

# **Tools for Local Development**

Multi-level Governance for a Solidarity-based Economy in Italy and France

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Implementing the Sustainable Development Goals: What Role for Social and Solidarity Economy?

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## **Abstract**

The article focuses on development plan that includes solidarity economy policy in two European countries with two different regulatory settings, Italy and France.

The article works on two case studies, two regional networks of solidarity economy, involved in regional development plan. The article focuses on the relationship between them and the public institution.

The two regional contexts show that the more cooperating is the governance, the more the political framework is relevant to the implementation of an inclusive economy. It puts into question the role of public institution and the policy-makers in implementing local governance.

Finally, the article presents a typology of relationship between political institution and solidarity economy. The hypothesis is that when there is a mutual reciprocity between the two forms of regulation there can be a path of social innovation.

## Keywords

JEL Classification: Z13 - economic sociology; O2 - Planning; O35 - Social innovation; D6 - Welfare economics; E26 - Informal economy

#### Bio

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## 1- Introduction

SDGs are claiming for a world's economic equilibrium based on environmental and social sustainability too. In this regard, it seems central to present the socioeconomic model of the solidarity economy which, by proposing the plural economy path (Roustang 1982, Laville 2000), sheds light on the modalities of integration between the regulatory forms. The social and solidarity economy (SSE) operates as a counter-movement (Polanyi, 2000 p.137). Moreover the 8<sup>th</sup> SGD clearly affirms that it is needed to improve an inclusive economy, sustainable, based on a high occupational rate.

SSE is a group of organizations with the aim of maintaining a symmetrical and inclusive market. Some solidarity practices are complementary while others are alternatives to the current economic system (see Caillé, 2009). The complementary practices try to attain an ethical integration of the economy by renewing the structures with new ideas and values; whereas, the alternative ones point to post-capitalism trying to create a new social and economic order based on new values. In both cases the challenge is to look at a future which would assure a better quality of life.

The purpose of studying these organizations is to focus on the search for new institutional forms of social and economic regulation (Magatti, 2006; La Rosa 2001, Singer, 2003). This specific study requires a prior acknowledgment that the economy is plural, made up of different principles, that are embedded in social structure (Granovetter, 1980; Laville, 2000).

Completely in line with SDG's goals, Mingione (2009) explains that a scientific objective today would be to describe the regulatory logic to which the economy is subjected, rather than identifying alternative economic systems. Describing the regulatory logic means questioning the nature of the society to be regulated or at least some of its characters or significant processes, in order to draw a new regulatory framework. In other words, overcoming the crisis does not necessarily mean building another economy, rather, creating an economy on different base (Bagnasco 2010), in which there is equilibrium among regulatory forms. In this sense there is a growing interest in explicating the influences of non-economic factors on economic performance, on the labor market and on welfare regimes (Granovetter 1985, Ballarino, Regini 2008, Trigilia, Burroni 2009, Ranci, Pavolini 2014).

In this research's framework Polanyi's model is often taken up and integrated<sup>1</sup>, showing the necessity to recognize a plurality of regulator forms. The main variable is, therefore, the role played by institutions in the production of development and in the support of economic paths in order to give the market a symmetrical and inclusive value. Taking into account institutions means bridging the gap between the economy and society (Trigilia 1998). Individual economic choices are socially oriented. From this perspective, no regulatory form can be conceived as autonomous, since it is interconnected with the others. The relationships that are established between organizations of solidarity economy, public institutions and the market, in fact, affect the conditions favorable to development.

The object of the work is to analyze the relationship between the solidarity economy and the public institutions. The hypothesis is that when there is a mutual reciprocity between public regulation and solidarity economy, there can be a path of social innovation. However, if reciprocity is not achieved, it needs to be built through public tools and spaces of democracy. This work will show some of the best practices, focusing on positive and negative aspects.

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<sup>&</sup>lt;sup>1</sup> From economic anthropology (Godbout 1999), from political economy (Streeck 1991, Trigilia 1998) from institutionalism (Ouchi 1980; Powell 1991) but also from the theories that deal with defining the social economy (Drapery 2007; Borzaga 2011) and the solidarity and plural economy (Arruda 2006; Razeto 2001; Aznar et al., 1997).

Finally this article presents 4 types of relationships between political institutions and solidarity economy, focusing on how they promote local governance. The typology helps to determine a real description of solidarity economy, avoiding the proposal of an unreal and utopian vision on solidarity economy. Public regulation build spaces of promotion and consolidation of SSE networks.

The method is based on the analysis of two case studies that refer to two models of capitalism with two different regulatory traditions. Two regional networks of solidarity economy will be presented: REES in the Marche region, and APES in the Nord-Pas-de-Calais region. Each network is joined by actors of different nature (private, public and public-private), joined together by the values that are shared in the charter of the principles of each network.

The network is the unit of analysis, and the researcher wishes to highlight the tools through which public regulation can favor the birth of development processes in cooperation with SSE avoiding transaction costs. The analysis is relevant since the regulatory context of the two networks belongs to different logics and therefore it is assumed that it can have equally different impacts.

The method is quanti-qualitative. After mapping the contexts, through a reconstruction of the literature from primary and secondary sources and the analysis of the data related to the contexts, the survey was conducted through participant observation and the administration of 65 interviews, semi-structured and free, to privileged stakeholders in both the case study contexts. Empirical research was conducted from February 2014 to July 2015. In both cases the researcher carried out some participant observation in public or private assembly of networks, combined with a detailed context mapping in both cases.

### 2- Context and networks

of solidarity economy in Italy.

The "network of ethic and solidarity economy" (REES) of the Marche region is an active part of the Italian solidarity economy network (RES)<sup>2</sup>. In 2004 it became an informal network, after that the regional CSV (community service volunteer) and the social policies department of the Marche region made a census of non-profit regional associations. It became an association in 2006, after two years of activity within the national network<sup>3</sup>.

The network is a second-level organization that counts 394 members formally registered on the website, both legal and physical subjects, mostly companies. There are 291 companies, 4 public bodies, 40 joint purchasing groups (GAS), and 59 recognized associations. These actors are organized in other structures always adhering to the network, such as the district of solidarity economy (DES) of Macerata, the Res Pesaro Urbino, and the organic district of Piceno.

Picture n.1 – Network of ethic and solidarity economy" (REES) of the Marche region

<sup>3</sup> While we are writing this paper, the association has expired due to a lack of volunteers involved in the project.

<sup>&</sup>lt;sup>2</sup> The solidarity movement was born in Italy in 2002, with its first document the "Chart of Italian network of solidarity economy". In 2007 it defines the network of solidarity economy (RES), an informal network with the main function of coordinating at a national level the promotion and the development of networks



Source: personal elaboration

REES groups the territorial experiences from the point of view of values which are recognized in the solidarity economy<sup>4</sup>. Among the members there are typical actors of the solidarity economy<sup>5</sup>, e.g. districts of solidarity economy, solidarity purchasing groups, ethical finance, "bilanci di giustizia", time banks, and fair-trade shops. In addition, there are also social cooperatives, associations, as well as firms. The variety of these actors imposes, on the one hand, a great difficulty in coordination, but on the other it is enriched by such different contributions.

The network has allowed the construction of many relationship, firstly among the members of the network and secondly among the organizations of the territory. «At present<sup>6</sup> it has been possible to create and organize a strong moment of collective identity that has welded relationships, and it has made us feel like active participants together of the solidarity economy»<sup>7</sup>. The network is a promoter of different activities in the area: weekly rural markets in which the solidarity economy and small producers, cultural activities and conferences are sponsored. These activities were supported by public funding that gave the opportunity to strengthen the network's tools, such as the site and the secretariat.

The network of the second case study, Acteurs pour une économie solidaire (APES), was established in 2000 on the basis of an appeal launched by the Secretary of State, which brought together all the actors involved to create a regional coordination of the solidarity economy movement. It has entered an institutional path of public policies with the aim of promoting the social and solidarity economy in the region.

In the French national context there is a terminological difference between the social economy which identifies the actors of the mutual and the big cooperatives - and the solidarity economy that recognizes new ways of acting rather than identifying a third sector. It points an economic sector that enriches the current model with an ethical value. APES is based on this difference, and in fact it coordinates only members of the movement of solidarity economy and which are structured since the Nineties.

The APES, as a second level network, is identified as a privileged partner for the writing of territorial pacts in economic regional development plans. Its workers organize thematic meetings to encourage the sharing of experiences and good practices with respect to local commerce,

<sup>&</sup>lt;sup>4</sup> Written in the chart of the national network and the REES

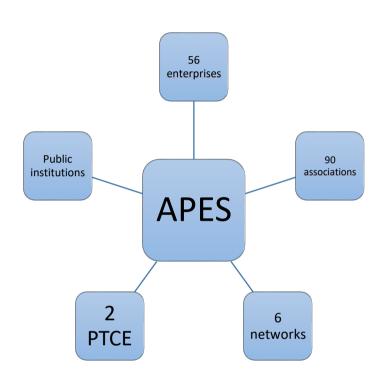
<sup>&</sup>lt;sup>5</sup> In particular they are actors that want to build local food chains, in relation to solidarity values. Actors meet each other in local network called "districts of solidarity economy (DES)" in which there are consumers, firms and financiers. Into the national network of solidarity economy (RES) there are 40 DES. DES is an association aiming to support solidarity economy and alternative consumption, creating local supply chain. Actors that are in this network share solidarity economy values and work mode (art. 3, lett. B, regional law n.225 Emilia Romagna). Principals actors of DES are the local purchasing groups (GAS). GAS are volunteer association of local food network.

<sup>&</sup>lt;sup>6</sup> The period from 2004 to 2006.

<sup>&</sup>lt;sup>7</sup> Interview n. 30, Fano, 07/07/21015.

solidarity finance, and local supply chain. The goal of the network is to focus on the structuring of supply chains in production areas such as energy, agriculture, transport, housing or culture, to bring together all the producers, consumers, inhabitants and various actors involved. This action, more than an economic value, has the objective of creating links between the organizations, as well as carrying out a cultural function.

The network represents 172 organizations of solidarity economy, most in the neighborhood of Lille: 90 associations, 6 networks, 56 companies, 2 territorial poles of economic cooperation (PTCE) and 18 informal groups. The distribution of members in the regional territory is not homogeneous, but presents a majority of actors around the urban context of Lille.



Picture n.2 – Map of APES

Source: personal elaboration

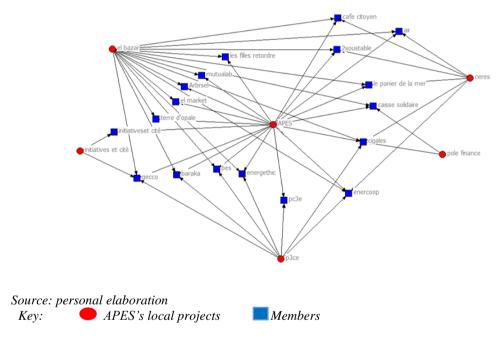
In both networks the first point of the statute is the promotion of the development of solidarity economy, reaffirming the centrality of the human being in economic action. Both networks identify local structures; in APES there are the "territorial committees", and in REES the "Districts of solidarity economy". This attention confirms the importance of a local intervention that involves citizens in the structure of the development model in a horizontal way.

The promotion of solidarity economy is done following different paths. The two networks in fact represent the two different characteristics of solidarity economy make by Caillé (2009). While REES clearly focuses on an alternative model to the current economic model of development, APES focuses on the need to make the economic system more supportive.

The two networks are also different from the point of view of regulatory recognition, because while in the Italian context the regulatory aspect regarding the solidarity economy is very fragile, in the French context, it is more institutionalized with clear participatory rules. In July 2014, France adopted a national law on social and solidarity-based economies, which defines a clear institutional perimeter within which the demands of the social and solidarity economy can be met. In Italy there is no national law on solidarity economy. In the 2008 financial law, there is a definition of solidarity purchasing groups (GAS), and in several regions the activity has been regulated. The only region having today a special law on solidarity economy is Emilia Romagna.

The process was carried out by the regional coordination for the solidarity economy in Emilia Romagna (CRESER), and other territorial path in Friuli Venezia Giulia and Lombardia. The absence of national legislation is felt by the actors of the solidarity economy as a non-recognition by the public. Interviews conducted in the region of the Marche seem to define an attitude of distrust towards the local institution.

Even from a formal point of view networks are very different: one is institutionalized and the other is not. The APES is an institutionalized network, with a collective voluntary assembly chosen among the members, a director and five employees who coordinate the actions on the territory. The work of the APES is not directed only at members of the network, who are very few in the territories. This is possible since the APES is a development agency with a regional mandate. The largest number of members is registered in the territories that have a local economic development plan (PLDE) that the APES establishes on behalf of the region. The presence of numerous members of a structured PLDE indicates that APES is recognized as an actor in economic development, and where an institutional tool is present it is easier to be recognized at a territorial level. In the chart below there is a map of the actors of the research sample, and the main projects followed and carried out by APES. As we can see they are all involved in a project, and some in more than one.



Picture n.3 – Map of APES members interviewed

Participation in concrete projects, in fact, activates the cooperation among members and implements solidarity-based practices that in themselves promote inclusion of the actors in the decision-making processes. The presence, therefore, of the regional public actor, mediated by the network as a territorial animator, strengthens the relationship among the actors.

REES was managed on a voluntary level. In 2014, in conjunction with formal budget, it was decided to streamline the structure by closing the VAT number and keeping only the association. Voluntary work was judged as not sufficient to support the amount of work derived from the daily administrative management of a structured association. The two presidents in 2014 in fact, claimed a strong objection to the complex commitment undertaken in the previous three years on a voluntary basis, taking up about three hours a day of their time, "stolen from the family and from rest".

This volunteer condition, however, makes the network not visible to the local participants. Few GAS members adhere to the network. The network moreover fails to be present on many occasions with the public institution. The voluntary coordination of REES is perceived by the

members themselves as a limitation, in fact they would like a more constant support in representation actions. Volunteering does not have the characteristics of constancy and structure over time.

«It is important that the network pays someone to follow all the bureaucratic and administrative aspects, because volunteering is not constant. If my son is ill, for example, I cannot carry out the task I had previously committed. Volunteering is very fragile from this point of view, and by itself is not sustainable»<sup>8</sup>.

In both cases one of the most important goals of the network recognized by the members is that of promotion, coordination, and dialogue with regional administrations. However, at this time the REES is able only as a cultural dissemination organ; firms which were interviewed warn that the network does not respond to their representation needs.

In APES the relationship with the institutions is fundamental because the individual members or the structures ask to be represented in the institutions. Nowadays, in some cases, it has been translated into a disinterest in the political action of the network; members in fact delegate completely their political function to the network.

«The APES network represents us on a political level. We do not have time to do this as a company. With regard to political guidelines, it is not our concern, it is their job to think for us, to represent our interests»<sup>9</sup>.

This idea is common above all structures which were interviewed that are marginal in the actions of the network. Joining the network means putting together numerous organizations, which together have an important political weight to show a different way of doing business. However, this often is not translated into a direct and concrete political involvement of the organization.

Being a member of a network has a very practical implication; members, for example, could build local supply chains and a solidarity economy which would look to customers and suppliers within the network. This gives them the opportunity to strengthen the flows within circuits of solidarity economy, promoting an economy that responds to shared values: low environmental impact, respect for the worker, sustainable end of production. The network, therefore, acts as a territorial facilitator of monetary and non-monetary flows, which favors the structuring of increasingly structured paths, but which requires an active participation. More the network is considered a dead organism, the less opportunities are generated.

# 3- Typology of relationships, among symmetric and asymmetric behaviors

The embeddedness (Granovetter 1985, Magatti 1993) of the economic relations within the social ones proposes a possible new balance among the regulatory forms. This perspective of analysis questions us strongly about the transactions between the various regulatory forms (Cella 1997) and how the regulatory structures are realized in an economy which is labeled *plural* (La Rosa e Laville 2007).

Both case studies show the obvious fundamental role of public regulation in supporting the experiences of solidarity economy. When it is strong, organizations of solidarity economy have the opportunity to strengthen themselves and produce interesting dynamics for the territory. However, in the experiences of territorial planning, when there is no involvement of the actors,

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<sup>&</sup>lt;sup>8</sup> Interview n. 20: in *Fossombrone*, 16/02/2015.

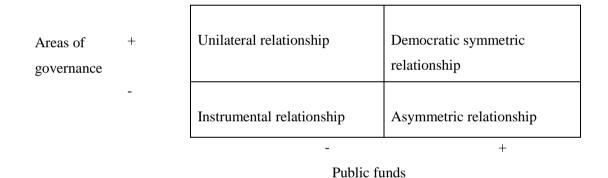
<sup>&</sup>lt;sup>9</sup> Interview n. 51: in *Boulogne sur mer*, 20/03/2015.

situations of dependency can be created. Public regulation can, in fact, have attitudes in limiting the dynamics of propulsion of solidarity-based economic practices.

We assume that the relationship between the public institution and the network, in defining a common development action, can be built according to several levels of tension, which can go from the hoped integration of the two forms, to the incorporation of one on the other. The higher the tension is, the less there is integration between the two perspectives of development, because the symmetry in the relationship disappears.

To better describe this relationship, we refer to two variables: the areas of governance and public financial support. The term governance refers to the possibility of orienting territorial policies, and mutual recognition between the two actors in their respective regulatory functions: two different actors who however recognize themselves in a common status of micro-economic development builders. The space in which this recognition can take place is the territorial negotiation. The indicator that we take into consideration for the study of the degree of consultation is, in fact, the decisional areas to which the organization can aspire, and the political programs in which it takes part. Combined with this, the essential condition is that it is a collaboration continued over time, and not occasional or tied to public tenders. The second variable, on the other hand, is studied based on the presence or absence of public funding or subsidies in the economic model of the organization, and here too the continuity in time of this action is taken into consideration. We obtain, therefore, a scheme that describes the relationship between public institutions and organizations of solidarity economy.

Picture n.5 – Relationships between public institution and solidarity economy



Source: personal elaboration

This typology has been studied along the two case studies, and in the further paragraphs the work will show some correlations among typology and case study. There is not a single ideal way of creating a relationship, but each typology has a particular framework that describes a real situation.

## 4- The instrumental relationship and the high transaction costs

The instrumental relationship identifies organizations which clash with a very fragile and discontinuous regulatory context. Organizations do not participate in decision-making spaces, such as regional tables or regional committees. The weakness of the public regulatory principle does not make negotiation incentives explicit to members, and often they are organized on autonomous market networks. So, the actors prefer to act in autonomous structures where they can define projects without any mediation. In this case, therefore, there is no mutual recognition of the functions between the two regulatory actors. The prevailing actors of this form are traditional firms that do not interact frequently with the public institution and do not receive funding or subsidies.

The Italian case due to data analysis is more represented in an instrumental relationship, which identifies firms intending to have a solidarity action on the territory, but which fail to establish a symmetrical relationship with the public institution. The relationship is, therefore, instrumental when it is aimed at specific objectives, but not a permanent one.

REES network is interested in developing relations with public institutions and, in fact, among the members there are some public bodies, who participate in local projects but who are not formal members. REES, however, has a very complex relationship with the public sphere and the process of building a lasting relationship is very slow. The relationship is not constant over time, but linked to projects to which the network is interested in participating. It is not, therefore, mediated by a formal relationship, in the sense that REES is not convened as an informed and relevant actor on a specific issue, but is mediated by interpersonal relationships.

Furthermore, members do not agree on the methods of action with the public actor. Public funds that REES receives are linked to specific calls not linked to the promotion of the solidarity economy itself, but in general to environmental concerns<sup>10</sup>. The interpersonal relationships between the exponents of the network and those of the institutions allow the realization of the events, but do not favor a global and continuous planning that can be regulated by laws. Public intervention therefore remains discontinuous.

REES organizations, therefore, prefer to find themselves outside of the conventional structures and pursue their interests through autonomous structures, proposing practices of daily change with respect to lifestyle and consumption. This is the case of the numerous solidarity buying groups (GAS), or firms which try new ways of production and relationship with the consumer.

«I do my politics on my own, so I can control them and I can decide the policies to be adopted. When I share political actions with others, I prefer to do it with associations that in some way are very close to me in terms of ideas; I am a REES member»<sup>11</sup>.

This attitude, however, did not create lasting relationships over time. The experience of DES, in fact, which by statute represents the most appropriate territorial unit for achieving the objectives of integrated development, is not incisive. DES Macerata today is not very active. A "DES for organic" movement was established in the Piceno territory, promoted by the Italian association for organic farming and which mainly involves agricultural companies. The flows within the DES seem to be very intense, but linked to the particular interests of the actors involved. In fact, until today, REES no longer exists; flows around alternative food and local food chain continue to exist, however.

## 5- The unilateral relationship

The unilateral relationship identifies a relationship in which organizations do not benefit from funding or grants, but participate in decision-making spaces through an important advocacy action. They intend to participate in the public space by offering their skills on topics. However,

<sup>&</sup>lt;sup>10</sup> REES took part in the "Conoscere il biologico nelle Marche" project, approved in 2011 with a sum of 35.000 euros for the promotion and strengthening of GAS, and 17.800 in 2012 for the promotion of organic products in public canteens. Purchasing groups (GAS) were recognized as supporters of sustainable agriculture, thanks to the relationship among consumer and producer. "Oggi si acquista bio Agrimarche" is the site of the region that manage the purchase and sale of organic products. In 2012 there was also an event to promote purchasing groups, "Sbarco GAS". There was also the national assembly of GAS and DES and was held in the "Golena del Furlo", a territory in a naturalistic area, which was intended to enhance with the presence of the event. Together with the department for social policies, development cooperation, immigration and the environment, in 2009 a promotional event was held in schools with good daily practices regarding energy saving, new consumption styles and legality. It was a cultural promotion of the solidarity economy as a model of production, but above all as an environmentally friendly consumption model.

<sup>&</sup>lt;sup>11</sup> Interview n. 5: *Ancona*, 20/11/2014.

this relationship remains unilateral, on the one hand, because it is not paid by the institution, which does not organize decision-making and regulatory areas to deepen and encourage dialogue, and on the other, because some organizations perceive a risk of institutionalization and, therefore, prefer to remain in informal groups, structuring autonomous supply chains without adhering to long-lasting consultation and negotiation spaces.

In this relationship we find in both cases more autonomous organizations that try to foster a more concrete dialogue with local institutions and in relation to the needs of the territory.

The district of solidarity economy (DES), for example, presents itself as a concrete actor of dialogue, which holds public bodies, organizations, funding bodies and citizens' groups together in the territorial planning of development.

«If you do not start collaborating in the construction of the territorial development and you remain closed in GAS, you do not change the economy, but only your daily life. Even if this is a noble and noteworthy goal, it does not create incentives which allow others to set off towards the construction of different economic and productive dynamics»<sup>12</sup>.

REES members have tried to build a territorial experience through the DES, identifying them as tools suitable for the territorial level. However, we have seen that the experience of DES remains very fragile, precisely because it is not supported by the institutions and that the voluntary-based network alone cannot manage the processes. The relationship between REES and public institutions remains very complicated and it ends in the participation of public tenders.

Therefore, the context and the legal form of the network strongly affect the possibility of action on the territory. While APES is institutionalized; on one side, agrees with the institution the form of participation within the regulatory framework, on the other, it risks becoming trapped by the rules. REES seeks new forms of institutionalization, but this puts REES in a position of continuous uncertainty.

## 6- The asymmetric relationship and the governance of local policymaking

The asymmetric relationship is established when funding or grants are present, but organizations do not have the opportunity to participate in policy orientation, and to decide how best to use the funds, taking advantage of the experience in the field. The public institution decides how to manage the funds, defining decision-making spaces and financing. This type of relationship is activated only under certain circumstances, such as calls issued by public bodies, or public markets, and has no continuity in time because the two actors meet on specific projects (Ascoli 2011, Pavolini 2003, Ranci 2000). This relationship, therefore, explains those situations in which the network proposes political actions, but does not co-evaluate with the public body. The REES network for example has participated in tenders issued on sustainable crops, but beyond that there is no long-term consultation with institutions on what could better incentivize this sector. Moreover, in cases of privatization of social services, the organizations of solidarity economy, specifically social cooperatives, are put in competition with traditional firms without any recognition of their social task. Organizations run the risk of isomorphism with organizations based solely on the logic of market exchange. The disagreement increases in those cases of weak public regulation, in which the networks are very fragile and cannot offer themselves as a constant interlocutor.

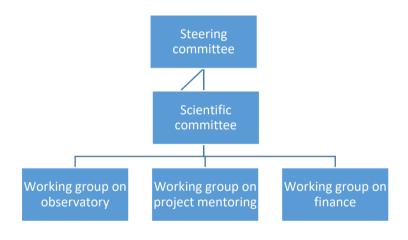
This type also describes those cases of non-profit associations or organizations, typically French, that have direct assignment. In this situation, organizations provide services that the public establishes (public tenders, grants). In this case, we can say that the public institution likely

<sup>&</sup>lt;sup>12</sup> Interview n.10: *Macerata*, 27/02/2015.

incorporates organizations of solidarity economy. It means that the collaboration with the public institution does not leave any room for negotiation, and indeed it creates a situation of dependency. This case of integration between the two forms, therefore, creates a situation for which one prevails over the other, imposing its own rules and decision-making tools. In this relationship the tension is high and the network is completely absorbed by the public regulatory principle, being subordinated to the aims of public policies.

The French public institution for various reasons is interested in investing in the social and solidarity economy to build participatory dynamics, especially at a time of crisis. First of all, solidarity economy is a political subject important for institution because it concerns the local economy and local supply chain. Secondly, workers of this sector, including the associative and third sector, represent 10% of total regional employment, reflecting the national context. It is also a sector that works closely with citizens in care and tertiary activities. Finally, institutions that invest in a solidarity economy have access to European funds that would otherwise not be accessible.

In 2003 the Nord-Pas-de-Calais region regulated the "regional economic development scheme" (SRDE) and in 2005 the social and solidarity economy became an integral part of the SRDE, recognized as an economic sector at the same level as the other economic sectors. This plan is signed by the State, the region, the deposit fund and the two regional departments. The SRDE is structured into different axis: agriculture, crafts, trade, tourism, social assistance and a specific axis on the solidarity economy. On of these axes is the *regional plan for the development of the social and solidarity economy*" (PRDESS), active since 2008, organized by committees.



Picture n.4 - Governance into PRDESS

Source: personal elaboration

The steering committee covers a political function and APES participate only with the President, while the scientific committee is made up of working groups that bring together actors, networks and above all local institutions. APES represents the voice of its members in this thematic groups. This role is perceived as fundamental but very difficult by the APES team, because the network represents a diversity of actors and city practices.

Although the APES participates in the definition of public policy on the solidarity economy, it is strongly influenced by the political climate, as demonstrated for example by the departmental election in 2015, confirmed by the trend of the regional elections of 2015. The department of the North changed from the party socialist union to a popular movement, which no longer encourages and promotes working groups in the area, while providing funding for local actions. The APES does mentoring for the structures in the territory of the North department, but

the department does not support it, therefore, the actions are limited compared to those proposed in the department of Pas de Calais. Moreover, within territorial collectives there are delegates of the institutions, who often are replaced following subsequent elections, causing a discontinuity of the actions.

Another important issue is the identity of the solidarity economy movement. The department can decide to fund only the actions on the inclusion of the unemployed. This approach has a strong impact on the visibility of the solidarity economy, which is easily linked to an action concerning the unemployment question, rather than on environmental and rural commitment. This difficulty is particularly marked for network's members, who perceive it as an obstacle to an extended development of the solidarity economy. In fact, there are organizations in the network that deal with the active inclusion of the unemployed, but there are also others working in other sectors such as agriculture, solidarity buying, culture, finance and energy.

In conclusion, the multilevel governance of the "development plan" allows a negotiated participation between the solidarity economy networks and public institution. This gives considerable visibility to the solidarity economy movement as a proposal for integrated territorial development. However, this does not mean that there is a real co-participation of decision-making, a role which is left to the public actor. Co-participation in decision-making takes place within spaces that the institution itself makes available. Within the legislative scope, the solidarity economy can define and operate for development processes, which however remain dependent on the funds made available by the public authority. This sterilizes the innovative and non-standardized contribution that the experiences could make referring to different contexts and define as a "longa-manus" of the public institution.

## 7- The democratic symmetric relationship

In the symmetrical democratic relationship, instead, governance is hypothesized to favor a concerted planning at the microeconomic level, in which actors can recognize themselves. Therefore, the emphasis is placed particularly on a symmetrical, interdependent relational behavior. Organizations can make an important contribution to policy orientation, and the public institution likewise recognizes a decision-making space for these organizations. Consequently, there is a mutual recognition in the respective regulatory function; thus, an integration of the two regulatory forms. This could mean that the two actors co-construct policies, and co-evaluate their effects. To do this we need strong public regulation that supports networks and organizations.

The experiences of regional committees in the French case and of DES in the Italian case may represent an example, albeit fragile. Due to the methodology used for this work French organizations are represented in the democratic-symmetric model with a large number. In this relationship we meet a series of organizations in direct relation with the institution, because they carry out important public services for the public. They are present at the local level in the development committees of the local development plan (PLDE), and propose concrete development actions, agreed with other actors on the territory, with however a growing difficulty of negotiation. The risk of a dependence on funds, when a direct relationship between the two actors is not established, is therefore very concrete. A possible instrument to solve this problem is to create a dedicated space of governance with appropriate instruments, which can discuss about the allocation of resources.

While the French case in the democratic-symmetrical relationship is represented by the associations, the Italian case is represented only by large companies. These companies are already strong enough to autonomously mediate their own interests within public spaces, while we do not encounter examples of strong mediation of the network in representing the solidarity economy. The solidarity-based economic network could play an important role in supporting and mediating the issues at the political level, favoring participation in a symmetrical relationship also of the most fragile organizations from this point of view. In fact, in this type of relationship, the French

case is also represented by less structured association organizations and not only by big firms. This is due to the different positioning of the solidarity economy network which also represents those organizations that do not have the economic and political resources to do it autonomously. The impact of the network is therefore fundamental in producing the change that is expected of the solidarity-based economy organizations at the local level, to support local development through the action of negotiation among different actors.

## 8- Conclusions

The objective of the research is to investigate how the regulatory context promote inclusive economic experiences, as stated in all SDG's and in particular in 8<sup>th</sup>. The hypothesis is that a strong public regulation is fundamental to do this.

The two regional networks, very similar to the starting values, identify two different integrative approaches with the public institution that affect the creation of institutional structures.

In the case of APES, the network is identified by the region as a tool for participatory development of the territory. The institution encourages moments of shared participation and collective planning on the issues of solidarity economy. In the REES case, this action is promoted from the bottom by the actors of the network. The action is more discontinuous and fragile, and the relationship with the region is irregular, mediated by dynamics of particularism.

In the REES network, actors demand for an acknowledgment of the social movement that maintains a differentiated posture with respect to the region. In APES there is collaboration with the local institution because the tools that are offered encourage participation in planning activities. Given that on the one hand the informal structures in REES, for example the GAS and the DES, succeed in being innovative in the intervention modalities and in the themes dealt with; on the other hand, they also experience a strong weakness since they are built on the sidelines of the public intervention. In contrast, the organizations belonging to APES undergo an integration with the public regulatory form based on a strong dialogue. However, when the relationship is based only on the provision of funding, this creates dependence and does not favor innovation in experiences.

It is clear that institutional intervention could be an obstacle to development actions if they are perceived as too rigid and structured. These results seem to show that "bottom-up processes" can more effectively govern increasing complexity than those imposed "from above" and that this happens when common interests are recognized and pursued, and it is affirmed the ability of local systems to activate collective resources» (Fortunato et al., 2007). It is not enough that the local institution provides a strong support to local experiences, but it is necessary that it engages itself in symmetrical dialogue with organizations, and that there is a mutual recognition of respective regulatory roles. Study has shown that, when this does not happen, there are high *transaction costs* which would interfere with the intersection of several regulatory forms (Cella 1997; Williamson 1988), which would strongly influence regulatory dynamics.

When the relationship between public institution and solidarity economy organizations is based only of funding and does not presuppose a sharing of parameters for the choice of territorial policies, it risks relying on a dependence between the two forms or on an incorporation, which ultimately defines a high degree of tension between the forms. In this situation the flows between the forms are limited to being exchanged in a relationship of incorporation of one form into another, or of complete disinterest, and therefore there is no symmetrical exchange and interdependence between the regulatory forms; there is no mutual recognition.

If the solidarity-based networks maintain a political movement posture, and the public regulation that of coordination and propulsion, the integration between the two forms is easier because both maintain their regulatory position for the reproduction of the integration. In this way the difference

between the actors is maintained, i.e., the public actor versus the civil society. The dialogue is the symmetry and the reciprocity of the relationship. Given that in this relationship the relational tension is low, this should not be confused with the prospect of relationships without contrasts.

Symmetry in the relationship, in this case, creates the conditions of social change when it allows the integration between the different forms of regulation. In relation to the two realities, we can confirm this hypothesis in the experiences of territorial participated negotiations in the DES of the Italian case and in the territorial committees of the French case, though, this condition is not always simple to achieve. The relationship identified as "symmetrical democratic" takes shame only when the network is recognized in a space of governance in order to exchange with the public institution in territorial governance. In this sense, a "public space of proximity" (Fraisse 2007) is built into the experience of democratic participation, in which the network is legitimized to participate. When, for example, APES technicians propose policies and elaborate them together with the technicians of public institutions, such as for the actions of the electronic platform of fair trade, they create a public space of proximity, in which every regulatory function is respected.

Practices of solidarity economy in this way become a "social magma" (Magatti 2005) that mediates the action of the individual towards change. This happens when the public regulation is strong, enhances the actors, offers opportunities for development, and, above all, favors participatory planning actions.

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