SOCIOLOGY 929
THE SOCIAL ECONOMY
FALL 2010
Room 8108 Social Sciences
Wednesdays, 2:00 – 4:00/5:00
Note: the seminar will end at 4:00 on days when there is a Havens center lecture:
9/8, 10/20, 10/27, 11/10, 11/17, 12/8

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PROLOGUE: THE ORIGINS OF THIS SEMINAR

Usually when I organize a graduate seminar I already thoroughly know the literature and have a well worked-out logical sequence of weekly discussions planned from the start. The seminar has a clear direction leading to a destination. I know the punchlines in advance. This is not really the case for this seminar on the social economy.

I began reading material linked to the social economy several years ago in conjunction with work on my book *Envisioning Real Utopias* (Verso: 2010). In 2007, I was invited to give a series of lectures on my earlier book, *Deepening Democracy*, at the Polanyi Institute in Montreal. There I met Marguerite (Margie) Mendell, the director of the Institute and a prominent scholar on what she described as “the social economy.” I had encountered the term before, but I hadn’t given it much thought nor had I read anything directly on the subject. While in Montreal I also learned about the extremely interesting institutional innovations that had been created to promote and coordinate social economy in Quebec, especially the *Chantier de l’économie sociale* (the council of the social economy). I immediately saw how this institution was connected to the core theme of the real utopias manuscript – which I sometimes describe as “taking the ‘social’ in socialism seriously.” As I further revised the book manuscript over the next two years it became clear that many of the forms of economic activity subsumed under the rubric “social economy” fell under one or another of the “pathways of social empowerment” in my model of envisioning real utopias. In the final version of the book the social economy of Quebec and the institution of the *Chantier* became one of the pivotal case studies.

After finishing *Envisioning Real Utopias* in the fall of 2009, I began preliminary work on two strands of research designed for future volumes in the Real Utopias Project, one on the social economy and one on worker-cooperatives. (It remains to be seen whether these are really two distinct projects or a more comprehensive single project, since worker cooperatives are sometimes viewed as part of the social economy). The worker cooperative project involves a collaboration with a group in Barcelona connected to the Center for Research on Overcoming Inequalities and will focus on Mondragon and other exemplary cases of worker cooperatives within capitalist economies. The social economy project involves close collaboration with Margie Mendell. To launch that project I spent two weeks in Quebec in February 2010 doing preliminary fieldwork, visiting various sites of the social economy, interviewing a range of different actors, and assembling a more comprehensive bibliography on the themes. After that trip I decided that the best way for me to gain fuller control over the literature was to organize a seminar on the social economy. The objective of this seminar, therefore, is for all of us to learn together about the theoretical and empirical issues involved in the social economy.

WHAT IS THE SOCIAL ECONOMY?

Economic activities are organized in four primary ways in contemporary societies: through capitalist markets, by the state, within the family, and in the “social economy.” The social economy is the least familiar of these forms and has received the least systematic treatment by sociologists and economists. Indeed, the term itself is not yet standard in theoretical discussions of economic forms, and so a variety of other terms are sometimes used to tap into the same general empirical domain: the solidarity community, the community economy, the nonprofit sector, the third sector, the citizen’s economy, among others. Negatively defined, these are economic activities that are not oriented to maximizing profits and not organized by the state or
the family. Positively they are economic activities oriented to meeting individual and collective needs and organized through various kinds of voluntary associations within communities.

**GOALS OF THE SEMINAR**

This seminar will revolve around three tasks: concept formation; theory construction; empirical research.

*Concept formation.*

Our first task will be to explore a range of theoretical treatments of the social economy and try to give this concept greater theoretical specificity. There are many ways this can be done. Here is one of them:

In this formulation, the social economy is characterized by voluntary association oriented to collective needs. This is most sharply contrasted to the capitalist economy which is characterized by cooperation based on power oriented towards private interests. We will examine this and a variety of other conceptualizations. This will also provide the seminar with a good opportunity to think about the nature of concepts and the practical tasks of giving precision to a working concept.

*Theory construction.*

The purpose of forming concepts is to use them to build theories. Theories are always in the service of solving some kind of problem. My particular preoccupation is the theoretical problem of the relationship between the social economy and capitalism. There are two broad ways in which this relationship has been theorized:

1. The social economy is a niche within capitalist economies that engages in various kinds of economic activities that would be unprofitable for capitalist firms.
2. The social economy is a non-capitalist form of economic organization that could be corrosive of capitalism and constitutes a potential pathway beyond capitalism.

These two theoretical understandings of the causal relationship between the social economy and capitalist economy could, of course, both be correct; which is most relevant may depend upon other contextual factors.

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Primary interests motivating economic activity:
- State economy: collective
- Social economy: voluntary association
- Capitalist economy: power
- Family economy: private
**Empirical Research.**

This seminar will be an active research seminar, not just a reading-and-discussion seminar. The goal will be for the students in the class to substantially finish a serious research project by the end of the semester. For this to be at all realistic, students will need to decide on a research project by the end of September. My expectation is that these projects will mostly focus on a single type of social economy activity (perhaps even a single social economy enterprise), but I am open to other sorts of projects as well (see below). I do not want papers to be a general review of the literature on the social economy or a full-scale theoretical treatise on the problem of the social economy – although, of course, papers will involve theoretical and conceptual discussions. Rather, the idea is for the papers to involve gathering systematic data – quantitative and/or qualitative – on real social economy organizations and activities, exploring how they work, the dilemmas they face, the conditions which enhance or undermine their viability, etc.

**RESEARCH THEMES**

There is a very wide range of possible themes for the research projects. Here is a partial list:

- Studies of particular sectors within the social economy: social housing; employment insertion (especially for long-term unemployed); healthcare; childcare; eldercare; the performing arts; worker cooperatives; new credit/finance institutions.
- Institutions for coordinating the social economy, such as the *Chantier* in Quebec
- Conflicts between social economy and the labor movement
- Social movements and the social economy
- The social economy as a strategy for combating social exclusion: comparative analyses
- Progressive and Conservative projects for the social economy in a particular country or region
- The interactions of different organizational forms within a particular regional social economy

**RESEARCH TEAMS**

My hope/expectation is that in most cases students will form research teams of 3-4 students and do collective projects. (This is the reason why I have allowed the size of the seminar to increase to over 20 students, which will make it easier to form groups of 3-4 people interested in some connected theme). There are many models for the division of labor within such research teams. Here are some examples:

- Each person could work on a different organization within a common type of social economy activity
- cross-national comparisons of social economy activities within a particular sector of the social economy: each student could focus on a different country
- cross-national comparison of the overall structure of the social economy in different countries: each student working on a different country
• Comparisons of different kinds of social economy enterprises engaged in the same broad economic sector within a country: each student could focus on a different type of enterprise

• Systematic study of a single organization: different students could focus on different aspects of the data gathering and analysis.

AN AGENDA OF RESEARCH QUESTIONS

One of the things we want to develop in the course of the first part of the seminar is a menu of questions that should be posed in research projects on social economy activities. Below is a partial list of such questions which explore the problem of how organizations within the social economy really work. (Note: I use the term “social economy organization” here in a completely general sense to cover all the different sorts of entities that get included in the social economy: social enterprises, social businesses, worker cooperatives, nonprofits, etc.)

1. **Funding of social economy activities**: Where does the social economy organization get its operating funds? Where does it get long-run capital – for buildings and other long-term assets? How much funding is derived from market transactions? From market-based financial institutions? From nonprofit foundations? From the state? From direct contributions?

2. **Internal governance**: How is authority organized within the social economy organization? What is the role of experts? What kind of power do the “employees” of the organization have?

3. **External accountability**: What are the mechanisms – if any – which hold the organization accountable to broader communities? Is there some kind of stakeholder board which links the organization to a wider community?

4. **Connections to civil society**: How is the organization connected to civil society? Does it have formal relations with other civil society organizations and associations? Is it part of a larger consortium of social economy organizations of some sort? How does this function?

5. **Connections to the state and politics**: What rules and regulations from the state regulate the social economy? What is the legal status of the organization? How does political “patronage” figure in the operation of the social economy?

6. **Connections to capitalist firms**: Does the social economy organization have direct ties to capitalist firms? Does it compete directly with capitalist firms?

7. **Income distribution for participations**: How are participants in the organization paid? Are there profits from the social economy activity? Who gets them? How much does the organization rely on unpaid volunteer labor?

8. **Ideology**: What is the ideology that underlies the social economy organization’s mission? How explicit is it? How clearly do the participants understand this ideology?

9. **Constraints, dilemmas, bottlenecks**: What are the central obstacles faced by the organization in either being replicated or expanding? What are the basic trade-offs it faces among the values of its mission or between its values and other imperatives?

This is only a partial list, and even these questions are in need of refinement. If we can develop a common list of questions that will inform all of the research papers, this will enhance our collective learning from the research during the semester.
SCHEDULE OF THE SEMINAR

In order to make it possible for students to do a project within a semester, the seminar sessions will be organized in the following way:

- **Weeks 1-7 (September 1-October 13):** Reading and discussion
- **Week 3 (September 15):** Initial discussion of broad research interests
- **Week 5: (September 29)** form research teams
- **Weeks 8-9: (October 20-November 3):** No regular seminar sessions during these two weeks so students can intensively begin their research. I will be available for consultations with research teams and discussions during class time.
- **Weeks 10-15 (November 10-December 8):** We will meet during the regular seminar time for “brainstorming” discussions of the research project. Each week we will hear a report from each research team, but we will spend more or less time discussing any given project depending on the situation. The purpose of these discussions will be to refine the research questions, to think about the gaps in data, and generally to think through the practical and theoretical issues posed by each project.
- **Weekend of December 11-12:** Mini-conference on the Social Economy where the research will be formally presented (see p.6 below)

WEEKLY READING INTERROGATIONS: WEEKS 2-7

Through October 20, the seminar will be more like a typical reading & discussion seminar, with a set of readings each week that we will discuss in class. To facilitate these discussions, all participants are required to prepare a “reading interrogation” each week which will form the basis for the discussion. These interrogations are not meant to be mini-papers on the topics of the readings. Rather, they are meant to be think pieces, reflecting your own intellectual engagement with the material: specifying what is obscure or confusing in the reading; taking issue with some core idea or argument; exploring some interesting ramification of an idea in the reading. These memos do not have to deal with the most profound, abstract or grandiose arguments in the readings; the point is that they should reflect what you find most engaging, exciting or puzzling, and above all: they should clearly specify what you would most like to talk about in the seminar discussion. A good interrogation is one that poses a clear and discussable question. (Since I use the memos to distill the seminar agenda, it is pretty frustrating when I have to read a memo several times in order to extract an agenda item from it.) There is no set length for these interrogations. It is fine (even preferable!) for them to be quite short – say 200 words or so – but longer memos (within reason – remember: everyone in the class will read them) are also OK. The interrogations should be written single-spaced in MS-Word.

These interrogations are due by midnight on the Monday of each week before the seminar so that I can get to work on them first thing Tuesday morning. I will then assemble them into a single document and distribute them to all students by email by the end of the afternoon on Tuesday. All students should read these interrogations before class on Wednesday afternoon. I will distill an agenda of themes and questions for the seminar from the interrogations. At the seminar when we get to a specific agenda item, students whose memos contributed to that issue will be asked to speak first on the topic.
MINI-CONFERENCE ON THE SOCIAL ECONOMY: DECEMBER 11-12

On the last weekend of the semester – December 11-12 – we will be having a two day mini-conference on the social economy at which the research groups will present their papers. The workshop will be held at Upham Woods, a beautiful University of Wisconsin facility on the Wisconsin River about an hour north of Madison. This workshop conference will be organized in the manner of a professional conference, so this will also give students practice in presenting papers at such events.

In addition to the academic sessions, the retreat will also include a gourmet potluck and party Saturday evening – with music, dancing, singing, general carousing – and, if we have snow, a couple of hours of tobogganing on a wonderful toboggan run at the conference center.

Spouses/partners, friends and children are also welcome to come for the weekend – there are nice activities in the area for children while the workshop is in session (including indoor water Parks in Wisconsin Dells). I will cover part of the costs of the retreat, so the out-of-pocket expenses should be about $35/person for room and board. While it is not an absolute requirement for students to participate in this event, I feel it will be a valuable and enjoyable way to wrap up the semester so I strongly urge everyone in the class to come.

Directions to Upham Woods
U.S. SOLIDARITY ECONOMY NETWORK

I think it might be a useful idea for all participants in the seminar to join the U.S. Solidarity Economy Network (SEN) Research and Policy Working Group. This is a network of academics and practitioners who exchange information and cooperate on various kinds of projects connected to the social/solidarity economy. You can sign up (for free) at: http://ussenresearchpolicy.pbworks.com/. One of the things they work on is what they call "mapping" the social economy. I think many of you will find this of interest and it may also help give some direction to your research projects in the seminar.

Readings

Because I only began systematic work studying the social economy in the past year, I am treating the reading assignments for the seminar as an opportunity for me to read new things along with the other participants in the seminar. Of course, this has some risks: I have not read carefully everything that I am assigning, and so some of the items may be fairly uneven.

The readings are mainly of two sorts: pieces which attempt to grapple with theoretical issues in conceptualizing the social economy, and empirical case studies. I have included a number of books that assemble lots of case studies since I think these may be helpful in shaping the research projects in the class. Many of these case studies, however, are not very analytical, and some undoubtedly will be quite superficial descriptively as well. Especially in the books where there are multiple case studies, I recommend reading the most interesting cases quite carefully and skimming those that seem less compelling.

Books ordered at Rainbow Bookstore Cooperative

There are a number of books in which we are reading extensively. These I have ordered at Rainbow Bookstore Cooperative, 426 W Gilman St (near State Street). This is an independent, community-oriented bookstore, not part of any larger chain or corporation. I strongly urge you to buy the books from Rainbow rather than from an on-line book seller since the store relies heavily on sales of University course books for survival.

**SPECIFIC READING ASSIGNMENTS**

The links to the readings that are not in books can be accessed from the on-line version of the syllabus at: [http://www.ssc.wisc.edu/~wright/Sociology-929-assignments-2010.htm](http://www.ssc.wisc.edu/~wright/Sociology-929-assignments-2010.htm)

**Session 1. 9/1**

**INTRODUCTION: SOCIAL ECONOMY & REAL UTOPIAS**

The purpose of this introductory session is twofold: first, to discuss the general framework for thinking about the social economy that I have elaborated in my work on envisioning real utopias, and second, to get a broad sense of the lay-of-the-land in academic discussions of the social economy.

Erik Olin Wright, *Envisioning Real Utopias*, chapters 5, 7, 10


**Session 2. 9/8**

**DIMENSIONS OF THE SOCIAL ECONOMY**

Defined negatively, the social economy consists of economic activity that is not capitalist, statist, or familial. This includes a fairly broad range of different sorts of economic activities and forms of economic organization. In this session we will examine a number of different ways of defining this domain and its internal differentiations/dimensions.


Evers and Laville, “Defining the third sector in Europe.” pp. 11-38

Evers and Laville, “Social Services by social enterprises: on the possible constructions of hybrid organizations and a civil society.” pp. 237-352

Chapter 1. An Introduction to Canada’s Social economy
Chapter 2. Social economy Businesses
Chapter 4. Social Enterprises
Chapter 6. Civil Society Organizations


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**Session 3. 9/15**

**ALTERNATIVE PERSPECTIVES ON THE SOCIAL ECONOMY**

Ash Amin has been one of the leading writers on the social economy. This book collects a range of case studies from different countries, deploying different definitions and addressing different theoretical agendas.


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**Session 4. 9/22**

**A CASE STUDY: INNOVATIVE FORMS OF URBAN AGRICULTURE (GROWING POWER)**

On Saturday, September 25, we will have a tour of the remarkable agricultural social economy project in Milwaukee, *Growing Power*. One of the participants in the seminar, Kathleen Doherty, did her Master’s Thesis on Growing Power. I thought we could read her thesis in preparation for our visit and use the opportunity of the discussion to give her suggestions about revisions for publication. Emmanuel Pratt, a PhD student in urban planning at Columbia, is also currently doing his dissertation on Growing Power. He will attend the seminar and give us in advance some chapters from his dissertation to read.


Emmanuel Pratt. Chapters from dissertation on Growing Power.
Session 5.  9/29

SOCIAL ENTERPRISES: COMPARATIVE STUDIES

The term “social enterprise” has become increasingly popular in discussions of the social economy and related matters. Generally this term is used to describe enterprises which serve community needs and have a strong social mission and yet derive a significant part of their finances through commercial activity. The Kerlin book brings together case studies of such enterprises from around the world. Under “Additional readings” I have included the case studies from a large European project on the Third Sector and social enterprises. If you have time you might look at a number of these as well.


Additional Readings

National case studies of social enterprise from The emergence of Social Enterprise, edited by Carlo Borzaga and Jacques Defourny (Routledge, 2004):

- Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy,
- Luxembourg, Portugal, Spain, Sweden, Netherlands, United Kingdom

Other material from Borzaga & Defourny book:

- Introduction: from third sector to social enterprise
- Social Enterprises as incentive structures
- The significance of social capital in social enterprises
- The social enterprise: toward a theoretical socio-economic approach

Session 6.  10/6

THE SOCIAL ECONOMY AS A COMMUNITY ECONOMY

Julie Gibson and Katherine Graham, who write under the name J.K. Gibson-Graham, have for a very long time been academic activists involved in building what they call “community economics”. You can learn more about their activism and its relationship to their theoretical work on the website of the Community Economics Collective, a group located in Amherst, Massachusetts: http://www.communityeconomies.org/Home. Their intellectual roots are firmly in Marxism – especially the kind of post-structuralist Marxism associated with Richard Wolfe and Stephen Resnick – and Feminism.

J.K. Gibson-Graham, A Postcapitalist Politics (University of Minnesota Press, 2006)

- Chapter 3. Constructing a language of Economic Diversity 53-78
- Chapter 4. The Community Economy 79-100
- Chapter 5. Surplus Possibilities 101-126
- Chapter 7. Building Community Economies 165-196
Session 7. 10/13

INFORMATION TECHNOLOGY AND POST-CAPITALIST POSSIBILITIES

Most discussions of the social economy pay very little attention to new information technologies and the emergence of what is sometimes called the network-economy. Economic phenomena like Wikipedia, open-source programming, the creative commons, copyleft, etc., are seen as unrelated to social enterprises, worker cooperatives, and community economics. I think that there is a connection between these. I thought it would be useful to spend a week on this especially since Yochai Benkler will be visiting Madison October 27-29 as a Havens Center speaker.


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Possible Additional Sessions

I have only planned seven sessions of readings and discussions for the semester. If the participants in the seminar would like to have some additional weeks of reading and discussion, here are some possible topics:

1. Worker-owned cooperatives: The Mondragon Cooperative Corporation
2. Worker cooperatives in the “middle Italy”
3. Discussions of specific sectors:
   - The performing arts
   - Healthcare
   - Eldercare
   - Agriculture
   - Transportation
   - Finance
PRINCIPLES FOR SEMINAR DISCUSSIONS

The following guidelines are intended to facilitate seminar discussions. Some of them may sound obvious, but from past experience it is still important to make them explicit.

1. READINGS. At least for the first part of each seminar session the discussions should revolve systematically around the week’s readings rather than simply the topic. There is a strong tendency in seminars, particularly among articulate graduate students, to turn every seminar into a general “bull session” in which participation need not be informed by the reading material in the course. The injunction to discuss the readings does not mean, of course, that other material is excluded from the discussion, but it does mean that the issues raised and problems analyzed should focus on around the actual texts assigned for the week.

2. LISTEN. In a good seminar, interventions by different participants are linked one to another. A given point is followed up and the discussion therefore has some continuity. In many seminar discussions, however, each intervention is unconnected to what has been said before. Participants are more concerned with figuring out what brilliant comment they can make rather than listening to each other and reflecting on what is actually being said. In general, therefore, participants should add to what has just been said rather than launch a new train of thought, unless a particular line of discussion has reached some sort of closure.

3. TYPES ON INTERVENTIONS. Not every seminar intervention has to be an earth-shattering comment or brilliant insight. One of the reasons why some students feel intimidated in seminars is that it seems that the stakes are so high, that the only legitimate comment is one that reveals complete mastery of the material. There are several general rules about comments that should facilitate broader participation:

- No intervention should be regarded as “naive” or “stupid” as long as it reflects an attempt at seriously engaging the material. It is often the case that what seems at first glance to be a simple or superficial question turns out to be among the most intractable.

- It is as appropriate to ask for clarification of readings or previous comments as it is to make a substantive point on the subject matter.

- If the pace of the seminar discussion seems too fast to get a word in edgewise it is legitimate to ask for a brief pause to slow things down. It is fine for there actually to be moments of silence in a discussion!

4. BREVITY. Everyone has been in seminars in which someone consistently gives long, overblown speeches. Sometimes these speeches may make some substantively interesting points, but frequently they meander without focus or direction. It is important to keep interventions short and to the point. One can always add elaborations if they are needed. This is not an absolute prohibition on long statements, but it does suggest that longer statements are generally too long.

5. EQUITY. While acknowledging that different personalities and different prior exposures to the material will necessarily lead to different levels of active participation in the seminar discussion, it should be our collective self-conscious goal to have as equitable participation as
possible. This means that the chair of the discussion has the right to curtail the speeches by people who have dominated the discussion, if this seems necessary.

6. SPONTANEITY vs. ORDER. One of the traps of trying to have guidelines, rules, etc. in a discussion is that it can squelch the spontaneous flow of debate and interchange in a seminar. Sustained debate, sharpening of differences, etc., is desirable and it is important that the chair not prevent such debate from developing.

7. ARGUMENTS, COMPETITIVENESS, CONSENSUS. A perennial problem in seminars revolves around styles of discussion. Feminists have often criticized discussions dominated by men as being aggressive, argumentative, competitive. Men, on the other hand, have at times been critical of what they see as the “feminist” model of discussion: searching for consensus and common positions rather highlighting differences, too much emphasis on process and not enough on content, and so on. Whether or not one regards such differences in approaches to discussion as gender-based, the differences are real and they can cause problems in seminars. My own view is the following: I think that it is important in seminar discussions to try to sharpen differences, to understand where the real disagreements lie, and to accomplish this is it generally necessary that participants “argue” with each other, in the sense of voicing disagreements and not always seeking consensus. On the other hand, there is no reason why argument, even heated argument, need by marked by aggressiveness, competitiveness, put-downs and the other tricks in the repertoire of male verbal domination. What I hope we can pursue is “cooperative conflict”: theoretical advance comes out of conflict, but hopefully our conflicts can avoid being antagonistic.

8. CHAIRING DISCUSSIONS. In order for the discussions to have the kind of continuity, equity and dynamics mentioned above, it is necessary that the discussion be lead by a “strong chair.” That is, the chair has to have the capacity to tell someone to hold off on a point if it seems unrelated to what is being discussed, to tell someone to cut a comment short if an intervention is rambling on and on, and so on. The difficulty, of course, is that such a chair may become heavy-handed and authoritarian, and therefore it is important that seminar participants take responsibility of letting the chair know when too much monitoring is going on.

9. REFLEXIVITY. The success of a seminar is a collective responsibility of all participants. Professors cannot waive magic wands to promote intellectually productive settings. It is essential, therefore, that we treat the process of the seminar itself as something under our collective control, as something which can be challenged and transformed. Issues of competitiveness, male domination, elitism, bullshit, diffuseness, and other problems should be dealt with through open discussion and not left to the end of the seminar. Please let me know if you have concerns of any sort, and it is always appropriate to raise issues with our collective process.