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Social and Solidarity Economy and Social Services

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Introduction

This chapter concerns the growing significance of Social and Solidarity Economies (SSE) within social service from the perspective of social work and local social policy which fights poverty and inequality and promotes social rights. This encapsulates aspects such as social inclusion and decent employment of disadvantaged groups, as well as the social development of deprived urban and rural communities. Especially, within the context of concerns surrounding social work, the power of SSE in achieving the core social objectives of the 2030 Sustainable Development Goals is elucidated (also see the entry "Sustainable Development Goals and SSE"). SSE has the capacity to facilitate empowerment, promote the participation of social-service-users and create opportunities for improving self-determination and personal prosperity (also see the entries "Care and Home Support Services and SSE" and "Participation, governance, collective action, democracy and SSE"). If people in need are not just defined as social service users and receivers of social support, yet instead have the opportunity to participate actively, in a meaningful way as co-producers of solutions, it can make a crucial difference.

Taking a cross-sector approach, SSE, under proper conditions, can stimulate social innovation (Moulaert 2010, 6) and new local welfare models which integrate different objectives and actors into synergetic solutions and cause multiple societal effects. For social services and local social policy, SSE provides the opportunity to create new institutional arrangements in which material and non-material resources can be combined in an integrative and productive way. This will be illustrated by some best-practice examples.

1. The potential of SSE in the field of social services

A basic difference between public services, market providers and SSE-approaches lies in the specific bottom-linked, the integrative and participative context of the formation and management of solutions following the concrete citizens' needs such as education and care for and with people with special needs or social housing for homeless people as well as

employment or qualification of young migrants. The hallmark of SSE is an answer "organized by collectives directly to satisfy human needs not subject to the discipline of profit maximization or state-technocratic rationality" (Wright 2010, 141). SSE-solutions predominantly manifest as voluntary associations, self-help groups and social cooperatives, based on democratic governance and self-organization of citizens who are affected by a common concern, predominantly embedded in a local context (Elsen 2019). It is a pathway to social empowerment by which civil society actors directly organize various activities, rather than simply shape the deployment of economic power (Wright 2010, 140). Thus, both the objectives of SSE approaches and their functioning and organizational culture is beneficial. The significance of SSE activities lies not only in their economic potential or capacity to cope with actual societal problems, but in their emancipative power.

UNRISD provides a helpful explanation of the innovative role of SSE organizations as non-state actors in the field of social work, claiming that they are increasingly associated with social transformation. The explanation is as follows: organizations and networks adopt new ideas, strategies and practices that aim to better meet social needs and build relationships conducive to social and environmental improvements. Social innovation frequently occurs at the local level, where community organizations and social enterprises, mostly enabled by civil society networks and decentralization, organize to greater effect in order to mobilize resources and to defend their rights (UNRISD 2016, 8).

These solutions are embedded within local contexts, allowing direct communication between the people affected by these contexts, as well as other relevant actors in the public and private sphere (Habermas 1985). The spatial dimension is indeed relevant for the development of innovative and bespoke solutions to specific problems, allowing for the integration of different actors, building of networks, and implementation of bottom-linked activities. During the COVID-pandemic, for instance, restaurants and small shops promptly developed delivery services in collaboration with volunteers and non-profit organizations on site. This timely solution, serving customers and providers equally beneficially, now encapsulates one element of innovative community-based care approaches, which answer both the needs of the elderly or care-dependent citizens and local suppliers.

SSE involves forms of "governance which are more horizontal and democratic; and often linked to collective action and active citizenship" (UNRISD 2016, 15). Members and users can control important decisions and transactions. This kind of management allows SSE-organizations in the field of social objectives to function in a way in which they can attain their specific social aims while simultaneously generating social capital and gaining assets for further development. These contexts are also settings of civic learning. A productive mix of paid work, voluntary engagement, public support, and individual earnings is characteristic for these organizations. Often, they reinvest their surplus in order to further their objectives.

To understand the psychological potential of SSE in social work, we refer to the concept of human scale economies, drafted by the development economist Manfred Max-Neef (1992), which is based on his theory of human needs and aspirations. The analysis integrates four aspects of human needs: being, having, doing, and interacting. Max-Neef's classification demonstrates on the one hand, the interconnection of these needs, and on the other hand, the

existence of satisfiers including subsistence, protection, affection, understanding, participation, creation, leisure, identity, and freedom (Max-Neef 1992, 199). Following this concept, *how* needs are satisfied makes a fundamental difference. Buying vegetables as economic goods or producing and harvesting them in a social cooperative have completely different qualities, related to needs-satisfaction and to the possible contribution to individual well-being, social inclusion, community- and capacity building. Satisfiers relate to forms of organization, values, rules, and social practices. Actors in a social cooperative, for instance, work in a specific setting, built by norms of cooperation and common aims, ownership, rights, and obligations. The balance between needs, satisfiers and economic goods is an important equation for the creation of SSE in the field of social work. Operating in self-contained productive niches, like in social agriculture, can trigger internal and synergetic satisfiers. Synergetic satisfiers are those which stimulate and contribute to the simultaneous satisfaction of other needs, while satisfying the need in question. They can generate concrete material effects, but also improve knowledge, understanding and social inclusion, allow freedom from market dependencies and promote resilient communities, while yielding a sense of affection and identity (Elsen and Fazzi 2021). In this context, fundamental needs are not only goals, but can also become drivers of local development. The special potential of SSE lies in its power to create new institutional arrangements by combining public and private institutions with civil-society actors in a productive way. Remarkable recent developments include the use of integrative approaches in disadvantaged rural areas, which combine agricultural multifunctionality with the innovation of social and healthcare services. Social agriculture provides innovative opportunities for the synergetic development of social and healthcare structures, alongside multifunctional infrastructure within small farms, which suffer under world-market competition and are threatened by poverty. Similarly, it can benefit social cooperatives which use the multifunctional options of agriculture to offer an empowering context to their users. These approaches are also able to initiate innovation-processes affecting their broader environment (Elsen 2019).

Regarding the potential of SSE, the following innovative aspects for the welfare sector are elucidated:

- Bottom-linked governance which reduces role-differences and hierarchical positions, flattens vertical structures and enables democratic decision-making.
- Empowerment, participation and self-determination of users in the welfare system, and the ability to co-create innovative approaches.
- Integrative and cooperative knowledge production versus concentration of knowledge and dependencies from professionals.
- Cross-sector solutions, combining resources and adapting to specific needs.
- Mix of non-material and material resources from different sources.
- Integration of collaborating social networks, volunteers, and stakeholders.

The following examples highlight the innovative aspects of SSE for social service provision.

1.1 Italian Social Cooperatives and new local welfare

The social function of cooperatives is anchored in Article 45 of the Italian constitution of 1947, with cooperatives emerging as synergetic and creative solutions for societal problems. They are connected with public administration and fostered by regional and national consortia, as well as being supported by mutual funds. Italian cooperatives indeed compensate for the shortage of public solutions for social needs. With the social changes experienced at the end of the 1970s, collective solutions for social needs gained topicality. Such needs included care for vulnerable populations and labor integration of disadvantaged individuals or people living with disabilities, as well as new social needs, including the re-integration of drug-users. Citizens affected by these issues, along with their relatives and volunteers, built associations and cooperatives to advance specific social services. Two decades after these developments in the field, a legal framework for cooperatives with social objectives was legislated in 1991 (381/1991). Italian social cooperatives are SSE enterprises providing educational, healthcare, and social services, as well as socio-economic activities within many productive fields. They act in the market, following democratic, integrative, and participative rules based on the mandate of social inclusion of marginalized groups. Italian legislation distinguishes type A, which consists of cooperatives offering social and healthcare services, from type B, which focus on training and employment of disadvantaged groups, such as individuals living with disabilities, ex-prisoners, older unemployed individuals or migrants.

In elucidating the specific potential of Italian cooperatives to promote human rights, social inclusion and self-fulfillment of vulnerable individuals, the example of the reform of Italian psychiatric clinics is particularly convincing. The reform was driven by the director of the Hospital of Trieste, Franco Basaglia and his team in 1972. The patient-cooperative C.L.U. (Cooperativa Lavoratori Uniti), was founded in response to resistance of the social, sanitary, and cooperative sectors and the labor-unions. It intended to stop the exploitive and degrading so-called “ergotherapy” and to develop a decent productive context as the most important precondition for the social integration and rehabilitation of the patients. This social cooperative created an example for the positive effects of self-help and democratic self-organization in a very sensitive socio-sanitary field and is still in existence today. The professionals in the medical and psycho-social care of the clinic also organized their work in social cooperatives, thereby leaving their public contracts in order to gain more freedom to act according to their visions. This had far-reaching effects to institutional innovations and encouraged the further consolidation of the psychiatric reform in the context of the so-called Basaglia-law in 1978, which found followers in other regions both in and outside of Italy (Kiesswetter 2018).

Since the turn of the millennium, in response to austerity policies and the privatization of public services and infrastructure, a new type of social cooperatives in Italy has been responding to contemporary social needs. Community cooperatives have emerged to safeguard citizen services or public infrastructure and organize complex community needs in the form of multi-stakeholder cooperatives, involving natural and corporate members. Although filling a gap left by the state, by combining forces, these new cooperatives can offer a way to prevent a closing down or purely commercial privatization of services and instead, favor organizational models controlled by citizens which offer access to all, independent of their financial power (Elsen 2019). Especially in rural areas, community cooperatives in the social field can serve to initiate

and foster local development, interrupting the cycle of economic, social and cultural decline that follows depopulation, and enabling revitalization, for instance by implementing cooperatives in the social-agricultural field.

The following example demonstrates the opportunities that can arise from the interplay of social services collaborating with public, private, and civil-society actors within SSE. In 2001, the type A social cooperative *Nazareth (Società Cooperativa Sociale Nazareth)*, was founded in Cremona, Italy as a private supplier of educational and social services for young people and families. Acting in a broad network of public and private organizations, and supported by many volunteers, over the following years *Nazareth* amplified its work significantly, following the social needs and opportunities of the community. The social cooperative developed a whole chain of specific and innovative social approaches ranging from elderly care to a child neuropsychiatric institution. A sports-lab and a music-lab also emerged, fostering social cohesion and community culture. In collaboration with public actors from basic medical care settings and specialists of physical therapy, Cremona Welfare center was created. These processes of development and networking demonstrate the strength of this cooperative society, building synergetic links between the single entities and creating a new interconnected local welfare structure. *Nazareth* moved ever closer to core social problems like housing and labor-integration of vulnerable persons. A daycare center for people in psychological distress and a housing cooperative for young migrants were founded, followed by a project to put unaccompanied minor migrants in contact with migrant families who could host them. In 2013 *Nazareth* enlarged its legal status as a type A cooperative by funding a type B cooperative for the qualification and labor integration by the productive social cooperative *Rigenera,* a social farm, working in biological agriculture and comprising 3.5 acres. Another social cooperative for the processing of the agricultural products was founded. *Rigenera* is now present in local markets, not only selling their products, but also representing the producers, who normally are reduced to users of social services. Not least, *Rigenera* remains regularly up-to-date with recent problems and opportunities within the community (Ferrari 2020)

1.2 Social Agriculture

Over the past three decades, the role of farms and social cooperatives in maintaining and improving the health and wellbeing of vulnerable individuals who may be suffering from physical and mental difficulties, or social marginalization, has gained attention across Europe. The core idea involves using material and immaterial agricultural means to deliver social, or other, services for the benefit of the local community, thus encouraging awareness and capacity building, fostering social integration, and creating leisure activities (Wiesinger et.al. 2013). Social agriculture encompasses all those approaches that combine agriculture with social, healthcare, or educational objectives. It integrates people into everyday farm work with the objective of improving or promoting physical or mental health and wellbeing by offering meaningful activities or therapeutic tasks. For example, organizations may implement projects focused on environmental education, food education, preservation of biodiversity, protection of the landscape or by creating an environment in which children of preschool age or people

with physical, psychological, or social problems can attend learning activities or even lodge. In addition, agricultural enterprises offer child or elderly daycare structures. Not least, labor integration of migrants and unemployed people in rural areas is often effective in the work-intensive fields of agriculture and forestry, generating benefits also for landscape ecology.

On the other hand, social agriculture acts to prevent rural poverty by providing an additional income for small farms, and it has an important impact on the economic, social, and cultural development of the territory (see the entry “Food & agricultural sector and SSE”). Combining agriculture with: social-, health-, child- and elderly-care; eco-social education and learning; the development of gainful employment or ecological restoration; and an entitlement of a pension (for women in particular) can become a base for sustainable rural development, especially in remote mountain areas. Social agriculture has demonstrated its potential to prevent rural depopulation, to stimulate re-population of abandoned mountain areas and to encourage social cohesion in rural communities (Haubenhofer, 2010). In August 2015, Italy was the first European country to pass a law encapsulating the promotion of social agriculture (Law Number. 141/2015). The combination of agricultural activities with social- and healthcare objectives, organized in social cooperatives, is a strategy which enables preservation of jobs and creates income opportunities, while providing services to the community and contributing to sustainable rural development. The introduction of a legal framework for agricultural activities which have social aims also implies an advancement for the anti-mafia movement (Elsen and Fazzi, 2021).

The horizontal structure makes social cooperatives especially suited to this field, and allows for interesting experiments by merging agricultural production with social, ecological, and political objectives. Actors in social agriculture are pioneers of new local welfare but also of agricultural innovation and ecological transformation. Organic and biodynamic cultivation methods are dominant practices in social agriculture as they are best suited to social activities involving individuals living with disability or disadvantage. According to a report published by the Italian Rete Rurale Nazionale (Giarè, Borsotto, De Vivo et.al. 2017) on social agriculture in Italy, almost 70% of the examined initiatives (N = 367) adopt organic or biodynamic farming methods. The Italian Association for Biological Agriculture (AIAB) underlines the complementarity of the social and ecological motivations experienced by actors in social agriculture, who predominantly demonstrate a committed attitude towards the common good (AIAB, 2007). Besides the creation of employment, social integration of disadvantaged people, productive use of local assets and other socio-economic, cultural, and ecological effects, the return of young, qualified, and proactive people, who commit to their territory, and develop new local economies with a high moral claim, is, above all, the most promising sign for the remote rural regions.

2. Requirements for the development of SSE in the social service sector

The potential of SSE depends on the integration into social, cultural, and political dynamics and on the awareness of the interrelated processes of the creation and institutionalization of the alternatives (Laville 2016, 214). In welfare states, SSE organizations and networks evolved at

the end of the 20th century in answer to growing private and public poverty (caused by deindustrialization of urban regions), changes in the labor market, unemployment, and cutbacks to welfare money (see the entry “SSE and Social Policy). Thus, most of them have been initiated as bottom-up-reactions to poverty, social exclusion, and the degradation of urban communities in old industrial areas. Some of them were part of active labor-market-initiatives or integrative social policy strategies in disadvantaged communities. The opportunity to develop their own democratic and alternative structure was limited as a consequence of their financial dependencies on public money. SSE organizations and enterprises (SSEOEs) that succeeded to reach a stable and autonomous state in the broad field of social work or social service are based on multi-stakeholder structures composed of private and public actors, on the embeddedness within local communities and in horizontal networks such as consumer-groups. They often merge gainful employment and volunteering with a mixed finance of their own earnings, public and private support. Mutual structures and the connection between single initiatives, cooperatives and associations play a crucial role in the implementation and stabilization of SSE in the field of social work and social development. As shown in the example, the Italian social cooperative-movement acts on the basis of a legal framework, enrolled in a fostering structure of consortia and mutual funds.

SSE in relation to meeting significant social needs and problems, such as qualification and meaningful employment of migrants, decent housing solutions for homeless people, or community-care for elderly people, confronts core social policy duties. SSE indeed has the capacity to develop new, synergetic, and participative welfare-solutions, mostly on a local level, at the intersection of civil society actors, public entities, concerned individuals and private supporters. This stresses the necessity of an institutional environment, allowing for and enabling social experiments through fostering practices. These experiments need a resilient space, in particular due to their hybrid and multifunctional objectives and their merged structures in new institutional arrangements, which violate established routines within the diverse sectors involved. “To achieve human needs satisfaction, bottom-linked institutions for participation and decision-making, embedded in wider movements and governance structures are essential. The empowerment of the local population is a precondition for democratic government and the building of connections between sections” (Moulaert 2010, 13). In addition, these processes of community development need time and, especially in disadvantaged areas, professional agents to apply the methods and instruments of community-work. This plays a central role in the recent developments of new local welfare. The example of Cremona, Italy, illustrates this aspect.

Thus, SSE is not an alternative to social policy, but a socially productive culture of active and formative local social policy, which requires social acceptance and support. The first precondition for developing a strong and creative field of SSE in the social work or social service sector, and beyond, is the recognition of the specific culture and structure of this integrative realm and its societal effects. Awareness must be raised of the diversity it can provide to pure profit-oriented enterprises, as well as to conventional social service activities. As SSEs in the field have shown, this is not an easy task, violating well-established procedures. SSE, for instance, should not be measured with the reductive criteria of for-profit enterprises, as it

prioritizes social, and also ecological objectives over profit motives. This is important to mention because many SSEOEs in labor integration have been attacked for the "distortion of competition", acting in productive fields with disadvantaged people and receiving welfare money for their social assignment.

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