

OECD LEED TRENTO CENTRE FOR LOCAL DEVELOPMENT

International Conference on

“The Social Economy in Central Eastern and South Eastern Europe: emerging trends of social innovation and local development”

September 2005

OECD LEED Centre for Local Development

Trento, Italy

Call for Papers

The social economy, often associated with concepts such as “third sector” and “non-profit sector”, refers to a wide range of private organisations between the state and the market, fulfilling both economic and social missions, and whose final objective is not the redistribution of profit. Such organisations pursue different goals, depending on the level of entrepreneurship and the beneficiaries they serve (whether they pursue mutual interest or general interest goals), and have become increasingly engaged in the production of goods and services. The organisational forms that social economy organisations adopt to carry out their activities depend on national legal frameworks and can include associations, traditional co-operatives, social co-operatives, charities, foundations and other types of organisations.

Regardless of the different definitions and organisational forms, however, what brings this diverse set of actors together is their role in fostering social cohesion, in areas where traditional private or public schemes often have limited capacity for success. Social economy organisations mainly operate at the local level, as they are rooted in local communities, relying on and contributing to the development of formal and informal networks of people, knowledge and resources.

Experience from the EU15, USA, Mexico, Canada and Australia show that the sector is active and developing in many areas of the economy including healthcare, social services, employment, culture, environment and education. By contrast the sector appears underdeveloped in countries of the Baltic States, Central Eastern and South Eastern Europe, where transition policies towards market economies overlooked the role and potential of the social economy in key areas of social inclusion such as employment, social services and healthcare. While democratization policies have encouraged civil society development through the creation of charities, foundations and voluntary sector organizations along the US model, much of the social capital and infrastructure that was already present continued to deteriorate hampering social economy development. By way of example, co-operatives – and sometimes associations – suffer from a serious lack of institutional credibility and trust due to experiences of forced cooperativisation and state capture during state socialism.

At the same time, however, a number of interesting trends and opportunities emerged from the case studies presented by policymakers and practitioners from the region at the OECD LEED Trento Centre’s Capacity Building Seminar on Social Economy and Social Innovation in November 2004. Firstly, the seminar registered a great interest in social economy models (including cooperative forms) from Western Europe and other OECD countries, and presented a number of qualified case studies of existing – although somewhat isolated – social economy experiences at the local level. Secondly, the traditional model of charities has started to show its limits with the decrease in donor programmes for civil society development, which have left both the entrepreneurial and socio-economic potential of the sector untapped. Finally, decentralization processes and EU membership (or accession) open up a set of interesting opportunities for a strong role of social economy organisations in shaping economic development and social cohesion at the local level.

This conference seeks to build on the interest registered at the Capacity Building Seminar in November 2004 to further explore the trends, opportunities and challenges that social economy actors face in the countries of the Baltic States, Central, Eastern and South Eastern Europe.

The LEED Programme of the OECD and its Centre for Local Development based in Trento has pleasure in inviting institutions and individuals to submit papers for this conference. Papers are invited on the four themes of the conference, described below. All papers should present experiences related to the Baltic States, Central, Eastern and South Eastern Europe, which can contribute to the development of the sector in the region. The Conference is scheduled to take place 22-23 September 2005.

Applicants should submit a one-page abstract, specifying which of the four themes it addresses, by 15 April 2004. The deadline for submitting complete papers is 15 June 2005.

Themes of the Conference

Theme 1: Social Economy awareness: legal frameworks, partnerships and networks

This theme will focus on the extent to which existing social economy actors in the Baltic States, Central Eastern and South Eastern Europe (associations, cooperatives, credit unions, foundations, NGOs and the like) are aware of the role that the sector plays in fostering social inclusion. If social economy actors are developing innovative practices in the provision of goods and services that are different from traditional private or public schemes, the level of sectoral awareness – and its capacity to influence policymaking – can be assessed by looking at the following issues:

- *Legal frameworks:* To what extent have innovative practices resulted in the development of specific legal frameworks that define the aims, activities and instruments of social economy organisations at the national level in recognition of their role in promoting social inclusion? If a legal framework for social economy organisations already exists, what factors contributed to its development? How does it define the scope, objectives and tools of social economy organisations?
- *Partnership building activities:* To what extent do social economy actors engage in partnerships with other stakeholders at the local level in order to build their capacity to achieve their mission? What are the key objectives and characteristics of such partnerships?
- *Network building activities.* Do social economy actors cooperate among themselves by building networks and/or coalitions? If so, what objectives do these networks or coalitions pursue? Do they serve productive alliances or advocacy functions at national and/or sub-national level? What relations do the networks or coalitions establish between their members? What governance systems do they adopt?

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Theme 2: Social Innovation and Local Development: experiences, tools and practices

This theme seeks to assess emerging models and tools of social innovation in the region by identifying and outlining best practices examples that are being developed at the local level. Innovative practices can include new forms of service delivery, new goods or services being created and/or provided. Sectors can include:

- Social inclusion of disadvantaged groups and minorities;
- Active labour market policies;
- Credit / savings / microfinance;
- Other (environment, health, democratisation etc).

Case studies should seek to answer the following questions:

- Which innovation factors (volunteerism, community engagement, social capital networks, new governance models / policy frameworks etc.) allow social economy organisations to provide goods and services in areas where traditional private or public schemes often have limited capacity for success?
- What is the role of civil society and/or community action in paving the way for social economy actions?
- What impact do innovative practices have on the formation of social capital networks? How does this affect social inclusion capacity at the local level?
- Are there emerging models of social entrepreneurship?

Theme 3: Decentralisation and EU integration: challenges and opportunities for financing and developing the social economy

This theme seeks to collect experiences on the impact of decentralisation policies on social economy development. Given that social economy actors are grounded in local communities, the extent to which decentralisation opens opportunities for a new role of social economy actors depends on a range of conditions, including managerial and institutional capacity and the creation of adequate partnerships at the local level. Similarly, the impact of EU funds will depend on the social economy's capacity to access and use them effectively.

Based on concrete examples in the field of labour market policies, social inclusion and/or microfinance, this session seeks to address the following issues in decentralisation and EU integration:

- How have new decentralised governance models and financial instruments for local development shaped the challenges and opportunities for the sector? How have new opportunities for contracting out of services to local social economy organisations affected the sector? What trends are emerging?

- How can EU membership and European Structural Funds help foster social economy organisations? What experiences from Western Europe can contribute to the efficacy of EU funds in consolidating the role of social economy organisations?

Theme 4:

The role of international institutions and social economy networks in supporting social economy development

International institutions such as the World Bank, the United Nations Development Programme (UNDP), the International Labour Office (ILO), and the EU etc. play a crucial role in supporting social economy development, volunteerism and community engagement in the region. Additionally, a number of Western social economy organisations are engaged in development projects in the region, seeking to build the local capacity of social economy actors. This session therefore seeks to address some of the following issues.

- How have international donor/aid policies helped shape the sector? What activities and models have been fostered by international donor/aid policies? What challenges and opportunities do donor/aid policies present for the sustainability of the sector in the national framework?
- What are the links between civil society models and social economy ones? Is civil society development a precondition for social economy action in transition economies? What evidence exists? Are civil society roles at odds with social economy ones, or can they be reconciled?
- How have specific development projects helped build social economy models at local and/or national level? What tools, instruments and/or key strategies are pursued? How are outside models adapted to local needs? What are the lessons learned?