

Social Economy as a Base for Local Development Initiatives

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**A Methodological Reflection about the conditions of
success of the local social economy-based initiatives
thought from the Quebec experience (“Quebec Model”)**

Work in progress – please do not quote without permission.

The Social Economy Base: an Efficient Way?

Point of view 1:

- In disadvantaged communities, urban and rural, the fight against poverty should rely on the social capital of communities.
- Social economy is a basis for action to combat poverty and exclusion and to attend social change
- Local projects rooted in the social economy and community-based action have effects on job creation, the re-integration of people living in social exclusion and the delivery of services which are neglected by private capital and are not provided by the State.

The Social Economy Base: an Efficient Way?

Point of view 2:

- The success of such projects is not automatic and the positive effects are often minimal and short-term (jobs and services). They institute precariousness and contribute to social dualization.
- Policies centred on social capital or the capacity of local actors to implement development projects will add to the burden on devitalized local communities, which can make the gap between rich and poor wider rather than narrowing it.

The Social Economy Base: an Efficient Way?

Our Point of View 1:

- Local initiatives rooted in the social economy are important but, on their own, they cannot reverse the major trends related to poverty and inequalities.
- If they are developed in interrelation with activities established in other economic spheres which are more successful economically speaking (private economy and public economy), they lay the basis for a sustainable and dynamic “plural economy” (co-production of social policies).
- This emphasis on interrelation and plurality raises the issue of proximity and the centre-periphery relationship.
- Should the capacity of the social economy to take action on poverty be limited and confined to regions and areas which are already economically dynamic?

The Social Economy Base: an Efficient Way?

Our Point of View 2:

- The issue of proximity to successful metropolitan economies should be reviewed in light of what is known about the “new economy”.
- This new economy is flexible, reticular and informational.
- The advent of the new economy has divided society into two major social categories (and spaces categories): those who have the competencies to integrate into it and benefit from it, and those who do not have these competencies and are surviving in precarious conditions.
- This social division cuts across all communities, and translates into a break of social links at the local (and national) levels and the difficulty of actors to establish effective and inclusive structures of local governance.

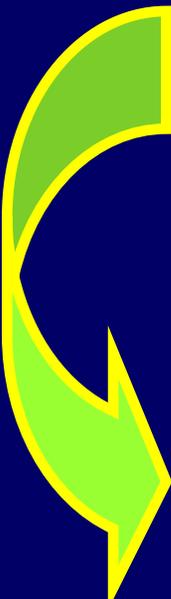
The Social Economy Base: an Efficient Way?

Our Point of View 3:

- The proximity which should be considered in this context is relational proximity.
- Relational proximity is determined by the integration into local and global networks.
- At the local level, these networks take the form of “local systems”, where conflicts are settled locally and where actors “learn” to make decisions in favour of the community and the development of community competencies. At the supralocal level, they help to mobilize exogenous resources and combine these with local resources, enriching the local “socio-territorial capital” asset (“Capital socio-territorial”).
- This is not a problem of proximity, is a problem of connection.

The Matrix of Socio-Territorial Fractures under the New Economy

Fracture	Central Spaces	Periphery Spaces
Connected sectors	Logique technopolitaine	Experimentation
Disconnected sectors	Reconversion	Exclusion



The challenge of connection and equity: on the base of social economy and socio-territorial capital?

This argument gives rise to the following questions:

- Can local social economy-based initiatives mobilize and coordinate a multiplicity of resources in order to connect devitalized territorial communities to institutional and organizational networks?
- Can they rectify local devitalization, recreate social links leading to prosperous local governance, and connect the local community to global economy networks?

We assume that they can:

- If they are not confined to local resources, which are important for initiating projects, but not enough when it comes to implementing them and making a success of them.
- The challenge is in the capacity of local actors to mobilize these resources while maintaining a local leadership, and to combine them with locally mobilized resources.
- By mobilizing exogenous resources, the community is integrated into supralocal networks and by combining them with local resources, strong social links are created within the community.
- This mobilization of actors and citizens generates a positive sense of identity, which fosters self-esteem and commitment to economic and social projects that have effects on the standard of living and quality of life of the community.

The capacity of local initiatives to generate processes to improve citizens' standards of living and quality of life, depends on:

1. The capacity of local leaders and actors to mobilize a great diversity of endogenous and exogenous resources and to combine them;
2. The existence of a socially constructed leadership;
3. The existence of structures and organizations which help to settle conflicts between actors locally and to learn to act collectively; and,
4. The collective identification of strategic goals aimed at using public programs and other structures to support the development of communities.

Social Economy as a base for launching local initiatives and for putting in action a sustainable local development process

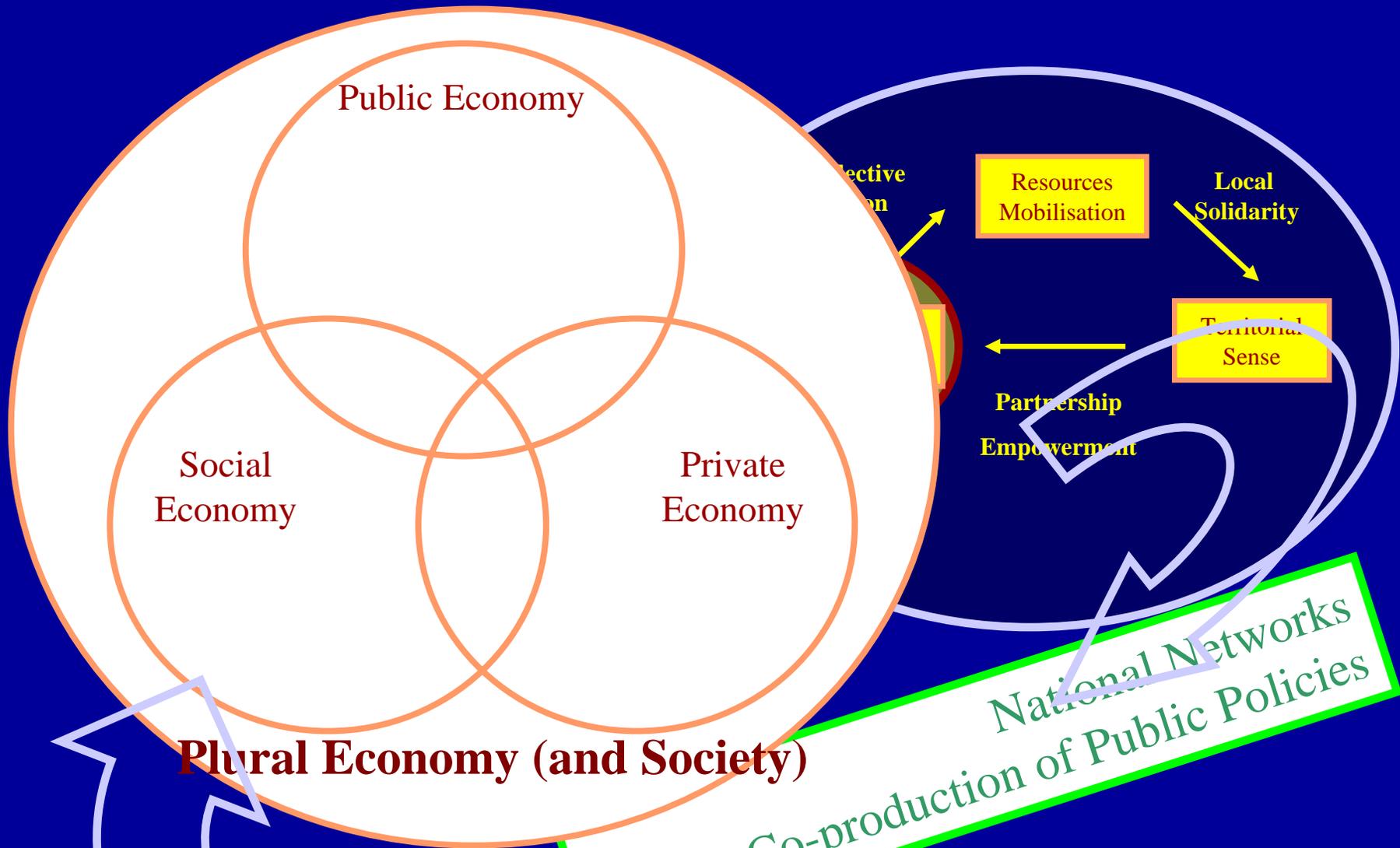


- Cas emblématique
- Lutte pour services (poste, école)
- Coop. de solidarité, corp de dév. et 25 organismes
- Consultation, planification, objectif démographique
- Achat d'édifices (presbytère, garage)
- Culture (P'tit bonheur)
- Projets immobiliers écologiques-objectif démographique
- Pacte rural
- Leaders passionnés

The Saint-Camille Case



Rural Community: 200 km from Mtl (450 h.)



National Effect of Local Initiative