

NOTES ON THE IMPORTANCE OF THE ENTREPRENEURIAL ECOSYSTEM FOR SOCIAL AND SOLIDARITY ECONOMY (SSE): THE ROLE OF INTERNATIONAL LABOUR ORGANIZATION (ILO)

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ABSTRACT

Currently, the Social and Solidarity Economy (SSE) is a phenomenon that has gained increasing economic, social and political visibility. However, these experiences are marked by challenges associated to the modus operandi that makes its continuity or advances impossible or difficult, in many cases. Such challenges exist due to several economic aspects, such as administrative and management, political, social, educational, scientific, technological, environmental, legal and also those related to accounting. Besides, there are many restrictions in what concerns the need to advance in matters such as the regulatory framework of public policies of SSE, of its institutionalization and financing. These restrictions put obstacles to the advancement of SSE. An “entrepreneurial ecosystem” is a community within a region of interdependent actors with diverse roles that interact, determining the performance of the ecosystem and eventually the entire economy of a region. As a result of the performance of the ecosystem, it is expected that, in addition to the results obtained by companies and organizations components (in terms of performance and learning), the lightweight interaction generating new businesses. The SSE cannot be restricted to the development of simple and disjointed activities of local productivity. For this it is necessary to think the articulation of the SSE with other social enterprises and public and private institutions in local production. In this sense, this article intends to discuss the newest developments in the construction of the entrepreneurial ecosystem for SSE and the role of the International Labour Organization (ILO).

Keywords: Social and Solidarity Economy, Ecosystem, Emancipation

INTRODUCTION

One of the biggest challenges for the creation, maintenance and strengthening of Social and Solidarity Economy Enterprises (SSEE) is the establishment of an entrepreneurial ecosystem for SSE. We understand that the establishment of an

entrepreneurial ecosystem for SSE is a fundamental instrument for the emancipation of SSEE [1].

It has been observed that one of the major problems of SSEE is the need for skills and resources for the construction of the "emancipatory space" or the "autonomy space" which are not available to most of the people who participate in self-managed groups. Such a statement does not mean that we defend the idea of a seamless movement from the situations that involve the entrepreneurial ecosystem of traditional enterprises to the SSE, since these have characteristics that are inherent to their modus operandi with socioeconomic, political and cultural implications in their territories.

On the other hand, we can see, in the case of some SSEE, a bit of resistance – real, symbolic or even ideological – to discussing topics that are strictly economic and financial, such as costs of production, costs of loans, market strategies, productive surplus etc.

According to Gaiger (2008), even intellectuals who discuss the SSEE might also demonstrate these resistances to discussing topics related to the functioning of the company, efficiency and entrepreneurship, considering that they are ideologically contaminated and that they would lead to thinking strictly within the framework of a capitalist rationale. The author does not agree with this view and considers it a “refractory attitude”, taking into account that it is not possible to think of a society in which there are no relationships of exchange nor economic activity. He also defends the need to rescue the term "entrepreneurship" within the context of SSE, besides understanding the complexity of the entrepreneurial process and its adequacy to the needs of an “associative entrepreneurship”, typical of the SEE, in which some of the necessary ingredients are: cooperation in work activities, collective decisions, exchange of information and a collective project [2].

In this sense, this article intends to discuss the newest developments in the construction of the entrepreneurial ecosystem for SSE and the role of the ILO. In order to do it, the article is structured in the following way: topic 1 presents the idea of the “triple helix” and discusses its limitations, supporting the concept of ecosystem. Next, topic 2 will address elements that could be of interest in the construction of entrepreneurial ecosystems in some countries. And in topic 3, the article will show us the role of ILO in this perspective.

This work will be carried out, fundamentally, based on an up-to-date bibliographic review on the theme and presentation of some actions and projects developed by the ILO.

INNOVATION POLICIES: THE “TRIPLE HELIX” APPROACH ON ENTREPRENEURIAL ECOSYSTEM

The concept of “triple helix” became dominant in literature and is used to show the importance of the articulation of enterprises, which would be responsible for the generation of wealth; the universities, that would be responsible for the

production of new knowledge; and the government, which would have the role of creating and maintaining the regulatory environment. [3]

The reasons to use this vision are: i) the triple helix approach combines economy with a strong sociological perspective of the systems of innovation, which would be a distinctive characteristic within this perspective; ii) the approach of the triple helix is intended for application in public policies and their management in research institutions, in universities and in international organisms; iii) such approach works as a facilitator of planning, management and performance, in processes of decision making and in evaluations of these policies.

Nevertheless, according to Brännbäck et al. (2008) the triple helix model presents a problem: it has a top-down vision and does not consider the elements within the microsphere that lead to the emergence of entrepreneurs and their enterprises. According to this study, the concept of the triple helix tends to overestimate the value of the institutional actors at the expenses of the main actors, who are the entrepreneurs and the researchers interested in innovating. For these authors, the systems of innovation must be treated considering the autonomy of the entrepreneurs and researchers interested in innovating. For this, we must think of assets that can be mobilized. They consider that there are three relevant assets for the development of the entrepreneurial ecosystem: a) assets directed towards innovative activities; b) assets for entrepreneur actions and c) bridge-assets, which would be formed by people and mechanisms responsible for the induction and coordination of the interaction among the entrepreneurs and knowledge without taking on a bureaucratic character [4].

So, it is more adequate to think of a new approach to the ecosystem that: a) is focused on a “bottom-up model”, considering that the systems must be thought of in terms of the appreciation of relevant people and groups; b) understands the capacity of coordination as important (of cross-cutting nature), as a way to characterize the theoretical guidelines of this methodology; c) is supported on the ecological view of systems and networks which considers the interactions (ecological and evolutionary) that integrate the entire ecosystem, all the species and all the organisms of a certain habitat and its physical environment [5].

These premises lead to the idea of “co-evolution”, when organizations can interact with their ecosystems and their ecosystems interact with the organizations. Another fundamental element in the ecosystemic construction is the degree of interconnectivity, that is, the interdependence of all the components in the system have with each other.

THE ENTREPRENEURIAL ECOSYSTEMIC CONSTRUCT FOR THE SSE

According to what was shown before, we can see that the entrepreneurial ecosystemic construct constitutes a complex task, marked by several challenges. When we specifically deal with the entrepreneurial ecosystem for SSE, this complexity and other challenges are intensified, considering the inherent

structural fragilities that characterize the SSE, as well as the field, which is still open for the institutionalization of their policies.

However, there are already examples of some places in the world that can help to inspire us.

One of them refers to the construct of the ecosystem for social enterprises in the European Union. The study “Social enterprises and their ecosystems: developments in Europe” [6], while recognizing the inherent complexity of the process of constitution of the ecosystem for social enterprises, argues for the existence of two fundamental pillars: public policies of support and the self-organization capacity of civil society. This study, which has the elements described above as its core (public policies of support and self-organization capacity of the civil society), separately, suggests a structure to reach the ecosystem which includes: a) knowledge - political awareness and legal means of recognition of these policies and actions; b) access to the markets; c) public and fiscal support for start-ups of SSE; d) access to financial support; e) instruments of support to the network and mutual support; f) development of researches and capacity building in the area. According to the work of the European Commission, national reports confirm that, rather than depending upon one factor alone, the ecosystem is shaped by the interplay among all these factors.

Another interesting study is about the construction of the entrepreneurial ecosystem in Asia, from the example of South Korea, through the Local Social Economic Ecosystem Development Project (LSEEDP), created in order to guarantee the sustainability of the South Korean SSE. In the South Korean case, the structure that was developed includes the local governments (with their respective support policies), the networks of SSE (and their centers of cooperation) and civil society (consulted in its participatory instances). In this ecosystem, the “asset formation” (in topics of infrastructure, human resources and market expansion) is considered a fundamental element and the entire process leads to the “local strategic projects”, where projects of support to the incubation of the enterprises of SSE and of local development are conceived. Although integrated, the LSEEDP gives priority to the local development projects from the “ecosystem groups for boroughs” (a type of ecosystemic neighborhood group), which are supported for up to five years, until they reach levels of autonomy. This process is divided into two phases, while the first is of promotion of the skills of civil society (meaning selected “neighborhoods”) and the second, of assistance to economic, financial, legal and other topics of the potential enterprises that are initiated [7].

A third example refers to the Brazilian case in South America. In this case, the National Secretariat of Solidarity Economy (SENAES), which was created in 2003, developed programmes to support solidarity economy enterprises. Although it did not have clearly defined structure, just as the cases described above, in Brazil, the construction of the entrepreneurial ecosystem can be seen through some actions, projects and programmes. The analysis of the Brazilian case suggests that there are already “seeds” of this structure in the country,

although it is not formalized. In general terms, from the point of view of public policy and civil society participation, the important initiatives were the Brazilian Forum of Solidarity Economy (FBES), the creation of SENAES in 2003, and their several projects and actions. Other “seeds” of an ecosystem in the country are: a) the universities which, although they are going through difficult moments, are financially supported by the federal government (through public edits or projects), to act as incubators of enterprises of SSE through the Technological Incubators of Popular Cooperatives. Additionally, there are some municipality and state governments that present projects and actions in the area. Along this line, there is the Network of public incubators of solidarity enterprises; b) banks that act with microcredit and social currencies. These community banks are presently in some municipalities in the country and they are responsible for a network of over 100 community banks (like the original one - Banco Palmas); c) financing through SENAES (although presently they are temporarily extremely restricted or even paralyzed) for specific projects like Networks Project (of promotion of networks of SSE – which ended in 2016 and is still waiting for renewal), projects for the network of recycling etc.; d) programmes to guarantee demand (access to the market) which were quoted in the chart, and are programmes that allow for public purchase of food from SSE, fundamentally, from small rural producers, without public auction; e) existence of networks of SSE, formal and informal as well as important institutions of support, discussion and political strength for the SSE, such as the FBES, mentioned above; f) wide and growing basis of studies about SSE in the universities (courses of Economics, Social Sciences etc.) in undergraduate and graduate courses, either in training courses in the area, or in course conclusion papers or graduate studies (specialization, Master’s, Ph.D.).

Additionally, it is important to mention that we still need to complete a legal context for the SSE, such as, for example, the legislation regarding solidarity economy, as well as community banks, social currencies etc. Also, we need to improve the action of the actors in order to recognize the limitations and specificities of the SSE and design coherent policies to overcome them.

THE ROLE OF ILO

The ILO's role in contributing to the creation of an ecosystem internationally could include different types of activities ranging from knowledge generation on the SSE, contributing to advancing its definition, and promoting exchanges of experiences and methodologies. The ILO can contribute, as it already does, to raising the level of recognition of the SSE and the coordination of actions in its favour, through spaces such as the UN Task Force on Social and Solidarity Economy (UNTFSSSE), of which the ILO is a founding member, today counting over 25 members. The ILO can highlight, through studies and research, those economic sectors in which the SSE can contribute best in terms of creating decent work. Likewise, the ILO can raise awareness, thanks to its tripartite nature, on the importance of co-construction of public policies through social dialogue with policymakers of the Member States and its social partners.

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Through its SSE Academy, the ILO has addressed the issue of co-construction of public policies, specifically in the case of the Academies held in Korea and in Luxembourg. In this regard, it could be useful, for those wishing to deepen their knowledge and understanding of SSE, to visit the "Collective Brain" website www.sseacb.net. The ILO's aim of promoting international recognition and knowledge on the SSE has also been reflected in the production of country case studies on the state of public policies. The case studies of South Africa, South Korea, Costa Rica, Nicaragua, Brazil, Europe and the Philippines can be found on the Collective Brain.

Internationally, ILO also wants to promote the SSE in the context of the 2030 Agenda, in the framework of the previously mentioned UNTFSSSE and also in international meetings dedicated to the implementation of the Agenda. In particular, the ILO is involved in the World Forum on Local Economic Development, which has already held four biennial editions, in promoting the localization of Sustainable Development Goals through the SSE. Most recently, the ILO participated in the 4th World Forum of Local Economic Development in Praia, Cabo Verde where, it coordinated a total of thirteen sessions on local development in fragile states, through south-south and triangular cooperation (SSTC) and SSE. A think piece on the role of SSE in Local Economic Development was also published, in collaboration with the European Research Institute on Cooperative and Social Enterprises (EURICSE). It seems to us that in addition to the involvement of the traditional ILO constituents that are national governments, in addition to the trade unions and employers' representatives, it is important to try to sensitize local governments and in this sense the mayors and municipal officials are also relevant stakeholders in the ILO's effort to contribute to the construction of a favourable ecosystem for SSE.

CONCLUSION

The concept of "triple helix" became relevant in literature and is used to show the importance of the articulation of enterprises, which would be responsible for the generation of wealth; the universities, that would be responsible for the production of new knowledge; and the government, which would have the role of creating and maintaining the regulatory environment. There are other reasons to use this "triple helix" approach, as: i) it combines economy with a strong sociological perspective of the systems of innovation; ii) it is intended for application in public policies and their management in research institutions, in universities and in international organisms; iii) it works as a facilitator of planning, management and performance, in processes of decision making and in evaluations of these policies.

However, the "triple helix" needs to operate within the ecosystem in a bottom-up way, and not overestimating only (or more than) the value of the institutional actors at the expenses of the main actors, who are the entrepreneurs and the researchers interested in innovating. Also, we need to consider the idea of "co-evolution".

In practical terms, we can see that the entrepreneurial ecosystemic construct constitutes a complex task, marked by several challenges. When we specifically deal with the entrepreneurial ecosystem for SSE, this complexity and other challenges are intensified, considering the inherent structural fragilities that characterize the SSE, as well as the field, which is still open for institutionalization of their policies. However, learnt with some examples of places in the world that can help to inspire us.

In general, some elements are important to structure the ecosystem that includes: a) knowledge - political awareness and legal means of recognition of these policies and actions; b) access to the markets; c) public and fiscal support for start-ups of SSE; d) access to financial support; e) instruments of support to the network and mutual support; f) development of researches and capacity building in the area.

The ILO's experience showed us that SSE organizations, through the pursuit of social, economic, and often environmental objectives are particularly well-equipped to further incorporate sustainable development at all levels, integrating all three pillars of sustainable development, and recognizing the linkages and synergies that exist between them. The 2030 Agenda also highlights the need to work together with local authorities and communities to promote cohesion, innovation and create employment. Particular emphasis is given to local communities, culture, knowledge, marginalized communities, and territorial planning in SDGs 6, 8, 11, 12, 13, and 15.

So, as we tried to show, one of the biggest challenges for the creation, maintenance, and strengthening of SSE, is the establishment of an entrepreneurial ecosystem for SSE.

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