

## PART FOUR

### SPINNING THE WEB OF SUPPORTS: BUILDING THE INFRASTRUCTURE OF THE SOCIAL ECONOMY

The idea of a web of supports being of central importance to the revitalization and renewal of a particular place, or to the development of social enterprises, has been amply illustrated in several of the contributions thus far. Early in Part One (Concepts and Context), the key economic and social functions relevant to community functioning were identified ([Lewis, 2006](#)). How the various functions are organized and the extent to which they are linked together on a strategic basis (or not) constitutes key features of the web of supports. At the community or regional level, this web has been referred to in CED circles as the community's or region's development system.

However, a development system need not necessarily be territorial in its focus. For example, the Chantier l'économie sociale in Quebec is a multi-stakeholder provincial "network of networks" that promotes and mobilises a wide range of supports dedicated to social enterprise development, the centrepiece of their strategy to expand the social economy in Quebec. This has included a wide range of actions to promote an enabling policy environment, research partnerships focused on building new tools and rules (legislation, policy, and programs), the fostering of social economy sector organizations (e.g., social enterprises in recycling, culture, home care, etc.), and the building of equity and credit resources tailored to investment in social enterprise.

Internationally, there are many celebrated regions where the social economy is flourishing; the Basque region of Spain (Mondragon), the Emilia-Romagna region of Italy, and more recently, the social solidarity economy movement in Brazil being among the leading examples. In each, underlying the successes being achieved is a web of institutions and supports that link policy (government and institutional) and organization around key economic and social functions into effective development systems.

This section features development systems operating at various levels and in varying contexts. Often referred to in the field as intermediaries, these organizations are virtually always present where durable results and significant impacts are being generated. The first articles and case studies ([Richard, 2004](#); [Colussi and Perry, 2002](#); [Dexter and Kowall, 1993](#); [Galdston, 1991](#); [Galdston, 1997](#)) feature cases from Montreal to Connecticut to Northern Saskatchewan. Their demonstrable success in revitalizing and renewing the economic and social fabric of communities is striking.

For those people having an interest in the nitty-gritty of how such organizations are built, the detailed case of Winnipeg's North End Renewal Corporation is particularly instructive ([Colussi and Perry, 2002](#)). The importance of technical assistance grants and experienced technical assistance providers is well illustrated, as is the key role policy, program, and financial supports play in organizational growth and effectiveness. Serendipitously, while North End was being built, a new government in Manitoba brought in policies supportive of CED organizations ([Loewen, 2004](#)). Outside of Quebec, Manitoba, and to some extent Nova Scotia, there are no systematic policy supports for the evolution of this kind of infrastructure.

In contrast to CED organizations that integrate a variety of strategies and specific tools to affect the development of a particular community, there are a variety of other types of intermediaries that specialise in a particular sector or application of a narrower selection of tools.

The BALTA case study on the Nova Scotia Co-operative Development Council ([Soots, Perry, and Cowan, 2007](#)) is an impressive example of Mobilization and organization of the co-operative and credit unions across the province into a development system that is effectively fostering a new generation of co-ops, including many that are very specifically targeting economically marginalized populations.

Whereas the Nova Scotia Co-operative Development Council has mobilized existing credit unions into becoming key partners in an overall development system, there are development finance institutions organized specifically for the purpose of integrating social and economic goals ([Perry, 2006](#); [Black, 2006](#); [Dickstein et al., 1999](#); [MacLeod, 1998](#); [Van Doorselaer, 2004](#)). Extending from Cape Breton to Toronto and south, right down to the Mississippi Delta in Arkansas, these few cases serve to introduce the wide-ranging scope and scale of development finance operations. Look carefully at the lessons from Arkansas, where despite a range of well-supported financing tools and many years of work, little progress was made in revitalizing an impoverished rural county ([Perry, 2006](#)). However, once they began to revise their approach, mobilizing a much broader cross-section of citizens and local institutions, positive impacts began to emerge, reinforcing the conclusion

that it is a **web** of supports that is necessary ([Black, 2006](#)), not just a single tool. No matter how good the intent or intense the effort (if all you have is a hammer, the whole world looks like a nail), it is kind of difficult to build a house. Definition of concepts and context shape strategies, which shape practice, and the tools employed to get the job done. Community Economic Development, Community Development Finance: Introducing the Terms –Exploring the Relationship ([Perry and Lewis, 2000](#)) is helpful in setting out the basic definitions of CED and development finance that have emerged from exemplary practice. Reflection on some specific articles ([Perry, 2006](#); [Black, 2006](#); [Dickstein et al., 1999](#); [MacLeod, 1998](#); [Van Doorselaer, 2004](#)) will facilitate this paper.

There are many factors that can encourage or discourage, support or thwart, the evolution of effective development systems. Even the best practices, however effective and impressive in terms of impacts, can wither when taken out of the context within which they evolved. This is a serious problem for the field of CED and the social economy. As evidenced by many of the contributions to this volume, CED and social economy organizations can be hothouses of innovation. But we cannot avoid the question posed in the article on Winnipeg's Inner City Housing ([Donkervoort, 2006](#)): If all of the effort, investment, and learning in a single social enterprise that is succeeding cannot be replicated or expanded in some way, can we really consider that we have succeeded?

This is not a recent question in the field of CED in Canada. Early policy advocacy in the mid-90s already was pushing hard for public policy to recognize where results were being achieved and to align policies and programs in ways that could build on those successes ([Lewis, 1994](#)). This theme of scaling up what works emerged as a key goal in the founding of the Canadian CED network in 1999. While there has been some traction for CCEDNet's policies, in particular through the government of Manitoba ([Loewen, 2004](#)), success elsewhere has been muted at best and in some cases is getting worse. See, for example, the warping of the once-useful federal department Human Resource and Social Development Canada into a department destructive of community capacity ([Lewis, 2004](#)).

However, the problem of scaling is more than a policy problem. The very organization of government itself—vertically accountable systems confined by narrow mandates and a bewildering accretion of bureaucratic rules—creates huge challenges to any replication or scaling up effort ([O'Regan and Conway, 2000](#); [Lewis, 2000](#); [Greenwood, 2000](#); [Perry, 2002](#)). Lizbeth Schorr, cited in the article "Ecology of Success" ([Lewis, 2000](#)), is one of the foremost experts in North America on what supports or thwarts the spread of innovation in domains where social and economic goals intermix. A very careful read of this article should be followed by going to her major study "Common Purpose: Strengthening Families and Neighbourhoods to Rebuild America." Particularly exciting is her tracking of scaling up successes and her delineation of the key factors at work.

One of factors Schorr views as playing an important role in successful innovation and scaling up of success is the qualities of the leadership taking an initiative forward. In the public sector, this means people who are willing to stretch the rules and take some risks. An article by Perry ([Perry, 2003](#)) illustrates this in a modest but effective way by looking at a couple of innovations in the Nova Scotia context.

In some arenas, success and failure can be heavily influenced by municipal government policies. One of Canada's premiere social enterprises, the Edmonton Recycling Society (ERS), prospered through a creative and productive partnership between the Mennonites and the city of Edmonton. This business was profitable, innovative, "values added," and well-recognized as a leader in the recycling field in Canada. However, a new administration in the mid-90s returned to a traditional procurement policy (best price wins) and this enterprise was shut down, the new contract being awarded to a US multinational ([Guenter, 1995](#)).

Inspired by ERS, a strong CED organization in southern Ontario attempted and failed to win a bid to "add values" to the recycling of waste in the Waterloo region ([Knobbloch, 1995](#)). The rationale of city decision-makers for turning them down is instructive for practitioners and policy makers alike.

Nevertheless, there are examples of progress being made with respect to social enterprise in urban areas. Seattle has a proactive policy and investment program that focuses on creating the conditions for social enterprise to thrive ([Pomerantz, 2001](#)).

Based on the limited survey of practice and policy the contributions in this section represent, it is clear that the practice and policy context and the relative strength of development systems in different jurisdictions vary widely. Leadership is clearly an important factor. There is no substitute for value-driven, strategic practitioners who are able to build effective intermediaries

and facilitate sound strategy design and competent execution. However, talent in the trenches, though critical, is not enough if exemplary practices are to be scaled up effectively. Supportive policy, entrepreneurial civil servants, and well-networked CED and social economy organizations capable of promoting and mobilizing a diverse range of resources are equally important to solving the scaling up conundrum.

Thankfully, we have examples where these factors are coming together. Quebec ([Neamtan, 2004](#); [Lewis, 2006](#); [Ninacs and Moreland, 2001](#); [Lewis, 2007](#)) represents a dynamic model that continues to draw attention and interest from around the world. Another is found in the Emilia-Romagna region in Italy, where one of the densest concentrations of co-operatives in the world is located. Restakis provides an overview of the context and major features of this landscape, features that cut across major sectors of the economy, including co-ops in the social care fields ([Restakis, 2002](#)). In this paper, one can discern on a larger scale the point made by Kreiner, that social enterprise can potentially out-compete either public or private social care models ([Kreiner, 2003](#)). What the Emilian model elaborates is the synergies to be created if quality of service is considered a key element within public policy. It is this point that Lindquist brings into the Canadian context as he argues for co-ops being an alternative service delivery vehicle ([Lindquist, 2002](#)).

Of the seven BALTA research interests set out in the introduction, I believe all are touched on by one or more of the contributions in this section.

1. **Re-inserting social goals into economic life:** to better understand and *critically analyze* the impact of inserting such social processes of reciprocity, solidarity, and sustainability into economic life, in practice and in theory.
2. **Relationship between territorial and enterprise approaches:** to better understand and *critically analyze* how territorial (CED) and social enterprise approaches can interact to enhance the overall potency of the social economy.
3. **Understand the social economy as it currently exists:** to better understand and critically analyze the social economy as it exists.
4. **What is working and why:** to understand and *critically analyze* the characteristics of exemplary practice wherever it occurs.
5. **What supports or thwarts adaptation & scaling up:** to understand and *critically analyze* key issues, opportunities, and constraints for adapting and scaling up what is working into the BC and Alberta contexts.
6. **What are the central public policy and political factors:** to identify how key factors play themselves out in debates related to CED and the social economy.
7. **What might the future role and relevance of the social economy be:** to think about what contribution the social economy might make in a rapidly changing economic, political, social, and environmental landscapes.

Welcome to the fascinating issues involved in weaving the web of supports that enables innovation in CED and the social economy, and that are necessary if their successes are to be expanded more broadly and deeply into Canadian society.