with economic policies. An integrated holistic approach in this respect is a must, otherwise environmental protection policies will be pushed aside as in so many cases in the past.
- In traditional economic thinking, natural resources were understood as so-called ‘free goods’ which everybody could exploit without paying a price. The costs

or consequences of this exploitation were left to be dealt with by the general public ie. the communities themselves and their residents. This is a major concern within community development.

- There is also a belief that environmental protection can only be tackled internationally and on a global scale and that local communities cannot do much about it. Of course, there is a need for global agreements and interventions, - especially on climate change - but what can be done at a local or community level has not been sufficiently explored.
- In protecting the environment it has to be recognised that waste is a problem and that it is often seen within an 'end of

the pipe' mentality which suggests that the problem of waste can be solved by technology instead of realising waste should be reduced in the way that we produce things.

- It is widely believed that climate change and global warming is caused by CO2 emissions but arguably this has not been proved and is certainly not the sole cause of global warming. For example the natural cycle of water which involves evaporation forming clouds which result in rain can affect the climate. It was just recently been suggested that climate change could be influenced locally by monitoring and then reconstructing these water cycles.

Box 14: Tools and instruments: The ecological/environmental dimension
(see references)

Generally speaking, research money has stressed the production of things. Relatively speaking not much research money has supported the effect of production on the wider environment.

In the same way, most technological development has been dedicated to mass production and large scale applications. Small scale technological developments have been only promoted by initiatives from the eco-movement eg. in the field of alternative energy production, renewable energy systems, plant sewage systems, waste recycling, organic farming, ecologically-sound food processing, building and construction techniques, transport systems, etc.

Good practice examples of environmentally sound community development are the Centre for Alternative Technology in Wales, the Technology Networks of the Greater London Council, the Socially Useful Production of the Alternative Workers' plan for Lucas Aerospace, several community transport systems in the UK, the eco-village plan of Wulkow in East Germany and the numerous community co-operatives for local energy and water supplies which have been recently set up in Germany.

Most of these developments have been carried out on a 'not-for-private profit' basis and implemented as social enterprises. Therefore, there are a lot of opportunities to set up and develop social enterprises in the field of environmentally-sound production and services around air, water, energy, food, waste and transport.

Suggested tasks or projects to explore the hypotheses:

- Brainstorm policies and tools with case studies and consider the benefits and

some of the problems associated with the case studies

- Invite an environmentalist or scientist to introduce this subject
- Hold a formal debate"This house believes that environmental policies are a

waste of time and hold back economic growth which is the lifeblood of our society....”

- Carry out an eco-audit of the community where the learners come from including deficits and resources for environmental protection
- Visit an environmental centre or social enterprise which is active in this field and write a case study
- Analyse environmental protection, consumer protection and technological development policies and its impact on community development
- Write a case study of ‘end of the pipe’ policies and the effect on local communities in different parts of the world

- Write a case studies on successful community environmental development projects like the above mentioned
- Write studies on environmentally sound technologies implemented by social enterprises in the field of air protection, water, energy, food, waste and transport

Possible outputs:

- Written reports
- Video
- A photomontage of environmental problems and possible solutions
- Presentations
- Papers
- Results of the projects

Topic 3: Community development and the cultural dimension

Topic objective: To examine, discuss and analyse the cultural dimension of community development, including its applied policies, tools and instruments

Introductory hypotheses:

- Communities are not able to survive without protecting their cultural heritage. It is the local culture which attracts people to live in a certain place or locality and develop a sense of belonging or community identity which is essential for any community development.
- The main issue here is around celebrating the diversity of culture and opposing monocultures. This again, is not only for moral reasons, but also of economic importance as special

aspects of culture like norms and behaviour, local identity as well as

social networks are understood as essential ingredients to produce and to sustain social capital. And it can also be argued - If we don't use social capital, we lose it!

- Each community has its own culture around local history, places of interest, local food, local production, local arts and crafts, a certain landscape, architecture, special sports and leisure facilities, education and training schemes and communication channels. These are the reasons why people would like to stay and foreigners or tourists like to visit.
- All these facets of local culture are endangered by the centralisation of government structures as well as a concentration of production and service delivery ending up with a standardised and uniform output. In this process more and more communities will lose their own shops, schools, newspapers, theatres, town halls, libraries, pubs and restaurants, etc.
- Policies around cultural issues also suffer from centralisation and are often focussed on the so-called ‘high’ culture of national

or worldwide importance while very little is available for local cultural initiatives. This happens also in the field of sports with a lot of support for the national champions and little for the local people where swimming pools and sports facilities have to be closed because of cuts in public expenditure.

- Generally speaking, policies around the protection of local culture are almost always absent. This is especially true when looking at the impacts of globalisation on the diversity of food, drink, shops, housing, media, public space, including commercial and public buildings.

Box 15: Tools and instruments: The cultural dimension

(see references)

Local culture has become the responsibility of citizen's initiatives. Many citizen's initiatives have established social and/or community enterprises to achieve their objectives. They range from reopening local breweries, disused railway lines and village shops to the restoration of castles, churches, old town quarters and other historical buildings.

Good practice examples for cultural community development are the 'Campaign for Real Ale', 'community radios', 'community newspapers', 'community swimming pools', 'local heritage centres' and 'city farms' in the UK, as well as the 'socio-cultural centres', 'intercultural gardens' and 'citizen's foundations' in Germany.

The effect of the internet is worth exploring as it can be used to celebrate diversity or eradicate it. For example, English is fast becoming the international language but possibly at the expense of local languages?

'Open sourcing' and 'free software' is a way of using the internet to get people to work together for no discernible financial gain – but does it work for community development?

Suggested tasks or projects to explore the hypotheses:

- Get every learner to bring in an example of culture in their community and present it to the group
- Use one case study and get a representative from that local community to present their "story". Then move from practice to what policies may be required and what affect a universal policy may have
- Write up an article for a newspaper or magazine taking an example of how culture is linked to community development
- Make a video or collect a series of photographs from a local area and prepare the story of the area with a historical perspective
- Analyse cultural policies and its impact on community development
- Compare cultural events or institutions from the learner's own experience in the light of diversity or monoculture
- Analyse how cultural activities could produce and reproduce social capital
- Analyse how centralisation of government and concentration of capital affects the quality of life in the communities
- Write case studies on successful social enterprises with cultural objectives
- Consider and write about the impact of migration and multicultural projects on xenophobia and cultural community development

- Consider and write about the possibilities and constraints of using the internet and other electronic media for community development

Possible outputs:

- Presentations
- Articles
- Papers and Articles
- Case studies

Topic 4: Trends in community development and perspectives of sustainability

Topic objective: To critically examine the past and recent trends in community development, see what has been sustainable and develop an integrated and sustainable approach for the future

Introductory hypotheses:

- Over the years there has been a plethora of histories and theories around community development. It has already been pointed out that the term 'community' has a lot of different meanings – especially in English speaking countries. But it becomes even more complicated, if the term is translated into other languages. There was almost no comparable expression in French although the term 'communauté' is generally accepted. In German there have been various possible translations but with meanings which differ considerably from the English. The term 'Kommune' – like in French – has a double meaning, as an ideological concept within the socialist movement ('commune de Paris' etc.) on one hand and as an administrative category of local government like the term 'municipality' in English. To avoid misunderstandings the term 'Gemeinwesen' was introduced in Germany.
- This debate about terms is not only for semantic reasons. There are also different sociological and political concepts behind it - like the dichotomy

of 'Gemeinschaft' and 'Gesellschaft' (Tönnies). This characterises a range of possible societal formations from very closed, ideologically or otherwise restricted or bonded groups to more open social structures which are combined only by some statistical commonalities. The term 'local community' which is used here is understood as something in between, characterised by a common commitment to a certain place or locality, but open enough to include everybody who is living in these areas beyond ideological, religious, ethnic, economic or similar boundaries.

- There have been a number of milestones in the history of community development:
 - **Social work** which worked with individuals integrating them into society
 - **Community work** in settlements and the support for groups of people with common interests
 - **Community organising** which involved activities that stemmed from political views and got people to be active to fight for their rights
 - **Community economic development** which worked with people to create formal structures which were economically active in producing goods and services
 - **Social solidarity economy** as a wider concept to include all the economic activities of the people to create social or community benefit
- The concept of community (economic) development has spread out also to other

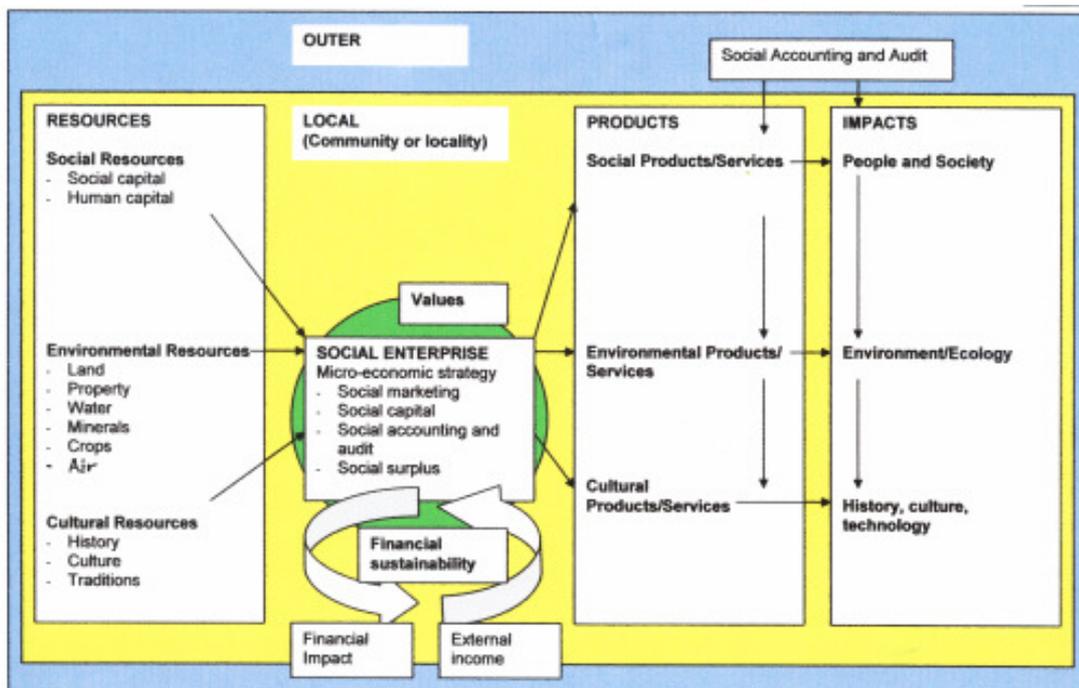
regions of the world and there are good practice examples in Eastern Europe, Asia, Africa, Australia and New Zealand. There are not so many in Southern Europe and Latin America where slightly different terms and expressions are used like **people's economy** or **social solidarity-based economy** but with possibly the same understanding.

serve the community as a whole and try to integrate social, environmental and cultural objectives in its economic performance what means that their products and services should have hybrid or even tri-partite aims. Such combinations will not only create synergies but also reduce costs and offer possibilities for a financial mix.

- Although the three dimensions of Local Social Economy have been debated separately, it should be taken into account that they belong together and fit into each other in the 'real' community. Therefore, social enterprises should
- The perspectives of sustainability consider the triangular diagram (see Diagram 1) outlining such an integrated approach in a more detailed diagram (see Diagram 6)

Diagram 6: Social Enterprise in the process of local economic development

The following diagram is an attempt to show that a social enterprise has a micro-economic strategy involving social marketing, social capital, social accounting and audit, and social surplus. It can use external income and has a financial impact on its community. It has to be financially sustainable or it will no longer be able to exist. It has clear and explicit values that underpin all its actions. In its locality it uses social, environmental and cultural resources and creates social, environmental and cultural products or services thus having an impact on people and society, the environment or ecology and on history, culture and technology. It reports on its products/services and impacts using social accounting and audit.



Suggested tasks or projects to explore the hypotheses:

- Lecture followed by questions and answers
- Brainstorming about the learner's experience with the concept of community development as well as with practical examples
- Analyse the different meanings of the term 'community' in the English speaking world compared with similar expressions in other languages
- Carry out a literature search into the different theories or concepts of 'community' with special regard to the dichotomy of 'Gemeinschaft' and 'Gesellschaft' (possibly for Germans only)
- Draw out a community development timeline with main milestones included
- Conduct a historical study on the development of Community Work or Community Organising

- Write case studies on settlements, Nachbarschaftshäuser, Community Development Corporations, agencies for community economic development, etc.
- Take a suitable historical novel and draw out what form of community development existed at that time
- Consider and decide if community development is a concept which could be adopted worldwide or if it is only appropriate for some regions with a certain cultural background

Possible outputs:

- Results of group discussion
- Presentations
- Written statements
- Timeline
- Case Studies

Module 4: Developing a Social Enterprise Culture

Introduction

The major contention of this Learning Package is that social enterprises are different and therefore they have to be managed and developed differently. This is because they face, amongst others, two major obstacles – firstly, social enterprises work with excluded and disadvantaged people working in local economies where there is limited purchasing power; and secondly, social enterprises often find difficulties in raising start-up capital and development capital.

This module will focus on *social enterprise* management and development. It will not detail the necessary elements of running a

traditional business as this information can be obtained from other sources but it might include the following:

- Legal structures and information about setting up companies and equivalents
- Financial book-keeping, keeping financial accounts, annual accounts and financial audits
- Traditional marketing and advertising
- Standard regulations and policies
- Insurances
- Employment laws
- Orthodox management structures and practices

Whereas commercial enterprises are started in response to a proven demand and evident purchasing power, social enterprises are usually started to supply a *need*.

Social enterprises often find it hard to raise capital in terms of physical and financial

capital; thus they try and substitute the lack of financial and physical capital with social and human capital.

Social enterprises start in different ways. In Poland, for example, a local authority might offer a contract to a social enterprise on the condition that they reduce the number of long-term unemployed; in Scotland some social enterprises have been franchised; in Germany social enterprises have been initiated by grass-roots or citizen's initiatives of various kinds.

In other parts of the world community-based enterprises have been started using links to private businesses or by local authorities. In some cases there may be a resultant "clash of cultures" when social enterprises work with either the public or private sectors.

At times social enterprises have been set up using a funding schemes but this in itself can be a risky strategy as it can cause funding dependency.

This module will have four sections:

- Setting up sustainable social enterprises
- Social capital as an economic resource
- Running social enterprises differently (1): management, marketing and auditing
- Running social enterprises differently (2): alternative financial instruments

Again, at this point we would like to refer you back to the Sustainability Triangle. The social enterprise is located in the centre of the triangle and has social, environmental and cultural objectives.

Topic 1: Setting up sustainable social enterprises

Topic objective: To start to develop a successful social enterprise plan and to begin to implement the plan

Introductory hypotheses:

- Setting up social enterprises is different from establishing traditional enterprises. With social enterprises and with organisations operating in the Local Social Economy, it is a social process in itself which may take time. It has three main stages which have to be considered:
 - Creating roots in the community or locality
 - Developing the process
 - Establishing the social enterprise

Creating roots in the community or locality...

- It is striking that local 'actors' including local authorities are often not very well informed about the real situation in their local economies. Traditional statistics do not cover the whole spectrum of necessary information and are usually not detailed enough to describe the real situation at a local level – such as neighbourhoods, towns and villages. As a consequence, we believe that access to goods and services is not equally distributed with affluent supply to some areas and unmet needs in others.
- Therefore, social enterprises often start by identifying a need or needs within a locality. The needs of a population can be explored using some form of 'Deficit and Resource Analysis'. This analysis is often called other things such as 'Popular Planning', 'Needs Assessments' or sometimes 'Community Futures Workshops', etc.
- In commercial businesses a similar process will focus on *demand* and *capital*; while with social enterprises it focuses on *needs* and *resources*.
- Arguably, social enterprises may start in other ways as outlined in the introduction to this module, but there is always a case for carrying out some form of Deficit and

Resources Analysis – especially if the social enterprise is going to be sustainable in the long term.

- Setting up a social enterprise often requires some assistance in carrying out the assessment of needs. Thus, there is a need to mobilise the local population using voluntary work and initiating a supportive climate and at the same time identifying supporters and advisers (sometimes referred to as 'Project Champions'). Essentially this is a

network of people – local and non-local who form an informal association.

- It is advisable at this stage to carry out some form of stakeholder analysis. Stakeholders are individuals, groups and organisations that can affect the social enterprise or are affected by it – intentionally or otherwise. A stakeholder *analysis* should not just be a list of stakeholders but should begin to explore the *nature of the relationship* between the stakeholders and the social enterprise.

Box 16: Deficit and resource analysis

Source: Birkhölzer, K. (2008): Local Economic Development and its Potential. Berlin: www.technet-berlin.de

Deficit and resource analysis starts with a list of unmet needs on one side and unemployed resources on the other. Unemployed resources include unemployed people with their abilities and capacities, empty buildings and disused factories, wasteland as well as underused potential of its natural and cultural heritage. Following the compilation of this list, a local action plan is developed by linking the deficits and available resources. This exercise may be carried out in a small neighbourhood. It was applied to a former industrial quarter of Berlin and showed an employment potential of additional 250 jobs in this area alone. The most famous example of this kind of analysis was the "London Industrial Strategy" which was carried out by the Economic Department of the Greater London Council in 1985. It asked the question: "Are Londoners so well housed; are their homes so warm and so well furnished, are Londoners so well clothed and so healthy that there is nothing for 400.000 unemployed people to do?" The result was an unique document which was created on the basis of an in-depth analysis of the whole economic and social life in Greater London showed a potential of half a million additional jobs which could be created.

Box 17: Popular Planning

Source: Gibson, T. (1996): The Power in our Hands. Neighbourhood based – world shaking. Charlbury/Oxon.: Jon Carpenter Publishing – www.planning-for-real-de

One of the successful tools of the Greater London Council was to introduce a 'popular planning' process in which 'ordinary people' were encouraged to be actively involved in identifying unmet needs and unemployed resources. This was based on the conviction that people are the real experts of what happens in their neighbourhoods. One of the most successful tools in this context is 'Planning for Real' which was developed by Tony Gibson from the Neighbourhood Initiatives Foundation. It is centred around a three-dimensional model of a neighbourhood which includes streets, schools, pubs department stores, etc. It allows everybody to make their comments and proposals in a verbal and non-verbal way directly onto the model. The tool attracts people who would never go and talk at a public meeting and it mobilises their ability and commitment to contribute to practical solutions in their neighbourhood. Many other tools and techniques have been developed since then - like alternative workers plans, community future workshops, communal fora, neighbourhood action packs, etc.

Box 18: Community Futures Workshops

Source: Community Economic Profiling, CEPCESA; published by CBS Network 1998

A Community Futures Workshops programme is a community development process designed to identify a common vision which leads to local economic and social action. The process is based on a series of five Community Futures Workshops, which aim to initiate and focus local development. The workshop process is based on the following key principles;

- local development should be community-led involving all community stakeholders (residents, local businesses, local authorities, voluntary organisations, etc)
- a common understanding of the nature of a community and its problems will lead to a common vision which will lead to a common purpose
- there should be equality of partnership between stakeholders
- discussion should lead to practical plans for action
- local development should embrace, connect and tackle social, economic and environmental issues

The programme involves holding five workshops over several months with a mixed group of 30-40 community stakeholders. Stakeholders are individuals and organisations who have a particular interest in improving the community and the quality of life of its residents. Workshops are usually held at 2-3 week intervals and encourage participation from everyone attending. Much of the work is done between meetings or within small groups of 8-10 people.

The workshops have been designed to build up a community profile; identify needs and problems; identify opportunities and resources; design an action plan for local community and economic development. The Community Futures Workshops use a facilitator to help the process along and to co-ordinate the discussion.

Developing the process...

- A workspace or premises for the social enterprise has to be found – allowing people to come together and plan. The best places are disused building, factories or public spaces which will – revitalised by more or less voluntary work – not only offer work space and meeting opportunities at low costs but also symbolise the overall objective of the activities - like lighthouses which show the way!
- At this stage the informal association should begin to identify different 'fields of activities' that the social enterprise will carry out in response to the needs identified earlier. There may be a variety of activities causing synergies between the different activities which may link social, environmental or cultural aspects. These activities can then be developed into a Mission, shared Values for the social enterprise, as well as Activities linked to Objectives.
- A starting-up social enterprise should spend enough time on examining their shared Values as social enterprises are often described as being 'value based' stressing their difference from commercial businesses.
- The social enterprise should then consider the education and training of people who will work in the enterprise. This may follow on from a skills audit. It may be necessary to bring in training and trainers from outside – especially if specific expertise is required.
- A social enterprise can benefit from assistance offered by intermediary organisations. That is, organisations set up to support the development of social enterprises and with knowledge and experience of working with social enterprises.

Box 19: Networks and support facilities

(see references)

Building up new and strengthening existing social networks are some of the most important tools which enrich social capital. In his basic study on social capital in Italy, Robert Putnam reported that the best performing municipalities were those with a lively culture of civic associations - notably singing groups. Besides these traditional associations, new forms of networks have emerged (not only in Italy) which are able to combine people from different cultural, political or institutional backgrounds. These so-called "bridging" networks often form informal social constructs in which the most varied groups, institutions and individuals can come into contact with one another without having to give up their autonomy. They are, therefore, particularly suited to the kinds of collaboration which cross traditional bureaucratic, political or cultural boundaries. The impact of such networks is not only to exchange information and coordinate activities but also to combine resources and exchange services on a non-profit basis.

A special type of network which has become increasingly important is formalized local partnerships. They try to bring together representatives from all sectors of the local economy - the public administration, the private profit-oriented companies and the third sector or social economy.

Box 20: Education and Training

(see references)

Many people talk about the importance of education and training for economic development. But, we would argue for something special called 'empowerment'. People, especially in disadvantaged areas or communities, are usually not trained in self-help and self-management. Furthermore, they often suffer from a lack of self-esteem which leads to resignation and passivity. To overcome these obstacles special education and training programmes for economic self-help are necessary. There are a lot of programmes for 'empowerment' and 'capacity building' available now such as the 'community leadership programmes' set up by the Pratt Institute Centre for Community and Environmental Development (PICCED) benefiting Brooklyn and other deprived neighbourhoods in New York. There are also 'community organizing' techniques, invented by Saul Alinsky and the Industrial Areas Foundation (IAF) in the United States.

Box 21: Intermediary Organisations

Source: Technologie-Netzwerk Berlin (2004): BEST. Berlin Development Agency for Social Enterprises and Neighbourhood Economy. Berlin: www.soziale-oekonomie.de

New ideas for local development projects within popular planning processes are often not of the type which can be implemented immediately. As in other project developments, new ideas need further development and professional help - mainly on two aspects: (a) There is often a need for technical development especially if the project or social enterprise touches on more complicated issues like energy, transport, water supply and disposal, health care, care for the elderly and disabled and related issues; (b) There is often a need for economic or managerial development in setting up an enterprise eg. developing a business plan, finding space and premises, employing and qualifying the necessary workforce, financial planning, accounting and auditing. All these necessary development processes are time consuming and new local development initiatives usually do not have the money to pre-finance these development costs. Services of this kind should therefore be free of charge and made available through Intermediary Organisations. They could be funded in the medium term by 'revolving funds' where successful projects contribute to help others. Best practice examples for such development agencies are the technology networks established by the Greater London Council; the cooperative development agencies in Sweden, Italy and Spain; the

community enterprise and social economy agencies in the UK and Ireland; and the Berlin Development Agency for Social Enterprises and Neighbourhood Economy (BEST). All these agencies are independent, open to the public and work on a non-profit basis which allows for voluntary work and contributions from students, academics and other professional experts. A radical and empowering way of funding professional support is to provide financial support direct to the social enterprises themselves and they can then buy services and support from any intermediary organisations or indeed other social enterprises.

Establishing the social enterprise...

- A social enterprise should write a Social Enterprise Plan which should cover, at the very least, the following:
 - Mission or overall aim
 - The shared values of the social enterprise
 - Objectives and activities
 - Legal framework providing a legal entity
 - Constitution or statute that states what is important for the social enterprise eg. how it deals with surplus, etc.
 - Workforce both paid and voluntary and their conditions
 - Internal governance and democracy
 - Stakeholder analysis
 - Monitoring and evaluation
 - Start-up capital
- It is not the legal status which constitutes a social enterprise. The legal structures vary considerably from country to country and almost all forms of legal status which constitute an enterprise are used: Cooperatives, mutual societies, associations and foundations (the so-called CMAF-Family), but also charities, limited companies, etc. What is more important are the internal regulations that fulfil the criteria of the social enterprise - especially the regulations about the overall social and community-oriented objectives as well as the not-for-private-profit principle and social entrepreneurship.
- Forecast income and expenditure

Box 22: Example of a social enterprise plan format

Source: Social Accounting and Audit Manual 2005

Some social enterprises use a standard format for a **social enterprise plan** which includes the following sections:

Cover Page

Acknowledgements

Executive Summary

Background: background to the social enterprise; history of the social enterprise; activities and achievements of the social enterprise to date

Demonstrating the Need for the Organisation: background to the area (if appropriate); context and policy (if appropriate); need for the social enterprise; examples of similar social enterprises and/or partners

Description of the Organisation: structure; key skills; approach; premises; legal status; geographical area of focus

Mission, Values, Objectives, Activities

Stakeholders Analysis

Social Accounting and Audit: Introduction to social accounting and audit; reasons why the social enterprise will implement social accounting and audit; key stakeholders consultation summary; social book-keeping system; summary of the data to be collected; social accounting plan – provisional timetable

Expected Environmental Impact

Forecast Financial Impacts

Marketing Plan: social accounting linked to marketing; marketing and promotion

Finance: projected income and expenditure; projected cash flow; projected balance sheet

Work Plan and Targets

Summary Remarks and Conclusions

Appendices: In the appendices all the information that may be necessary but not central to the Social Enterprise Plan eg. sources, contacts, maps, etc. will be included. The financial *details* should be included in this section.

Suggested tasks or projects to explore the hypotheses:

- Take the learners through the process outlined above but discuss variant paths
- Critically examine the different sections in an existing social enterprise plan or business plan and identify missing aspects
- Use a series of appropriate cards with each stage of development written on the card and get the learners to put them in the order they think they should happen – moving from left to right over a wall
- Learners bring to the group examples of best practice case studies and ideas that they have found out about how social enterprise have been started
- Choose a task from the above stages in social enterprise development and carry it through eg. do a deficit and resource analysis; carry out a popular planning exercise; facilitate a stakeholder analysis (spatially using a Venn Diagram and criteria such as influence, importance and categories to arrange the different stakeholder groups in relation to the

organisation); work through the stages of establishing a work space; analyse decentralised networks and support facilities; document available education and training programmes ; start writing a social enterprise plan

- Critically review known intermediary organisations and investigate their funding and modus operandi

Possible outputs:

- Results from a modified Action Learning Set on an issue participants are aware of in their social enterprise (if appropriate)
- Research findings into community economic profiling and consider how that relates to geographically based social enterprises
- Results from researching the difference between traditional business plans and Social Enterprise Plans
- Written up best practice case studies
- Lists of best practice tools and instruments

Topic 2: Social capital as an economic resource

Topic objective: To learn about the concept of social capital and how social enterprises can make use of it

Introductory hypotheses:

- Understanding the concept of social capital is very much talked about and used in the political debate but it is rarely considered as an ‘economic tool’. The use of the word ‘capital’ suggests that it is a means of production like financial, physical and human capital. Social capital only happens if there is co-

operation between people. It is interesting to note that the co-operative movement bases its thinking on co-operation being a means of production and this co-operation leads to the further development of social capital. We believe that social capital is an important resource and can be used in setting up and developing social enterprises.

- Arguably “trust” is the most important element of social capital.
- Measuring levels of social capital is difficult. But in attempting to measure levels of social capital, one can gain an insight and fuller understanding of what social capital is and how useful it may be to a social enterprise.
- The concept of social capital is sometimes described as a ‘heuristic’ tool – that is one learns about it more through using it.
- One way of attempting to assess or measure social capital is by carrying out social economic profiling of a community and focusing on the relationships between organisations and people and through this, examine the levels of social capital evident in the community. (Some social enterprises have tried to use social accounting as a way of measuring levels of social capital generated and used.

See the CONSCISE Project – www.conscise.info)

- Using and generating social capital should not be taken for granted within a social enterprise. If it is not used, it will not be generated and it will be lost – ‘use it or lose it!’ Therefore, we believe, a fledgling social enterprise has to invest in building trusting relationships and social networks.
- Throughout the development of a social enterprise, there is a need to build co-operation within the locality by stressing community involvement, capacity building and building supportive networks. Often not enough time is spent by social enterprises on community involvement as they do not realise that community involvement can help them economically.
- Capacity building has to be addressed as it builds social and human capital. Building networks is directly linked to building social capital.
- It is possible to compensate for the lack of physical and financial capital with social capital. It cannot be a direct substitution but social capital can help in securing other forms of capital (see the best practice examples of Moscow, Papa Westray, Stutterheim, Wulkow and the PAULA group in Berlin).

Box 23: The Concept of Social Capital

Source: Kay, A.; Pearce, J. (2003): Information Paper on Social Capital

Social capital is an elusive concept but may be broken up into five concrete terms which making it easier for people to grasp the overall concept and see how it can be important and useful in the day-to-day work of social enterprises. The concrete elements of social capital are:

Trust: having relations of trust with people and organisations so that you feel confident and comfortable working with them.

Reciprocity and mutuality: having the sort of relations with people and organisations which means that if you do something for them without expecting immediate payback; that you help each other out; that you are prepared to work together on schemes of common advantage.

Social networks: being in touch with a wide range of people and organisations so that you get to know them; to learn to trust them and work together; to give and get information.

Shared norms of behaviour: realising that you share ideas with others on how things should be done; that you can build a common vision; that you broadly agree on what is acceptable and what is not.

Sense of commitment and belonging: realising that sharing a commitment to an area or to a group can uncover a shared understanding of issues and leads to a common sense of purpose.

Social capital is all of these concrete elements and it evolves through relationships between people and organisations. These relationships can strengthen the sense of identity and purpose of a community or of an interest group – that is often referred to as *'bonding'* social capital – the 'glue' which binds a community together. These relationships can also build links with other people and bodies external to the immediate community or interest group - that is often referred to as *'bridging'* social capital – the 'grease' which helps to access other resources and get things done. With strong social capital, a community organisation or group can more easily determine what it wants to do and how to set about getting the other forms of capital it will need: financial (access to money); physical (access to land, buildings, machinery); natural (access to raw materials, clean air and water); and human (skills, education and knowledge). Social capital cannot substitute for these, more tangible, forms of capital but it can help to pull them in.

Box 24: Best practice example: PAULA – an unemployed self-help initiative in Berlin set up using social capital

Source: Birkhölzer, K. (1993): Development Dilemmas in Berlin and the Eastern Part of Germany. Publication Series Local Economy No. 18. Berlin: Technologie-Netzwerk Berlin. www.technet-berlin.de

PAULA started in the early eighties when unemployment in Germany also affected people with a higher education background like teachers, social workers, engineers and others. A group of graduates in vocational education which could not get access to schools because of massive cuts in public expenditure decided to form an unemployed self-help initiative to find practical ways out of unemployment and to create new and innovative jobs, in the first place for themselves. But as most young unemployed do not have enough access to financial or physical capital, starting commercial businesses was not an available option. To find another way the group embarked on self-managed research to understand the economic reasons behind unemployment and to find economically viable alternatives. But, as very little research on these issues had been invested so far, the group had to start with empirical research on successful cases of economic self-help. Nearly five years of collective volunteer work had to be invested before the accumulated knowledge and expertise could be transformed into the first paid research contract. At first an association with charitable status was formed, but the necessary work places and technical equipment were still missing. The group entered a disused factory building in the former industrial quarter of the city and turned it step-by-step into a community centre which offered workspace not only for the research group but also for other initiatives in the neighbourhood. Networking became one of the most important activities to attract more volunteer investment by combining resources, reuse of second-hand equipment and other donations. A second association was set up to serve as a forum for neighbourhood action in disadvantaged areas of the borough, followed later on by a limited company for the development of neighbourhood services. All generated income was in the first place invested in the development of the workspace as the fundamental resource for creating paid jobs and starting new initiatives. Immediately after unification when nearly half of the former workforce of East Germany lost their jobs a lot of unemployed people from East Berlin joined the initiative using the centre as an incubator for finding new jobs and/or develop their own projects according to their motivations and abilities. Some founded other initiatives as well as enterprises, some stayed and helped to develop the already existing enterprises. Altogether they formed a network of enterprises, later a local partnership for the borough and finally a coalition of social enterprises for the city of Berlin. All this was mainly achieved by investing and generating human as well as social capital. The initiative can look back on a successful history of more than twenty years now, and if it has to be closed down some day, it will be definitely not because of a financial break-down, but because it has lost its ability to keep and generate social capital (in terms of trust, reciprocity, identity and networking).

Suggested tasks or projects to explore the hypotheses:

- Investigate the various different definitions of social capital as used in the literature
- Get the learners to think about how they have used and generated social capital in their own work and from their own experience – relate it to reality!
- Introduce ways in which people have tried to measure social capital in communities eg. the use of proxy indicators
- Carry out a literature search on social capital to assess the wide variety of views on social capital
- Use case studies on measuring social capital

- Critically examine social economic profiling and how this profiling can look at a community from the point of view of social capital
- Study different types of capacity building and write a short critique on capacity building projects

Possible outputs:

- Written up case studies
- Short presentations
- Short critiques
- Case studies
- Literature review
- Practical ways to use social capital

Topic 3: Running social enterprises differently (1): management, marketing and auditing

Topic objective: To learn about alternative micro-economic strategies in the field of management, marketing and auditing

Introductory hypotheses:

Social management...

- Running a social enterprise is different, in a number of ways, from running a commercial enterprise. There can be tensions that develop within social enterprises that have to be managed and tackled (see Box 25).
- In managing a social enterprise there are usually two levels. On one level, there is the Board of Directors (or General Assembly or Committee) representing the membership that agree on the overall strategy and the purpose of the social enterprise. They are usually unpaid and meet in

intervals 4 – 12 times a year. On the other level, there is the Manager (or team of management) who run the business on a day-by-day basis (usually paid and working full-time). The relationship between these two levels is important and one that has to be critically considered from time to time.

- Social enterprises depend much more on the goodwill and motivation of their staff and other stakeholders than traditional commercial enterprises as often they are less strong financially. Again, the level of trust plays an important role.
- The workforce of a social enterprises have to be more committed as a social enterprise may go through periods when payments are not secure and they have to be 'on board', and committed to, the activities and values of the enterprise. The relationship between the social enterprise and its workforce is crucial.
- It is often understood in social enterprises that the workers have responsibilities to the enterprise. Thus, decision-making has to involve them and this is often

written into the constitution and may result in worker representation on the management committees, democratic procedures, regular staff meetings, etc. These mechanisms are necessary if the workforce is expected to take on responsibilities and be flexible during hard times.

- Some social enterprises have a 'multi-stakeholder' view of decision-making and sometimes clients and users are involved in the management of the social enterprise.
- Arguably, social enterprises are more tenacious and sustainable as the close stakeholders often share the same values about what the social enterprise is doing and how it operates. This binds people and

similar organisations together and can give them an economic advantage.

- There are difficulties with collective decision-making as decisions and consensus within and between the stakeholders takes longer. Ways to tackle this may involve staff strategy meetings, written levels of decision-making, etc.
- It is often the case that social enterprises start with democratic mechanisms but as trust builds up between the stakeholders, less attention is paid to this. This may cause problems in the medium to long term. This is not only linked to trust but also to the size of the enterprise and the amount of effort put into re-affirming the shared values from time to time.

Box 25: Tensions that have to be managed within social enterprises		
Providing the staff with excellent conditions and pay	Vs.	Providing services to clients and customers which are affordable
Deciding to keep staff and being committed to the workforce	Vs.	Making staff redundant in the event of a decrease in the work
Having a mechanism to be accountable to key stakeholders	Vs.	Being able to be effective in making decisions quickly and making them clear
Spending time managing the social enterprise	Vs.	Spending time on local projects and programmes that benefits the locality
Re-investing any surplus in the social enterprise to expand and develop	Vs.	Using the surplus to support other, wider work in the locality eg. donations, etc.
Expansion of the social enterprise to become bigger and changing the original mission	Vs.	Remaining small and concentrate on providing services within the locality
Spending time raising funds and accounting to funders and on social accounting	Vs.	Spending time on delivering the core work of the social enterprise
Recruiting people with a community development background	Vs.	Recruiting people with a business background
Managing the enterprise as a business	Vs.	Running the enterprise as a means to achieve social objectives
Stressing the underpinning and shared values of the social enterprise	Vs.	Concentrating on achieving the activities to an adequate degree

Box 26: Best practice example: CECOSOLLA - Democratic Management in a big cooperative in Venezuela

Source: Bach, P. (2006): Cecosesola – eine Kooperative der besonderen Art in Venezuela. In: Stiftung Fraueninitiative (Hrsg.): Dissidente Praktiken. Sulzbach/Taunus: Ulrike Helmer Verlag

CECOSOLLA (Central Cooperativa de Servicios Sociales del Estado Lara) is a network of 45 Workers' and Consumer Cooperatives together with 22 Neighbourhood Cooperatives. They employ a total of 2,000 people and work for 140,000 members in the region of Barquisimeto in Venezuela. The cooperative was founded in 1967 and after a financial crash in 1979 it was decided to reorganise its structure moving away from a hierarchical organisation into a decentralised network with grass-roots decision making, management rotation and being consensual instead of making decisions dependent on a majority vote. In such crises, enterprises usually opt for the opposite ie. for more centralisation. The new organisation proved to be successful and a reason for this is that all economic activities are based on local needs. We would argue that local people are the experts of their every-day life and therefore also able to decide on their economic performance by themselves. The single units (from 6 up to 160 members) organise and decide on their work independently. They have also formed a number of collective organisations at the overall level - like market places to distribute the produced goods and services, a health insurance system and a collective system of financial management including cost and income distribution. Although this seems to be a very singular phenomenon, it shows what might be possible through decentralisation and networking as opposed to having a centralised structure.

Social marketing...

- As social enterprises are different from traditional enterprises, it is recommended that they apply a different type of marketing. Most commercial enterprises work in an anonymous market and that the market decides on whether or not the enterprise will be successful. This means that they need to spend considerably on advertising their goods and services and the richer enterprises are the ones that gain a hold in the market and are financially more successful.
- Social marketing avoids anonymous markets by organising formal relationships between producers and consumers. This is popular in agriculture with organic farmers selling vegetable boxes directly and regularly to customers; and where the customer pays for produce in advance. Another example of social marketing is with community transport schemes where the customers buy a share in the social enterprise on the understanding that they will directly benefit from the transport.
- Social marketing can be developed through local partnerships. A social enterprise may provide a service that has been agreed through a local partnership body which agrees a common agenda and wants to contract a local social enterprise.
- In social marketing, the consumers can often influence the producers. There are many examples of local authorities contracting with social enterprises to provide services in a locality. However, this can present problems as the local authority is the customer and paying for the service but not the consumer or user that are the main beneficiaries. Who is more important to the social enterprise – the local authority that pays or the eventual beneficiary?
- It can be argued that social marketing replaces, to some degree, competition with co-operation.

- Social enterprises can also market themselves as socially responsible organisations with social objectives and profit distributing constraints. This can be attractive to customers.
 - There is a growing area of 'social responsible consumerism' where consumers build bridges with producers. This is very evident in the area of fairtrade and ethical purchasing.
 - Social enterprises should be able to display their distinctiveness with a 'social enterprise mark (or label)'
- which shows the wider public that they are a social enterprise and thus different from for-private-profit orientated and privately owned businesses.
- A part of social marketing is social franchising where a social enterprise provides other developing social enterprises with a common management structure and a trading formula which can be adopted in a different locality. There can be advantages in marketing the product or service collectively through this structure.

Box 27: What is social marketing?

Source: Birkhölzer, K. (2008): Local Economic Development and its Potential. www.technet-berlin.de

Social marketing is about bringing producers closer to consumers and forming direct links which gets round problems of providing goods and services in response to a demand in the wider market.

Serving unmet needs in disadvantaged communities and areas of economic crisis has some serious handicaps. Some such handicaps are the low purchasing power amongst the local population; and the needs which require special targeting of services and adaptation of products in relation to numbers, quality and price. The needs cannot be met with technologies of mass production or economies of scale. These are - together with low expectations of profitability - the main reasons why the private, profit-oriented sector does not invest in such 'socially and economically restricted' markets. But local development initiatives all over Europe have found new solutions by inventing social marketing techniques. The basic idea behind social marketing is to suspend anonymous market mechanisms and replace them by involving customers, clients or users actively in the development and finally in the production of goods and services. Examples of this type of marketing are producer-consumer cooperatives which started in the field of ecologically-sound agriculture and this has now been adopted by social enterprises working in the provision of neighbourhood services.

Box 28: Best practice example: The producer-consumer Seikatsu Clubs in Japan

Source: Yokota, K. (1991): I Among Others. An introspective look at the theory and Practice of the Seikatsu Club movement. Yokohama: Seikatsu Club Seikyo Kanagawa

One of the most famous examples of social marketing are the Seikatsu clubs in Japan prevalent in the Kanagawa region. These clubs produce and deliver more than thousand articles to, and for, their members. The story behind the development of these clubs has a number of interesting lessons.

The story all started with a food scandal around tuna fish which were poisoned in the sea by aluminium waste from a nearby factory. Local women, mainly, wanted to protect their families and they started to control the quality of their food by organizing themselves into consumer co-operatives. These co-operatives started to buy ecologically-sound products collectively.

The basic club consists of seven families, the 'Han' (which is a traditional social fabric in Japan going back to medieval times). After a while the consumer co-operatives realised that the products they wanted to buy were not available on the market, at least not in the necessary quantities. Their next step was therefore to organize the production of these goods and services by themselves. It was an overwhelming success and this idea spread all over Japan.

Similar things have happened in the West of Ireland and in the North of Scotland where the inhabitants of remote towns and villages founded community cooperatives or other community businesses. What distinguishes these enterprises from traditional private businesses is the fact that the Board of Directors of these companies is a mix of representatives of customers, clients and users in the community as well as of the workforce. Nowadays this strategy is sometimes referred to as 'multi-stakeholder enterprise'.

Social accounting and audit...

- Traditional financial accounting and audit is not the only requirement for social enterprises as it is not a sufficient yardstick to measure the success of a social enterprise.
- Social accounting is a process that runs in parallel with financial accounting. It considers the social, environmental and financial performance and impact that the social enterprise has on the social, environmental and cultural aspects of the locality.
- Social accounting and audit can be used to prove to all its stakeholders the true and holistic value of the social enterprise. It is a

single means of being accountable to all the stakeholders.

- All social enterprises should carry out social accounting and audit as the process can benefit its effective management and the resulting annual document often becomes the key document of the social enterprises. Over time the social accounting and audit process becomes embedded within the social enterprise.
- Social accounting and audit can provide the overarching framework to assess performance and impact. Other tools can be included in this framework – notably LM3 and Social Return on Investment (SROI).

Box 29: What is Social Accounting and Audit?

Source: Social Audit Network: www.socialauditnetwork.org.uk

Social accounting and audit allows a social enterprise to build on its existing monitoring, documentation and reporting systems to develop a process whereby it can account fully for its social, environmental and economic impacts, report on its performance and draw up an action plan to improve on that performance. Through the social accounting and audit process it can understand its impact on the surrounding community and on its beneficiaries and build in accountability by engaging with its key stakeholders. In this way it can **prove** its value and **improve** its performance.

The key benefits of social accounting are that it allows an organisation to demonstrate (prove) the usefulness and relevance of what they do while at the same time providing the information any organisation needs to effectively manage itself and develop its services (improve). The process also develops accountability to an organisation's key stakeholders through appropriate consultation methods.

The social accounting and audit framework involves three steps for a social enterprise. The first step is about an organisation clarifying its mission, objectives and related activities, and the values and principles that under-pin all its actions, as well as identifying its key stakeholders. The second step involves recognising the quantitative and qualitative indicators that enable the enterprise to report effectively on its performance and impact against its stated mission, objectives and values through data collection and consulting appropriately with its key stakeholders. The third step is about bringing all the collected information together into social accounts that are then verified by an independent panel that, once satisfied, issues a social audit statement. Most enterprises keep social accounts for a period which usually runs concurrent with their financial year. From experience the first step should be preceded by a preparatory “getting ready” stage especially for enterprises embarking on social accounting for the first time.

Box 30: Local Multiplier 3 (LM3)

Source: New Economics Foundation: www.neweconomic.org

The Local Multiplier 3 (LM3) tool enables you – whether you are a community organisation, business leader, or government official – to measure how much your organisation or initiative impacts on the local economy. LM3 takes its name from the Keynesian multiplier, which has been used since the early 20th century to measure how income entering an economy then circulates within it. The theory is that a change in income has a multiplied impact on that economy. The New Economics Foundation have adapted it for use at the local level, and measure three ‘rounds’ of spending.

Across the UK and further afield, people have taken up LM3 to figure out how to make the most of the money that they do have so that their communities remain vibrant places to live.

Eden Community Outdoors, a social enterprise in Cumbria, commented: LM3 ‘...has raised awareness of how communities can benefit when projects invest their income back into the local economy and how this way of thinking can be used to prepare the ground for small scale community enterprise.

Box 31: Social Return on Investment (SROI)

Source: Social Return on Investment: www.sroi-uk.org

“Social Return on Investment (SROI) is an approach to understanding and managing the impacts of a project, organisation or policy. It is based on stakeholders and puts financial value on the important impacts identified by stakeholders that do not have market values. The aim is to include the values of people that are often excluded from markets in the same terms as used in markets, that is money, in order to give people a voice in resource allocation decisions. SROI is a framework to structure thinking and understanding. It’s a story not a number. The story should show how you understand the value created, manage it and can prove it.”

Suggested tasks or projects to explore the hypotheses:

- Presentation of examples and case studies in social management, social marketing and social accounting and audit
- Consideration of the expansion in fairtrade and ethical consumerism
- Carry out interviews with social enterprises which have used social management, marketing and social accounting and audit
- Write up case studies on social management, marketing and social accounting and audit

- Contrast and compare Social Accounting and Audit (SAA) and Social Return on Investment (SROI)
- Debate different strategies to social management, marketing and social accounting and audit
- Write an article on one aspect of this topic
- Carry out a SWOT (Strength – Weaknesses – Opportunities – Threats) Analysis on Social Return

on Investment and Social Accounting and Audit

Possible outputs:

- Written up interviews, case studies, articles, etc.
- Video recording of the debate and discussion
- Written up SWOT analysis

Topic 4: Running social enterprises differently (2): alternative financial instruments

Topic objective: To learn and explore about alternative financial instruments for social enterprises

Introductory hypotheses:

- Social enterprises, like any business or enterprise, are dependent on traditional sources of funding which are: grants and loans from local authorities or government or trusts; contracts; borrowing from the banks; donations from sponsors.
- It has been argued that social enterprises – as well as local and/or community development in general – need their own financial services because local economic initiatives and community or neighbourhood initiatives in disadvantaged areas often do not have access to credit or other financial services of traditional banks. Therefore, in response to this need, new initiatives of ‘social finance’ have emerged (see Box 32).
- Social enterprises are characterised by the not-for-private-profit principle. One of the most common misunderstandings about this principle is that social enterprises do not want to create a surplus or profit at all. Social enterprises are set up to achieve social added value, social

profit or community benefit. Therefore, social enterprises – like any other enterprise or business – do want to achieve a surplus or profit, but without distributing it into private pockets. What makes the difference is the question: What is the profit for?

- One of the major consequences of the not-for-private-profit principle is that it allows the social enterprise to change its overall economic objectives from profitability of the invested capital to cost efficiency in relation to the social and/or community oriented objectives. This allows the social enterprise to be economically active in locally or socially restricted markets which are usually considered as not being profitable enough.
- Social enterprises therefore do not need to make a large surplus. Their financial return on investment just has to cover their costs, avoid debts and instead invest in the workforce, the beneficiaries and the locality.
- A social enterprise has to consider its workforce in terms of an investment and not a cost.
- Social enterprises follow a certain strategy or a financial mix of income. They combine income from trading in (possibly restricted) markets; with income from public contracts by

offering services of general interest; and donations of time and money from the community.

- Social enterprises should not become dependent on one type of income. However, there may still be a financial deficit which, in some places, can be covered by a grant from a local authority. A social enterprise may also cover its costs through the use of unpaid work by volunteers.
- Unpaid work by volunteers is an indispensable resource for social enterprises, but it should be based on a mutual relationship. This mutuality

can be achieved by rewarding volunteer work in-kind or through a non-monetary system like timebanks or a Local Exchange Trading System (LETS). It can be also done by offering volunteers learning opportunities; workspace or access to goods and services; or by introducing a 'social dividend' which is based on added values in the quality of life.

- There is considerable literature on non-profit-making management and how funds can be managed but this is mainly targeted at traditional charities. It can, however, be adapted for social enterprises.

Box 32: Best Practice Examples of Social Finance

(see references)

Money should be seen as a 'servant, not the master' as Pat Conaty, a pioneer of social financing, has put it. Therefore, he and others have introduced the idea of setting up special community banks or **social banks** which exist for the needs of disadvantaged social groups and communities. Like the Grameen-Bank in Bangladesh which offers micro-credits predominantly to women in rural areas, their lending procedures are based on trust in the ability and willingness of people to repay.

Another type of social financing is represented by the **JAK-Banks in Denmark and Sweden** which offer interest-free credits in rural areas. The clients only pay a fee for the service. In Italy there is the **Ethical Bank** which lends money to social enterprises without the stringent need for collateral as the lending is based on trust.

There are also **community or citizen's foundations** which collect money on a regular basis from citizens and then the local citizens decide on how the money should be spent.

In a similar way **credit unions** or **lending co-operatives** operate in the UK and Ireland. Both these organisations have members who save collectively and are then able to lend money to their members. In Germany, credit unions are illegal, but lending co-operatives can bank money collectively which can be temporarily lent to other organisations to combat a short-term cash flow problem. The money is then returned when the problem has been resolved.

Credit unions have just recently seen a remarkable revival although they trace their roots back to the early cooperative movement in 19th century. The Raiffeisen and Popular Banks (Volksbanken) in Germany originate from the same co-operative background but seem to have forgotten their roots and perform like other commercial banks. In France, Italy and Spain the cooperative banks still have a feeling of belonging to the social economy and support social enterprises in one way or the other. It would therefore be very helpful, if the big cooperative banks in Europe, especially in Austria, Germany and UK would change their minds and remind themselves where they came from. It was one of the principles of the old cooperative movement that successful cooperatives should offer seed-money to newcomers. The **social cooperatives** in Italy still call it a 'strawberry fields strategy', because this plant, if it is mature, always creates a new layer.

Social financing is not only about access to credits. Social investment in the social infrastructure is still much needed. Lenders may not be repaid in terms of money but either in access to necessary goods and services or just in a better quality of life. This is sometimes referred to as the 'social dividend'.

Finally money can be replaced by local exchange and trading systems or supplemented by local and regional currencies. **Local Exchange and Trading Systems or Schemes (LETS)** are community-based mutual aid networks in which people exchange all kinds of goods and services with one another - without the need for money. These LETS schemes (or 'Systemes d'echange locales/SEL' in French, 'Tauschringe' in German) are working on the basis of exchanging working time. Everybody who spends working hours for producing goods and services for another member of the system gets a credit to receive goods and services in working hours of the same amount. All activities are listed in something similar to a bank account. Some schemes use the working hour or 'time dollar' as the unit of exchange (this is called a '**time bank**'), others use a kind of local or regional currency and issue vouchers which again are based on the equivalent of working time. Therefore, if real money is used or any equivalent, it is the investment and exchange of working time which constitutes the local economic cycle and keeps it in motion. Timebanks inspire and connect people to volunteer in their communities thus enabling charitable organisations and enterprises to develop innovative and effective volunteer recruitment programmes.

Suggested tasks or projects to explore the hypotheses:

- Presentation of examples and case studies in social finance and other alternative financial instruments
- Brainstorm all the different alternative financial instruments and consider how they can be used and which are applicable to different social enterprises and localities
- Investigate and write up information on social finance institutions of all kinds like community banks, citizen's foundations, credit unions and lending cooperatives, social investment funds, LETS-schemes, timebanks, local and regional currencies etc.
- Analyse and compare the differences and commonalities of non-profit and

not-for-private-profit management tools

- Carry out a case study on how social enterprises can raise funding and the way that they use any surplus
- Ask a number of social enterprises their source of income and the financial mix and report back

Possible outputs:

- Written up case studies and key findings
- Written up article on social and/or alternative finance
- Presentations of findings
- Written up case studies, articles, etc.

Final Remarks and Future Perspectives

Where do we go from here?

This Learning Package (Curriculum) was put together by a consortium of researchers as well as practitioners from Germany, Italy, Poland and the UK.

It was an attempt to collect and present, as much as possible, the already existing knowledge about the theory and practice in the Local Social Economy as well as the context in which it operates. Of course, this is not the first and will not be the last attempt to develop comprehensive learning and teaching material for the sector. However, we do hope that it will be acknowledged as an innovative step

forward, not only because of the content, but also because of the methodology which intends to be as flexible and as participative as possible.

We do not see this Learning Package as the end. Instead we see it as the starting point for a process of international exchange, practical implementation and the further development of a vibrant community of education and training in the Local Social Economy.

The last attempt to build a European-wide network, the Réseau Européen de Formation pour le Tiers Secteur / European Third Sector Training Network / REEN ended in the late nineties due to a lack of funding. But why don't people think of establishing something similar and include the experiences from outside Europe - from Brazil, Canada, India and wherever Local Social Economy initiatives have emerged during the last decade?

Our existing consortium will hopefully be able to continue and exchange experiences about the implementation of the Learning Packages (Curriculum) in their countries.

We believe that the Learning Package can be adapted to a variety of different needs for learners within different regions. In Germany, some of our partners have come together to set up an 'Academy for the Social Solidarity Economy'. This Academy, based in Berlin, will implement a post-graduate course for 'multipliers' and social enterprise practitioners which will run alongside practical work in their enterprises or organisations. A full timetable of this model covering more or less all modules of this curriculum will be available.

We also expect to present a Scottish, an Italian and a Polish model using different parts of this Learning Package and compiled in accordance to what seems to be mostly needed in their countries. Both, the full and some of the modified versions should be available soon.

We also intend to disseminate this Learning Package to other partners in Europe and abroad. We shall invite them to comment, to exchange information and possibly to implement and/or adapt some of Learning Package in their respective areas. Essentially, everybody is invited to use these packages or parts of them actively with the only restriction being that the source is cited - where it comes from and that it was done with the support of the LEONARDO programme of the European Union.

A first presentation has already been made to the Fourth International Forum "Globalising Solidarity" of the Intercontinental Network for the Promotion of the Social Solidarity-based Economy / RIPESS, in April 2009 in Luxemburg. This Forum did not only agree with the argument that the Local Social Economy has a worldwide dimension, it also pointed out its special 'mode of production' which needs to be supported and developed by appropriate education and training. The presentation got a lot of positive responses and brought forward new partners and encouraged us to continue on the proposed work for the future.

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Topic 4: Strategies and recommendations

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 Bergmann, Frithjof (2004): *New Work, New Culture*. Ann Arbor: University of Michigan
 Cooley, M. (1992): *European Competitiveness in the 21st. Century. Integration of work, Culture and Technology*. Brussels: Commission of the European Communities
 Hildebrandt, E. (2001): *Pathways to a Sustainable Future. Results from the Work & Environment Interdisciplinary Project*. Düsseldorf: Hans-Böckler-Stiftung
 Laville, J.L. (1998): *The Future of Work. The Debate in France*. Paris: CRIDA-LSCI
 Wainwright, H.; Elliott, D. (1982): *The Lucas Plan. A New Trade Unionism in the Making?* London – New York: Allison & Busby

Others:

Anastasiadis, Maria (2006): *Die Zukunft der Arbeit und ihr Ende?* München: rainer Hampp Verlag
 Bundesarbeitsgemeinschaft der Sozialhilfeinitiativen (Hrsg.) (2008): *Existenzgeld Reloaded*. Wasserburg: AG SPAK
 CONTRASTE. Die Monatszeitung für Selbstorganisation. Heidelberg
 Cooley, M. (1982): *Produkte für das Leben statt Waffen für den Tod. Arbeitnehmerstrategien für eine andere Produktion*. Hamburg: Rowohlt
 Einemann, E.; Lübbing, E. (1985): *Anders produzieren. Alternative Strategien in Betrieb und Region*. Marburg: SP-Verlag
 Hildebrandt, E. (2004): *Anders Arbeiten? Das Konzept der Mischarbeit im Agendaprozess*. In: *Contraste*, Nr. 233
 Schomaker, K.; Wilke, P.; Wulf, H. (1987): *Alternative Produktion statt Rüstung. Gewerkschaftliche Initiativen für sinnvolle Arbeit und sozial nützliche Produkte*. Köln: Bund-Verlag

Useful international websites on Module 1	
www.technet-berlin.de	A wealth of information the meaning of work. Some in English but mostly in German
www.oecd.org	This site has a huge amount of information related to global labour markets/work. The directorate of employment labour and social affairs is most relevant. It has an on-line library with reports on a range of related topics from across the globe
www.dwp.gov.uk	Useful information on labour market policies & background reports and links to a research centre library

Module 2: The Future of the Economy

Topic 1: Trends in the globalised economy

International:

- Birkhölzer, K. (2005): Consequences of Globalisation in the North and Civil Society Responses and Alternatives. In: Castelli, L.: European Social Entrepreneurs. Ancona: Le Mat Partnership
- Chomsky, N. (2007): Interventions. San Francisco: City Lights Publications
- Daly, H.; Cobb, J.B. (1990): For the Common Good. Redirecting the Economy towards Community, the Environment and a Sustainable Future. London: Green Print
- Douthwaite, R. (1999): Growth Illusion. How Economic Growth Has Enriched the Few, Impoverished the Many and Endangered the Planet. Hartland/Bideford: Green Books
- Forrester, Vivianne (1999): The Economic Horror. Blackwell Publishing
- Forrester, Vivianne (2000): Une étrange dictature. Paris
- George, Susan (2004): Another World is Possible. London: Verso Books
- Hoogendijk, W. (1991/ 2001): The Economic Revolution. Towards a Sustainable Future by Freeing the Economy from Money-making. London: Green Print und Utrecht: Jan van Arkel
- Klein, Naomi (2007): The Shock Doctrine. The Rise of Disaster Capitalism. New York: Alfred A. Knopf
- Robertson, J. (1985): Health, Earth and the New Economics. London: The Other Economic Summit

Others:

- Altvater, E. (2005): Das Ende des Kapitalismus, wie wir ihn kennen, Münster: Westfälisches Dampfboot
- Altvater, E.; Mahnkopf, B. (2002): Globalisierung der Unsicherheit. Arbeit im Schatten, schmutziges Geld und informelle Politik. Münster: Westfälisches Dampfboot
- Douthwaite, R.; Diefenbacher, H. (1998): Jenseits der Globalisierung. Handbuch für lokales Wirtschaften. Mainz: Matthias-Grünwald Verlag

Topic 2: Local economic development

International:

- Aaronovitch, S. (Ed.): Local Economy Magazine. London: Local Economy Policy Unit / LEPU
- Benington, J. (1986): Local Economic Strategies. In: Local Economy, Vol. 1, No 1, London: Local Economy Policy Unit
- Birkhölzer, K. (1999a): Local Economic Development. A European-wide Movement towards more Economic Democracy and Social Justice. In: Local Economy, Vol. 14, No 1. London: Local Economy Policy Unit
- Birkhölzer, K. (1999b): A Philosophical Rationale for the Promotion of Local Economic Initiatives; and: Development Dilemmas in Berlin and the Eastern part of Germany. In: Twelvetrees, A. (ed.): Community Economic Development. Rhetoric or Reality? London: Community Development Foundation
- Birkhölzer, K. (2008): Local Economic Development and its Potential. Berlin: www.tewchnet-berlin.de
- Douthwaite, R. (1996): Short Circuit. Strengthening local economies for security in an unstable world. Dublin: The Lilliput Press
- European Commission (1995): Local Initiatives for Economic Development and Employment. Luxembourg: Office for Publications
- Lang, P. (1994): LETS Work: Rebuilding the Local Economy. Bristol: Grover Books
- Pearce, J. (1993): At the Heart of the Community Economy. Community Enterprise in a Changing World. London: Calouste Gulbenkian Foundation
- Robertson, J. (1985): Health, Wealth and The New Economics. London: The Other Economic Summit
- Ronnby, A. (1994). Mobilizing Local Communities. Östersund: Mid Sweden University

Others:

- Birkhölzer, K. (2000): Formen und Reichweite Lokaler Ökonomien. In: Ihmig,

H. (Hrsg.): Wochenmarkt und Weltmarkt. Kommunale Alternativen zum globalen Kapital. Bielefeld: Kleine Verlag
 Birkhölzer, K. (2007): Die Rolle der Sozialen Ökonomie bei der Rekonstruktion Lokaler Ökonomien. In: Ecosol Review, Nr. 1. Schifflange / Luxemburg: Objectif Plein Emploi
 IFP Lokale Ökonomie (Hrsg.) (1994): Lokale Ökonomie. Beschäftigungs- und Strukturpolitik in Krisenregionen. Ein internationales Symposium. Berlin: Edition Berliner Debatte
 IFP Lokale Ökonomie (Hrsg.): Veröffentlichungsreihe Lokale Ökonomie. Berlin: Technologie-Netzwerk Berlin
 Sahle, R.; Scurell, B. (Hrsg.) (2001). Lokale Ökonomie. Freiburg i. Br.

Sources on best practice examples:

Anderson, R.; Griffiths, I.; Whitfield, R. (1997): Alternative Economic Systems in Rural Scotland. Perth: Rural Forum Scotland
 Chanan, G. (1992): Out of the shadows. Local Community Action and the European Community. Dublin: European Foundation for the Improvement of Living and Working Conditions
 European Network for Economic Self-Help and Local Development (ed.) (1997): Community Economic Development and Social Enterprises. Berlin: Technologie-Netzwerk Berlin
 Greater London Council (1985): London Industrial Strategy. London: GLC
 Mackintosh, M; Wainwright, H.(1987): A taste of Power. The politics of local economics. London: Verso Books
 McDyer (1982): Fr. McDyer of Glencolumbcille. An autobiography. Kerry: Brendan Books
 Morrison, R. (1991): We Build the Road as we Travel. The Mondragon Experience. Philadelphia: New Society Publishers
 Nussbaum, B. (1997): Making a Difference. Reconciliation, Reconstruction and Development in Stutterheim (South Africa). Florida Hills RSA: Vivlia
 Yokota, M. (1995): I Among Others. An introspective look at the theory and practice of the Seikatsu club movement. Yokohama: Seikatsu Club Seikyo Kanagawa

Yunus, M. (1995): Grameen-Bank. Experiences and Reflections. Chittagong: Grameen-Bank

Sources on local partnerships:

Birkhölzer, K.; Lorenz, G.; Schillat, M. (2001): Lokale Partnerschaften zur Förderung des sozialen Zusammenhalts. Verfahren und Instrument erfolgreicher Partnerschaftsentwicklung. Berlin: Technologie-Netzwerk Berlin
 Geddes, M. (1997): Partnerships Against Poverty and Exclusion? Local regeneration strategies and excluded communities in the UK. Bristol: The Policy Press
 Geddes, M.; Benington, J. (eds.) (2001): Local Partnerships and Social Exclusion in the European Union. New Forms of Local Social Government? London: Routledge
 Kjaer, L. (2003): Local Partnerships in Europe. An Action Research Project. Copenhagen: The Copenhagen Centre
 Kodré, P. et al. (Hrsg.) (2005): Lokale Beschäftigungsbündnisse. Europäische Perspektiven in Forschung und Praxis. Berlin: Edition sigma

Topic 3: Emergence of the social solidarity-based economy

International:

Bauhaus Foundation et al. (eds.) (1996): People's Economy. Approaches towards a new social economy in Europe. Dessau: Bauhaus Foundation
 Birkhölzer, K. (2006): Development and Perspectives of the Social Economy or Third Sector in Germany. In: Matthies, A.L. (ed.): Nordic Civic Society Organisations and the Future of Welfare Services. Copenhagen: Nordic Council of Ministers
 Birkhölzer, K. et al. (1997): Key Values and Structures of Social Enterprises in Western Europe. Concepts and Principles for a New Economy. In: Publication Series Local Economy No 29e. Berlin: Technologie-Netzwerk Berlin

Birkhölzer, K. et al. (1998): The Contribution of Social Enterprises to Community Economic Development. Reports from Britain, Germany, France, Italy, Sweden and Spain. In: Publication Series Local Economy No 30e. Berlin: Technologie-Netzwerk Berlin

Birkhölzer, K. et al. (1999): The Employment Potential of Social Enterprises in 6 EU Member States. In: Publication Series Local Economy No 31e. Berlin: Technologie-Netzwerk Berlin

Borzaga, C.; Defournay, J. (2001): The Emergence of Social Enterprise. Andover: Routledge

Borzaga, C.; Santuari, A. (eds.) (1998): Social Enterprises and New Employment in Europe. Trento: Regione Autonoma Trentino – Alto Adige

Borzaga, C.; Spear, R. (eds.) (2004): Trends and Challenges for Co-operatives and Social Enterprises in Developed and Transition Countries. Trento: Edizione 31

Castelli, L. (2005): European Social Entrepreneurs. Looking for a better way to produce and to live. Ancona: Le Mat Partnership

CIRIEC (Centre International de Recherches et d'Information sur l'Économie Publique, Sociale et Cooperative) (ed.): Annals of Public and Cooperative Economics. Oxford: Blackwell Publishing

Defournay, J.; Favreau, L.; Laville, J.-L. (1998): Insertion et Nouvelle Économie Sociale. Paris: Desclée de Brouwer

Defournay, J.; Monzón Campos, J. (eds.) (1992): Économie Sociale / The Third Sector. Brussels

European Network for Economic Self-Help and Local Development (1997): Community Economic Development and Social Enterprises. Berlin: Technologie-Netzwerk Berlin

Institut de l'Économie Sociale / IES (ed.): Revue Internationale de l'Économie Sociale / RECMA. Paris: IES

Laville, J.L. (1998): Perspectives for the Social Economy in Europe. From the Social Enterprise to a Civil and Solidarity-Based Economy. Paris: CRIDA-LSCI

Mattioni, F.; Tranquilli, D. (1998): Social Entrepreneurs. The Italian Case. Roma: D'Anselmi Editore

Molloy, A.; McFeely, C.; Connolly, E. (1999): Building a Social Economy for the Millenium. Derry: NICDA

Nyssens, M. (ed.) (2006): Social Enterprise. At the crossroads of market, public policy and civil society. London: Routledge

Pearce, J. (2003): Social Enterprise in Anytown. London: Calouste Gulbenkian Foundation

Pearce, J. (2005): Learning from Failure, Plymouth; Co-Active

Spear, R.; Defournay, J.; Favreau, L.; Laville, J.L. (eds.) (2001): Tackling Social Exclusion in Europe. The contribution of the social economy. Aldershot: Ashgate

Others

Altwater, E.; Sekler, N. (Hrsg.) (2006): Solidarische Ökonomie. Hamburg: VSA-Verlag

Birkhölzer, K. (2008): Soziale Solidarische Ökonomie – eine weltweite Bewegung. In: Giegold, S.; Embshoff, D. (Hrsg.): Solidarische Ökonomie im globalisierten Kapitalismus. Hamburg: VSA-Verlag

Birkhölzer, K.; Kramer, L. (2004): Grundstrukturen und Erfolgsbedingungen innovativer Arbeits- und Unternehmensformen in Sozialen Unternehmungen. In: Birkhölzer, K.; Kistler, E.; Mutz, G. (Hrsg.): Der Dritte Sektor. Partner für Wirtschaft und Arbeitsmarkt. Wiesbaden: VS Verlag für Sozialwissenschaften

Evers, A.; Rauch, U.; Stitz, U. (2002): Von öffentlichen Einrichtungen zu sozialen Unternehmen. Berlin: Edition sigma

Münkner, H.- H. et al. (2000): Unternehmen mit sozialer Zielsetzung. Neu-Ulm: AG SPAK

Novy, K.; Mersmann, A. (1991): Gewerkschaften. Genossenschaften. Gemeinwirtschaft. Hat eine Ökonomie der Solidarität eien Chance. Köln: Bund-Verlag

Technologie-Netzwerk Berlin (Hrsg.) (2007): Soziale Ökonomie in Berlin. Berlin: Technologie-Netzwerk Berlin

Topic 4: Third sector and civil society

International:

Bourdieu, P.; Wacziarg, L. (1992): Invitation to Reflexive Sociology. Chicago: University of Chicago Press

Campbell, M. (1999): The Third System. Employment and Local Development. Leeds: Policy Research Institute

CIRIEC (Centre International de Recherches et d'Information sur l'Économie Publique, Sociale et Cooperative) (2000): The Enterprises and Organisations of the Third System. A strategic challenge for employment. Liège: Université de Liège

Coleman, J.S. (1990): Foundations of Social Theory. Cambridge: Harvard University Press

CONSCISE (The Contribution of Social Capital in the Social Economy to Local Economic Development in Western Europe) (2001 – 2003): Research Reports. London: Middlesex University: www.conscise.info

European Commission GD Employment: Pilot Action Third System and Employment. Brussels

Putnam, R.D. (1993): Making Democracy Work. Civic traditions in modern Italy. Princeton: Princeton University Press

Putnam, R.D. (2000): Bowling Alone. The collapse and revival of American community. New York: Simon & Schuster

Salamon, L.M.; Anheier, H. (1997): Defining the Non-Profit Sector. A cross national analysis. Manchester: Manchester University Press

Salamon, L.M.; Anheier, H. (1999): Global Civil Society. Dimensions of the Nonprofit Sector. Baltimore: Johns Hopkins Center for Civil Society Studies

Salamon, L.M.; Sokolowski, W. (2003): Global Civil Society. An Overview. Baltimore: Johns Hopkins Center for Civil Society Studies

Salamon, L.M.; Sokolowski, W. (2004). Global Civil Society. Dimensions of the Nonprofit Sector. Volume Two. Bloomfield CT: Kumarian Press

Others:

Anheier, H.; Priller, E.; Seibel, W.; Zimmer, A. (Hrsg.) (1998): Der Dritte Sektor in Deutschland. Organisationen zwischen Staat und Markt im gesellschaftlichen Wandel. Berlin

Birkhölzer, K. (2001): Das Dritte System als innovative Kraft. Versuch einer Funktionsbestimmung. In: Heß, D.; Schrick, G. (Hrsg.): Die Region. Experimentierfeld gesellschaftlicher Innovation. Münster: Westfälisches Dampfboot

Birkhölzer, K.; Kistler, E.; Mutz, G. (Hrsg.) (2004): Der Dritte Sektor. Partner für Wirtschaft und Arbeitsmarkt. Wiesbaden: VS Verlag für Sozialwissenschaften

Birkhölzer, K.; Klein, A.; Priller, E.; Zimmer, A. (Hrsg.) (2005): Dritter Sektor / Drittes System. Theorie, Funktionswandel und zivilgesellschaftliche Perspektiven. Wiesbaden: VS Verlag für Sozialwissenschaften

Priller, E.; Zimmer, A. (2001): Der Dritte Sektor. Wachstum und Wandel. Gütersloh: Bertelsmann

Putnam, R.D. (2001): Gesellschaft und Gemeinsinn. Sozialkapital im internationalen Vergleich. Gütersloh: Bertelsmann

Salamon, L.M.; Anheier, H. (Hrsg.) (1999): Der Dritte Sektor. Aktuelle Internationale Trends. The Johns Hopkins Nonprofit Sector Project. Phase II. Gütersloh: Bertelsmann

Useful international websites on Module 2	
www.social-capital.net	Assist Social Capital's website with a lot of useful signposts to papers on social capital
www.conscise.info	This holds a lot of information in connection with the CONSCISE research project which looked how social capital can be used and generated by social enterprises
www.idea.gov.uk	Site for the improvement and development agenda for local government. Has an excellent knowledge bank and policy and practice information
www.mes-d.net	Useful presentation on the social economy and social enterprise - the challenge behind the labels
www.cabinetoffice.gov.uk	Provides information on the office of the third sector, including the action plan/regulatory framework and measuring social values - good general resource
www.inaise.org	Provides details on the Asian Forum for Solidarity Economy - good links to the world social forum and document database
www.ec-europa.ec	Lots of information hidden away about the size and scope of the social economy and social enterprise economy across Europe
www.globenet3.org	Information on the building of a social solidarity economy in Argentina that covers South America
www.worldbank.org	Definitions and case studies of local economic development. Very good resource section
www.cles.org.uk	Centre for local economic strategies, good resources and research is available on this site
www.regen.net	Good directory of case studies regarding local economic development
www.neweconomic.org	Information on use of LM3 model to measure your impact on the local economy

Module 3: Community Development and the Community Economy

Topic 1: Community development and the social dimension

International:

Abercrombie, P.; Fanshaw, J.H. (1943): County of London Plan

Birkhölzer, K. (2008): Local Economic Development and its Potential. www.technet-berlin.de

Borzaga, C.; Spear, R. (eds.) (2004): Trends and Challenges for Co-operatives

and Social Enterprises in Developed and Transition Countries. Trento: Edizioni 31

Chanan, G. (1992): Out of the Shadows. Local community action and the European Community. Dublin: European Foundation for the Improvement of Living and Working Conditions

Commenne, V. (2006): Economic Actors' Participation in Social and Environmental Responsibility. Paris: Editions Charles Léopold Mayer

Community and Cooperative Publishing (ed.): New Sector. Democratic Enterprise and Community Control. Magazine. Durham: www.newsector.co.uk

Council of Europe (2005): Solidarity-based Choices in the Market-Place. A vital

- contribution to social cohesion. Strasbourg: Council of Europe Publishing
- Craig, G.; Mayo, M. (1995): Community Empowerment. A reader in participation and development. London: Zed Books
- Daly. H.; Cobb, J.B. (1990): For the Common Good. Redirecting the economy towards community, the environment and a sustainable future. London: Green Print
- Etzioni, A. (1993): The Spirit of Community. Rights, Responsibilities and the Communitarian Agenda. New York: Crown Publishers
- Etzioni, A. (2004): From Empire to Community. New York: Palgrave Macmillan
- European Network for Economic Self-Help and Local Development (1997): Community Economic Development and Social Enterprises. Berlin: Technologie-Netzwerk Berlin
- European Network for Economic Self-Help and Local Development (2001): Promoting Local Employment in the Third System: The Role of Intermediary Support Structures in Promoting Third System Employment Activities at Local Level. Berlin: Technologie-Netzwerk Berlin
- Geddes, M.; Benington, J. (eds.) (2001): Local Partnerships and Social Exclusion in the European Union. New Forms of Local Social Governance? London: Routledge
- Gibson, T. (1996): The Power in our Hands. Neighbourhood based – world shaking. Charlbury/Oxon.: Jon Carpenter Publishing
- Grove, B.; Freudenberg, M.; Harding, A.; O'Flynn, D. (1988): The Social Firm Handbook. New Directions in the employment, rehabilitation and integration of people with mental health problems. Brighton: Pavilion Publishing
- Kjaer, L. (2003): Local Partnerships in Europe. An Action Research Project. Copenhagen: The Copenhagen Centre
- Laville, J.L.; Nyssens, M. (2001): Les Services Sociaux Entre Associations. Paris: La Découverte / MAUSS / CRIDA
- Leonardis, O.; Mauri, D.; Rotelli, F. (1994): L'Impresa Sociale. Milano: Anabasi
- Mannila, S. (1996): Social Firms in Europe: Helsinki
- Mattioni, F.; Tranquilli, D. (1998): Social Entrepreneurs. The Italian Case. Roma: D'Anselmi Editore
- McDyer (1982): Fr. MacDyer of Glencolumbcille. An Autobiography. Kerry: Brendan Books
- Morrison, R. (1991): We build the road as we Travel. The Mondragon Experience. Philadelphia: New Society Publishers
- New Economics Foundation (2000): Prove It. Measuring the effect of neighbourhood renewal on local people. London: new Economics Foundation
- Nicholson, G. (1988): Trusting the People. Community Areas Policy. In: The Architectural Journal No 30. London: The Architectural Press
- Nussbaum, B. (1997): Making a Difference. Reconciliation, Reconstruction and Development in Stutterheim. Florida Hills / RSA: Vivlia
- Nyssens, M. (ed.) (2006): Social Enterprise At the crossroads of market, public policy and civil society (especially on Work Integration Social Enterprises). London: Routledge
- Pearce, J. (1993): At the Heart of the Community Economy. Community Enterprise in a Changing World. London: Calouste Gulbenkian Foundation
- Pearce, J. (2003): Social Enterprise in Anytown. London: Calouste Gulbenkian Foundation
- Senate Department for Urban Development (2004): BEST. Berlin Development Agency for Social Enterprises and Neighbourhood Economy. Berlin: Technologie-Netzwerk Berlin
- Spear, R.; Defourny, J.; Favreau, L.; Laville, J.L. (eds.) (2001): Tackling Social Exclusion in Europe. The contribution of the social economy. Aldershot: Ashgate
- Yokota, K. (1991): I Among Others. An introspective look at the theory and practice of Seikatsu club movement. Yokohama: Seikatsu Club Seikyo Kanagawa
- Others:**
- Birkhölzer, K.; Lorenz, G. (1998): Integration ins Erwerbsleben durch Beschäftigungs- und Qualifizierungsgesellschaften in der Region Berlin-Brandenburg. In: Veröffentlichungsreihe der IFG Lokale Ökonomie Nr. 27. Berlin: Technologie-Netzwerk Berlin

Coordinamento Nazionale Comunità di Accoglienza (Hrsg.) (2005): Benachteiligung und Unternehmensgründung in Europa (Entrepreneurship for Disadvantaged People). Roma: Comunità Edizioni

Elsen, S. (2007): Die Ökonomie des Gemeinwesens. Sozialpolitik und soziale Arbeit im Kontext von gesellschaftlicher Wertschöpfung und –verteilung. Weinheim: Juventa

Enquete-Kommission des Deutschen Bundestages: Zukunft des Bürgerschaftlichen Engagements (Hrsg.) (2002): Beric. Opladen: Leske+Budrich

Fehren, O. (2008): Wer organisiert das Gemeinwesen? Zivilgesellschaftliche Perspektiven Soziale Arbeit als intermediäre Instanz. Berlin: Edition sigma

Flieger, B. et al. (2003): Sozialgenossenschaften. Wege zu mehr Beschäftigung, bürgerschaftlichem Engagement und Arbeitsformen der Zukunft. Neu-Ulm: AG SPAK

Lorenz, G.; Schillat, M. (2002): Lokale sozio-ökonomische Profile. Studien im Rahmen des CONSCISE-Projekts. In: Veröffentlichungsreihe der IFG Lokale Ökonomie Nr. 36. Berlin: Technologie-Netzwerk Berlin

Jung, R.H.; Brötz, S.; Esser, S. (Hrsg.) (2007): Soziale Unternehmen im Wandel. Ein Handbuch im Prozess der Positionierung von Integrationsunternehmen. Neuwied: AWO Arbeit gGmbH

Kistler, E.; Noll, H.H.; Priller, E. (Hrsg.) (1999): Perspektiven gesellschaftlichen Zusammenhalts. Empirische Befunde, Praxiserfahrungen, Meßkonzepte. Berlin: Edition sigma

Klöck, Tilo (Hrsg.) (1998): Solidarische Ökonomie und Empowerment. Jahrbuch Gemeinwesenarbeit. Neu-Ulm: AG SPAK

Mohrlock, M.; Neubauer, R.; Neubauer, M.; Schönfelder, W. (1993): Let's organize! Gemeinwesenarbeit und Community Organisation im Vergleich. München: AG SPAK

Nachbarschaftshaus Centrum; Technologie-Netzwerk Berlin (2000): Planning for Real. Planung von unten im Wrangelkiez. Berlin: Senatsverwaltung für Stadtentwicklung

Schwarz, C.; Tigges, A. (2000): Planning for Real. Theorie und Anleitung zum Handeln, In: Veröffentlichungsreihe der IFG Lokale Ökonomie Nr. 33. Berlin: Technologie-Netzwerk Berlin

Sikora, J.; Hoffmann, G. (2001): Vision einer Gemeinwohl-Ökonomie. Bad Honnef: Katholisch-Soziales Institut

Technologie-Netzwerk Berlin (Hrsg.)(2007): Soziale Ökonomie in Berlin. Berlin: Technologie-Netzwerk Berlin

Topic 2: Community development and the ecological or environmental dimension

International:

Agyman, J.; Evans, B. (eds.): Local Environment. The International Journal of Justice and Sustainability. London: Routledge

Collective Design / Projects (1985): Very Nice Work if You Can Get It. The socially useful production debate. Nottingham: Spokesman

Community and Cooperative Publishing (ed.): New Sector. Democratic Enterprise and Community Control. Magazine. Durham: www.newsector.co.uk

Cooley, M. (1985): Technology Networks. Science and Technology serving London's needs. London : Greater London Enterprise Board

Douthwaite, R. (1992): The Growth Illusion. How economic growth has enriched the few, impoverished the many, and endangered the planet. Hartland/Bideford: Green Books

Douthwaite, R. (1996): Short Circuit. Strengthening the local economy for security in an unstable world. Dublin: Lilliput

Douthwaite, R. (2006): The Economic Challenge of Sustainability. Dublin: Feasta

Elliott, D. (2003): Energy, Society and Environment. London: Routledge

Elliott, D. (2007): Sustainable Energy. Opportunities and Limitations. Basingstoke: Palgrave Macmillan

Moseley, M.J. (2003): Local Partnerships for Rural Development. The European Experience. Wallingford(Oxon.: CABI Publishing

Network for Alternative Technology and Technology Assessment / NATTA (ed.): Renew.

Schumacher, E. F. (1974): Small is Beautiful. A study of economics as if people mattered. London: Abacus / Sphere Books
Wainwright, H.; Elliott, D. (1982): The Lucas Plan. A new trade unionism in the making? London: Allison & Busby

Others:

Cooley, M. (1982): Produkte für das Leben statt Waffen für den Tod. Arbeitnehmerstrategien für eine andere Produktion. Hamburg: Rowohlt
Einemann, E.; Lübbing, E. (1985): Anders produzieren. Alternative Strategien in Betrieb und Region. Marburg: SP Verlag
Holdsworth, Ian (1991): Produktorientierte, gebietsbezogene Technologienetzwerke. In: Veröffentlichungsreihe der IFG Lokale Ökonomie Nr. 10. Berlin: Technologie-Netzwerk Berlin Initiative Energiegenossenschaften / Energie-in-Bürgerhand. Bremerhaven: www.energiegenossenschaften.de
Ökospeicher e.V. Wulkow: Lebus OT Wulkow: www.oekospeicher.de
Rabelt, V.; Bonas, I.; Buchholz, K.; Denisow, K.; Piek, M.; Scholl, G. (Hrsg.) (2005): Strategien nachhaltiger Produktnutzung. Wirtschaftswissenschaftliche Ansätze und praktische Experimente im Dialog. München: Oekom Verlag
Schomacker, K.; Wilke, P.; Wulf, H. (1987): Alternative Produktion statt Rüstung. Gewerkschaftliche Initiativen für sinnvolle Arbeit und nützliche Produkte. Köln: Bund Verlag
Shutt, Jim (1988): Lokale Produkt-Entwicklungsinitiativen. In: Veröffentlichungsreihe der IFG Lokale Ökonomie Nr. 5. Berlin: Technologie-Netzwerk Berlin
Technologie-Netzwerk Berlin (Hrsg.)(2007): Soziale Ökonomie in Berlin. Berlin: Technologie-Netzwerk Berlin

Topic 3: Community development and the cultural dimension

International:

Anheier, H.; Isar, R. (2007): Cultures and Globalisation. Conflicts and Tension. London: Sage

Anheier, H.; Isar, R. (2008): The Cultural Economy: Cultures and Globalisation Series 2. London: Sage

Others:

Bundesvereinigung Soziokultureller Zentren. Berlin: www.soziokultur.de
Haus der Eigenarbeit. München: www.hei-muenchen.de
Initiative Bürgerstiftungen. Berlin: www.die-deutschen-buergerstiftungen.de
Jaudas, J.; Sauer, D. (2002): Erzeuger-Verbraucher-Gemeinschaften in der Bewährungsprobe, In: Gerber, A.; Konold, W. (Hrsg.): Nachhaltige Regionalentwicklung durch Kooperation. Freiburg: ICLEI
Stiftung Interkultur: Netzwerk Interkultureller Gärten. München: www.stiftung-interkultur.de
Stiftungsgemeinschaft anstiftung & ertomis. München: www.anstiftung-ertomis.de
Technologie-Netzwerk Berlin (Hrsg.)(2007): Soziale Ökonomie in Berlin. Berlin: Technologie-Netzwerk Berlin
Verband für Sozial-Kulturelle Arbeit (Hrsg.): Rundbrief. Berlin: <http://stz.spinnenwerk.de>
Zimmermann, O.; Schulz, G.; Ernst, S. (2009): Zukunft Kulturwirtschaft. Zwischen Künstlertum und Kreativwirtschaft. Essen: Klartext Verlag

Topic 4: Trends in community development and perspectives of sustainability

International:

Alinsky, S. (1971): Rules for Radicals. A Pragmatic Primer for Realistic Radicals. New York: Random House
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Acquati, G.: L'economie solidaire – un mouvement global.

Anastasiadis, M.: Solidarische Ökonomie. Bestandsaufnahme und Perspektiven in Österreich
 Biever, R.: L'économie solidaire comme perspective du développement sociétal. Contribution du Luxembourg
 Birkhölzer, K.: Soziale Solidarische Ökonomie – eine weltweite Bewegung
 Carrera, D.; Meneguzzo, M.; Messina, A.: Solidarity-based Economy in Italy
 Chaniel, P.; Laville, J.L.: L'économie sociale et solidaire en France
 Chipakupaku, N.: People's Economy in Africa.
 Goergen, R.: Social Cooperatives in Italy
 Laville, J.L.: Du XiXème au XXIème siècle. Permanence et transformations de l'économie solidaire
 Lewis, M.: The Solidarity Economy in North America. An Emerging Debate.
 Lés, E.; Galera, G.: Social Economy in East Central Europe
 Papaioannou, S.: Neuentdeckung der Solidarökonomie in Griechenland
 Pardy, W.: Community Transformation. Myths and Challenges (Ukraine)
 Sam, Ch.: Social Solidarity Economy in India
 Singer, P.: Die Solidarische Ökonomie in Brasilien
 Theveniaut, M.: L'économie solidaire. La situation en France

deutsche Übersetzungen der Beiträge von Acquati, G., Chipakupaku, N., Lewis, M.; Lés, E./Galera, G., Sam, Ch., Singer, P. In: Giegold, S.; Embshoff, D. (2008): Solidarische Ökonomie im globalisierten Kapitalismus. Hamburg: VSA Verlag
 Hitchman, J.; Poirier, Y.; Theveniaut, M. (eds.): International Newsletter on Sustainable Local Development: ypoirier@videotron.ca

Others:

Forum für Community Organizing (Hrsg.): Foco-Rundbrief. Offenbach: www.forum-community-organizing.de
 Hinte, W.; Lüttringhaus, M.; Oelschlägel, D. (2007): Grundlagen und Standards der Gemeinwesenarbeit. Darmstadt: Juventa
 Mohrlock, M.; Neubauer, R.; Neubauer, M.; Schönfelder, W. (1993): Let's organize! Gemeinwesenarbeit und Community Organisation im Vergleich. München: AG SPAK
 Müller, C. W. (2006): Wie Helfen zum Beruf wurde. Eine Methodengeschichte der Sozialen Arbeit. Darmstadt: Juventa
 Toennies, F. (2005): Gemeinschaft und Gesellschaft. Darmstadt: Wissenschaftliche Buchgesellschaft

Useful international website on Module 3	
www.technet-berlin.de	Much information on community development and economic activities
www.newsector.co.uk	A magazine covering social and community enterprise and the co-operative sector
www.cat.org.uk	Centre for Alternative Technology (eds.): CAT Publications. Machynlleth/Wales The Centre for Alternative Technology site has a free info service and links to the Wales institute for Sustainable Education and Ethical Financial Sites and Community technology projects
www.feasta.org	Foundation for the Economics of Sustainability / FEASTA: Dublin
www.eeru.open.ac.uk	Natta newsletter. Milton Keynes: Open University Energy & Environment Research Institute
www.nal.usda.gov./afsic	Alternative Farming Systems Information Centre. Baltimore MD: Community Supported Agriculture / CSA

www.camra.org.uk	Campaign for Real Ale. St. Albans
www.newsector.co.uk	Community and Cooperative Publishing (ed.): New Sector. Democratic enterprise and community control. Magazine. Durham
www.communityfoundations.org.uk	Community Foundation Network / CFN. London
www.ctauk.org	Community Transport Association UK. Hyde/Cheshire
www.farmgarden.org.uk	Federation of City Farms and Community Gardens. Bristol
www.fsf.org	Free Software Foundation. Boston MA
www.urgenci.net	International Network Urgenci. An Urban-Rural Network. Local Solidarity Partnerships between Producers and Consumers. Aubagne/France
www.european-network.de/news	European Network for Economic Self-Help and Local Development
www.locin.info	Based on a European project providing a date base of 700+ projects working to combat social exclusion. This includes projects from Belgium/Austria/Finland/UK/Germany/Italy Excellent good practice section and research bank.
www.bassac.org.uk	Community Development based site has good resource pages and interesting projects on local democracy and service delivery.
www.seikatsuclub.coop	Background information on Japanese consumer societies
www.commact.com	International global network for local practitioners
www.glinet.org	Global network to share ideas and people to people information for practitioners. Has a good library of case studies from across the globe
www.lib.berkley.edu	Information about social movements in Asia and globalisation
www.european-network.de	Paper on the social solidarity economy in Italy - local development in Rome
www.archive.org	Click to open source audio for podcast on the social solidarity economy as a strategy for changing the economy
www.dta.org.uk	Very useful website with lots of information on Development Trusts

Module 4: Developing a Social Enterprise Culture

Topic 1: Setting up sustainable social enterprises

International:

Community Economic Profiling, CEPCEA, CBS Network; 1998
 Establishing a Community Enterprise, CEPCEA, CBS Network; 1998
 Birkhölzer, K. (2008): Local Economic Development and its Potential. Berlin: www.technet-berlin.de
 Birkhölzer, K. et al. (1997): Key Values and Structures of Social Enterprises in Western

Europe. In: Publication Series Local Economy No 29e. Berlin: Technologie-Netzwerk Berlin

Chanan, G. (1992): Out of the Shadows. Local community action and the European Community. Dublin: European Foundation for the Improvement of Living and Working Conditions

Craig, G.; Mayo, M. (1995): Community Empowerment. A reader in participation and development. London: Zed Books

European Network for Economic Self-Help and Local Development (ed.) (2001): Promoting Local Employment in the Third System. The Role of Intermediary Support Structures in Promoting Third System Employment Initiatives at Local Level. Berlin: Technologie-Netzwerk Berlin

Gibson, T. (1996): The Power in our Hands. Neighbourhood based – world shaking. Charlbury/Oxon.; Jon Carpenter Publishing

Greater London Council (1985): London Industrial Strategy. London: GLC

Heikkilä, M.; Kautto, M. (1996): Local Partnerships and Social Cohesion in Finland. Helsinki: STAKES

Geddes, M. (1997): Partnership Against Poverty and Exclusion? Local regeneration strategies and excluded communities in the UK. Bristol: The Policy Press

Geddes, M; Benington, J. (eds.) (2001): Local Partnerships and Social Exclusion in the European Union. New Forms of Local Social Governance? London: Routledge

Industrial Areas Foundation: www.industrialareasfoundation.org

Kjaer, L. (2003): Local Partnerships in Europe. An Action Research Project. Copenhagen: The Copenhagen Centre

New Economics Foundation (2001): Prove it! Measuring the effect of neighbourhood renewal on local people. London: NEF

Ronnby, A. (1994): Mobilizing Local Communities. Östersund: Mid Sweden University

Technologie-Netzwerk Berlin (2004): BEST. Berlin Development Agency for Social Enterprises and Neighbourhood Economy. Berlin: www.soziale-oekonomie.de

Others:

Birkhölzer, K. (2000): Formen und Reichweite lokaler Ökonomien. In: Ihmig, H. (Hrsg.): Wochenmarkt und Weltmarkt.

Kommunale Alternativen zum globalen Kapital. Bielefeld: Kleine Verlag

Kodré, P. et al. (2005): Lokale Beschäftigungsbündnisse. Europäische Perspektiven in Forschung und Praxis. Berlin: Edition sigma

Mohrlock, M. et al. (1993): Let's organize! Gemeinwesenarbeit und Community Organisation im Vergleich. München: AG SPAK

Nachbarschaftshaus Centrum; Technologie-Netzwerk Berlin (2000): Planning for Real. Planung von unten im Wrangelkiez. Berlin: Senatsverwaltung für Stadtentwicklung

Schwarz, C.; Tigges, A. (2000): Planning for Real. Theorie und Anleitung zum Handeln, In: Veröffentlichungsreihe der IFG Lokale Ökonomie Nr. 33. Berlin: Technologie-Netzwerk Berlin

Technologie-Netzwerk Berlin: www.planning-for-real.de

Technologie-Netzwerk Berlin (2001): Planning for Real. Das Arbeitspaket. Didaktische Materialien. Berlin: Technologie-Netzwerk Berlin

Technologie-Netzwerk Berlin (2007): Soziale Ökonomie in Berlin. Berlin: Technologie-Netzwerk Berlin

Topic 2: Social capital as an economic resource

International:

Bourdieu, P.; Wacquant, L. (1992): Invitation to Reflexive Sociology, Chicago: University of Chicago Press.

Burt, R.S. (2005): Brokerage & Closure. An Introduction to Social Capital. Oxford: Oxford University Press

Coleman, J. (1990): Foundations of Social Theory. Cambridge: Harvard University Press.

CONSCISE (The Contribution of Social Capital in the Social Economy to Local Economic Development in Western Europe) (2000 – 2005): Research Reports: www.conscise.info

Kay, A.; Pearce, J. (2003): Information Paper on Social Capital. Edinburgh: CBS Network Services

Kroll, Chr. (2008): Social Capital and the Happiness of Nations, The Importance of Trust and Networks for Life Satisfaction in a Cross-National Perspective. Frankfurt/M.: Peter Lang
 Onyx, J.; Bullen, P. (1999): Measuring Social Capital in Five Communities in NSW: An Analysis. Sydney: CACOM: University of Technology
 Putnam, R. (1993): Making Democracy Work. Civic Traditions in Modern Italy. Princeton/NJ: Princeton University Press
 Putnam, R. (2001): Bowling Alone. The collapse and revival of American community. New York: Simon & Schuster
 Szreter, S. (1999): A New Political Economy for New Labour: The importance of social capital. In: Renewal, Vol.7. No.1. London: Lawrence and Whishart

Others:

Bourdieu, P. (1983): Ökonomisches Kapital – Kulturelles Kapital – Soziales Kapital. In: Kreckel, R. (Hrsg.): Soziale Ungleichheiten, Göttingen: Schwartz
 Evers, A. (2002): Bürgergesellschaft und soziales Kapital. In: Haus, M. (Hrsg.): Bürgergesellschaft, Soziales Kapital und lokale Politik. Opladen: Leske + Budrich
 Lorenz, G.; Schillat, M. (2002): Lokale sozial-ökonomische Profile. In: Veröffentlichungsreihe Lokale Ökonomie Nr. 36: Technologie-Netzwerk Berlin
 Putnam, R. (2001): Gesellschaft und Gemeinsinn. Soziales Kapital im internationalen Vergleich. Gütersloh: Bertelsmann
 Schnur, O. (2003): Lokales Sozialkapital für die ‚soziale Stadt‘. Opladen: VS Verlag

Topic 3: Running social enterprises differently (1): management, marketing and auditing

International:

Birkhölzer, K. (2006): Development and Perspectives of the Social Economy or Third Sector in Germany. In: Matthies, A.L. (ed.): Nordic Civic Society Organisations and the Future of Welfare Services. Copenhagen: Nordic Council of Ministers

Coordinamento Nazionale Comunità di Accoglienza): Disadvantage and Enterprise Creation in Europe. Roma: Comunità Edizioni

Kay, A.; Pearce, J. (2005): Social Accounting and Audit Manual and CD. Edinburgh: Community Business Scotland
 Lorenz, G.; Schwarz, G. (2005): Prove and Improve: Quality and Impact. Documentation of the working group Quality in the transnational partnership LeMat: Decent Work through Social Economy: London: Social Enterprise Partnership Great Britain

McDyer (1982): Fr. McDyer of Glencolumbcille. Kerry: Brendan Books

Pearce, J. (1996): Measuring Social Wealth. A Study of Social Audit Practice for Community and Cooperative Enterprises. London

Pearce, J. (2003): Social Enterprise in Anytown. London: Calouste Gulbenkian Foundation

Yokota, K. (1991): I Among Others. An introspective look at the theory and practice of the Seikatsu club movement. Yokohama: Seikatsu Club Seikyo Kanagawa

Others:

Bach, P. (2006): Cecosesola – eine Kooperative der besonderen Art in Venezuela. In: Stiftung Fraueninitiative (Hrsg.): Dissidente Praktiken. Erfahrungen mit herrschafts- und warenkritischer Selbstorganisation. Sulzbach/Taunus: Ulrike Helmer Verlag

Birkhölzer, K. (2005): Soziale Unternehmen wirtschaften anders. In: Birkhölzer, K.; Klein, A.; Priller, E.; Zimmer, A. (Hrsg.): Dritter Sektor / Drittes System. Wiesbaden: VS Verlag für Sozialwissenschaften

Birkhölzer, K.; Kramer, L. (2004): Grundstrukturen und Erfolgsbedingungen innovativer Arbeits- und Unternehmensformen in sozialen Unternehmungen. In: Birkhölzer, K.; Kistler, E.; Mutz, G. (Hrsg.): Der Dritte Sektor.

Wiesbaden: VS Verlag für Sozialwissenschaften
 Coordinamento Nazionale Comunità di Accoglienza; Technologie-Netzwerk Berlin u.a. (eds.) (2005): Benachteiligung und Unternehmensgründung in Europa. Roma: Comunità Edizioni
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 Münkner, H.H. (2000): Unternehmen mit sozialer Zielsetzung. Neu-Ulm: AG SPAK
 Reinfelder, E.Ch. (2007): Social Marketing in der Sozialwirtschaft. Strategische und operative Marketingplanung für soziale Unternehmen. Saarbrücken: VDM Verlag
 Schwarz, P.; Purtschert, R.; Giroud, Ch.; Schauer, R. (2005): Das Freiburger Management-Modell für Nonprofit-Organisationen. Bern – Stuttgart – Wien: Haupt Verlag
 Sander, G.; Bauer, E. (2006): Strategieentwicklung kurz und klar. Das Handbuch für Nonprofit-Organisationen. Zürich: Hochschule für soziale Arbeit

Topic 4: Running social enterprises differently (2): alternative financial instruments

International:

Birkhölzer, K. (2006): Development and Perspectives of the Social Economy or Third Sector in Germany. In: Matthies, A.L. (ed.): Nordic Civic Society Organisations and the Future of Welfare Services. Copenhagen: Nordic Council of Ministers
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Douthwaite, R. (1996): Short Circuit. Strengthening local economies for security in an unstable world. Dublin: Lilliput
 Douthwaite, R. (1999): The Ecology of Money. Dartington: Green Books
 Hoogendijk, W. (1991): The Economic Revolution. Towards a sustainable future by freeing the economy from money-making. London: Green Print / Utrecht: Jan van Arkel
 Hoogendijk, W. (2001): The Economic Revolution. Uster/Schweiz: International Books
 Hutchinson, F.; Mellor, M.; Olsen, W. (2002): The Politics of Money. Towards Sustainability and Economic Democracy. London: Pluto Press
 Lang, P. (1994): LETS Work. Rebuilding the local economy. Bristol: Grover Books
 LETS Link UK. London: www.letslinkuk.org
 Lietar, Bernard A. (2001): The Future of Money. London – New York: Random House
 Time Bank UK: www.timebank.org.uk
 Yunus, M. (1995): Grameen-Bank. Experiences and Reflections. Chittagong: Grameen-Bank
 Yunus, M. (2003): Banker to the Poor. Micro-lending and the Battle Against World Poverty. Jackson/TN: Public Affairs
 Yunus, M. (2008): A World without Poverty. Social Business and the Future of Capitalism. Jackson/TN: Public Affairs

Others:

Aktive Bürgerschaft. Berlin: www.aktive-buergerschaft.de
 Birkhölzer, K. (2005): Soziale Unternehmen wirtschaften anders. In: Birkhölzer, K.; Klein, A.; Priller, E.; Zimmer, A. (Hrsg.): Dritter Sektor / Drittes System. Wiesbaden: VS Verlag für Sozialwissenschaften
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 IFP Lokale Ökonomie (1992): Dokumentation ausgewählter Texte zum LETS-System. In: Veröffentlichungsreihe Lokale Ökonomie Nr. 16. Berlin: Technologie-Netzwerk Berlin
 Kennedy, M. (1991, 2006): Geld ohne Zinsen und Inflation. München: Goldmann
 Kennedy, M.; Lietar, B.A. (2006): Regionalwährungen. Neue Wege zu nachhaltigem Wohlstand. München: Riemann

Kreuzberger Tauschring; Netzwerk Selbsthilfe (1997): Ohne Moos geht's los. Tauschringe in Deutschland. Berlin: Netzwerk Selbsthilfe
 Schillat, M. (2008): Weil im Tauschring Zeit nicht Geld ist, wird keineR reich und niemand bleibt arm! In: Giegold, S.; Embshoff, D. (Hrsg.): Solidarische Ökonomie im globalisierten Kapitalismus. Hamburg: VSA-Verlag
 Schmied, A.; Walkenhorst, P. (2006): Bürgerstiftungen. Engagement von Bürgern für Bürger. Gütersloh: Bertelsmannstiftung

Useful international website on Module 4	
www.technet-berlin.de	Wealth of information on social enterprise in German and English
www.industrialareasfoundation.org	
www.prattcenter.net	Pratt Center for Community Development. New York
www.soziale-oekonomie.de	Berlin Development Agency for Social Enterprises and Neighbourhood Economy. Berlin
www.conscise.info	This holds a lot of information in connection with the CONSCISE research project which looked how social capital can be used and generated by social enterprises
www.neweconomics.org	New Economics Foundation. London
www.socialauditnetwork.org.uk	Social Audit Network. Exeter
www.sroi-uk.org	Social Return on Investment: The SROI Network. Haddington /East Lothian
www.bancaetica.it	Banca Etica. Roma
www.communityfoundations.org	Community Foundations Network. London
www.febea.org	European Federation of Ethical and Alternative Banks and Financiers /FEBEA. Bruxelles
www.inaise.org	International Association of Social Finance Organisations / INAISE. Bruxelles
www.letslinkuk.org	About LETS schemes
www.timebank.org.uk	About timebanks
www.socialenterpriseworks.org	This has a good resource section and a social enterprise decision tree
www.rise-sw.co.uk	Has detailed information regarding the Social Enterprise Mark and a useful e-library for reports and information
www.uksif.org	Useful for info on alternative financial investment structures and a good lists of reports and publications
www.theacademy-ssea.org	Useful for leaders in the sector/good link for You Tube stories on the sector
www.newstartmag.co.uk/blog	Good forum on regeneration with comments on all things Social Enterprise and sustainability

www.socialenterprise.org.uk	Site of the national coalition - has useful pages on the work in the regions
www.socialmarketing.org	Has good definitions and case studies of social marketing campaigns
www.unity.co.uk	Click on information for the social economy newsletter -case studies and examples from the UK
www.socialeconomystudentnetwork.info	Eng/French/Canadian site that has a depth of information regarding the growth and knowledge of the Social Enterprise movement - excellent resource bank and link to a variety of journals
www.cdfi.org.uk	Community finance organisational resource
www.icof.co.uk	Information about the cooperative sector and as a lender for social purpose
www.cbs-network.org.uk	A lot of information on social enterprise and community enterprise