

# Mainstreaming Social and Solidarity Economy: Opportunities and Risks for Policy Change

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## Introduction

Advocates for social and solidarity economy (SSE) face a dilemma. On the one hand, they generally seek to promote a more enabling environment which implies closer interaction with organizations and institutions associated with both the state and the private sector. Yet, while such relations may lead to more supportive policies and better terms of insertion in the market economy, they are also prone to multiple risks and tensions. Furthermore, as SSE enters the mainstream its meaning also runs the risk of being diluted and distorted.

As the UN Inter-Agency Task Force on SSE (UNTFSSSE) enters its fourth year of existence, and as its relations with governments and multilateral institutions expand, it is an opportune moment to revisit the question of what exactly SSE is, whether its core principles are being upheld as SSE advocacy is ratcheted up within policy making circles, and whether new or potential allies or partners associated with state and private sector institutions really share the same interpretation of SSE.

This paper addresses these questions. Divided in three main parts, it begins by reviewing contemporary definitions of SSE and identifying key principles and constituents. Part 2 identifies various opportunities and risks that can arise when the concept and agenda of SSE enter the mainstream. Part 3 will address the strategic implications of this analysis for SSE advocacy and the work of the UNTFSSSE.

## I. Defining SSE: Back to basics

SSE has always been a contested term. This is perhaps inevitable given its origins. As an umbrella concept it brought together two different ideological perspectives. One, associated with ‘**social economy**’ accepted the rules of the game of the capitalist system and its core institutions but sought complementarities in terms of organizations and enterprises that were more people-centred, for example, cooperatives, mutual associations and foundations. Social economy is sometimes used interchangeably with the ‘third sector’ (neither public nor private), which, in addition to the above, focuses attention on voluntary and community organizations, registered charities or NGOs.

‘**Solidarity economy**’, in contrast, pushed the envelope of transformative change. It fundamentally challenged several core institutions of the capitalist system and sought alternatives centred on redistributive justice, deep sustainability, active citizenship and a more profound reconfiguration of power relations. Indeed, it has been referred to as ‘the only new way of

thinking about and envisaging effective and profound transformative processes' capable of addressing a broader 'crisis of civilization'.<sup>1</sup>

The coming together of these two strands as 'social **and** solidarity economy' or 'social solidarity economy' made sense conceptually, given their many commonalities in principles and practices. It also made sense strategically – to build a more effective movement for change involving a broader coalition of actors. However, the differences in world views and points of emphasis have always generated tensions within the SSE movement.

Contestation over the meaning of SSE is also inevitable given three very different criteria that can be used to define the concept. These can be legal, normative or politico-cultural. The legal approach defines SSE in terms of organizations that have a distinct form of **ownership and legal standing**. Traditionally (notably in Europe) this applies to cooperatives, mutual, associations, NGOs and foundations, that are constituted under specific laws pertaining to these types of organizations (Poirier 2014). In some countries, social enterprises are being added as a distinct legal category.

Another approach emphasizes **normative principles**.<sup>2</sup> These generally relate to 'the ethics of care, cooperation and solidarity'<sup>3</sup>, social and environmental purpose, community orientation, prioritizing service provisioning to primary stakeholders above profit maximization, participation and democratic governance, collective well-being and action, and 'the primacy of people and work over capital in the distribution of revenues.'<sup>4</sup>

A third approach – **politico-cultural** in nature – recognizes national and regional differences in interpretations of SSE and the need to accommodate such differences. In contrast to Europe and parts of Africa, which have long emphasized the role of associations and cooperatives; parts of East and South East Asia and the Arab region<sup>5</sup> highlight the place of social enterprise within SSE. In South Asia, self-help and community groups are prominent.

Such approaches can lead to contradictions. The Intercontinental Network for the Promotion of Social Solidarity Economy (RIPESS), for example, states that SSE comprises solidarity economy organizations with the more 'radical wing' of social economy. (RIPESS 2015). At the same time, however, the network urges cultural or regional sensitivity, and the need to embrace perspectives which may or may not be 'radical'.

The point to recognize is that SSE is a political construct. This has two implications. First, its meaning is not only contested but is pulled in different directions by different interests and worldviews. This is particularly apparent when countries launch a legislative process to enact laws related to SSE. As is currently occurring in Costa Rica, for example, such laws tend to involve a lengthy process wherein the meaning of SSE can be subject to modifications (Utting

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<sup>1</sup> Razeto 2013.

<sup>2</sup> OECD 2013

<sup>3</sup> Miller 2010

<sup>4</sup> Defourny and Delveterre. 1999, p. 16, cited in OECD 2013.

<sup>5</sup> ESCWA 2014

and Morales 2016). Second, effective advocacy for SSE requires building a broad-based coalition of relatively like-minded actors. What unites rather than divides ‘social economy’ and ‘solidarity economy’ actors provides a foundational basis for such a movement. Building a movement or coalition for change also requires closer interaction with mainstream organizations and institutions, including both state and private sector actors.

To guard against confusion over meaning as well as the dilution and distortion of the concept of SSE as mainstreaming occurs it is important not to lose sight of its fundamental ethos and purpose. An extensive UNRISD inquiry into the potential and limits of SSE led this author to sum up the essence of SSE in the following terms:

“SSE is fundamentally about reasserting social control ... over the economy by giving primacy to social and often environmental objectives above profits, emphasizing the place of ethics in economic activity and rethinking economic practice in terms of democratic self-management and active citizenship.”<sup>6</sup>

In academic parlance, the essence of SSE has been associated with the shift towards ‘decommodified’ economic activities and circuits where ‘the social organization and practices of the circuit constitute an alternative logic to prevalent market processes’<sup>7</sup> and where ‘a bias to greater equality and inclusion’ defines the organised logic of the economic system and technological innovation.<sup>8</sup>

SSE, then, needs to be understood both on its own terms, namely, what it is for (e.g. access to proximity services, decent work, food security, affordable housing, women’s empowerment, environmentally-friendly production and consumptions patterns, participatory democratic practices, etc.), and in relation to what it is against and wants done differently. This has important implications for policy making. Apart from promoting a more people-centred and planet sensitive approach that contrasts with one centred on competition and profit maximization grounded on negative externalities (i.e. externalizing the social and environmental costs of business activities), what SSE aims to do differently includes:

- broadening the focus of economic policy making beyond the individual consumer, producer and enterprise, to groups and the key role that collective action can play in development and change;
- directing attention not only to issues of economic empowerment but also political empowerment of disadvantaged or subaltern groups;
- focusing not only on social and environmental protection but also equality, emancipation and cultural change.

How SSE is defined or interpreted within mainstream circles will depend on the interplay of different forces that shape the policy process. These include bottom-up contestation and claims making by SSE actors, technocratic problem-solving and strategizing by policy makers, experts

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<sup>6</sup> Utting 2015: 2. This draws also on Wright 2010, Gibson-Graham 2006, Dacheux and Goujon 2011, Grasseni et al. 2015 and Laville 2015.

<sup>7</sup> Vail 2010

<sup>8</sup> Unger 2006, cited in Vail 2010.

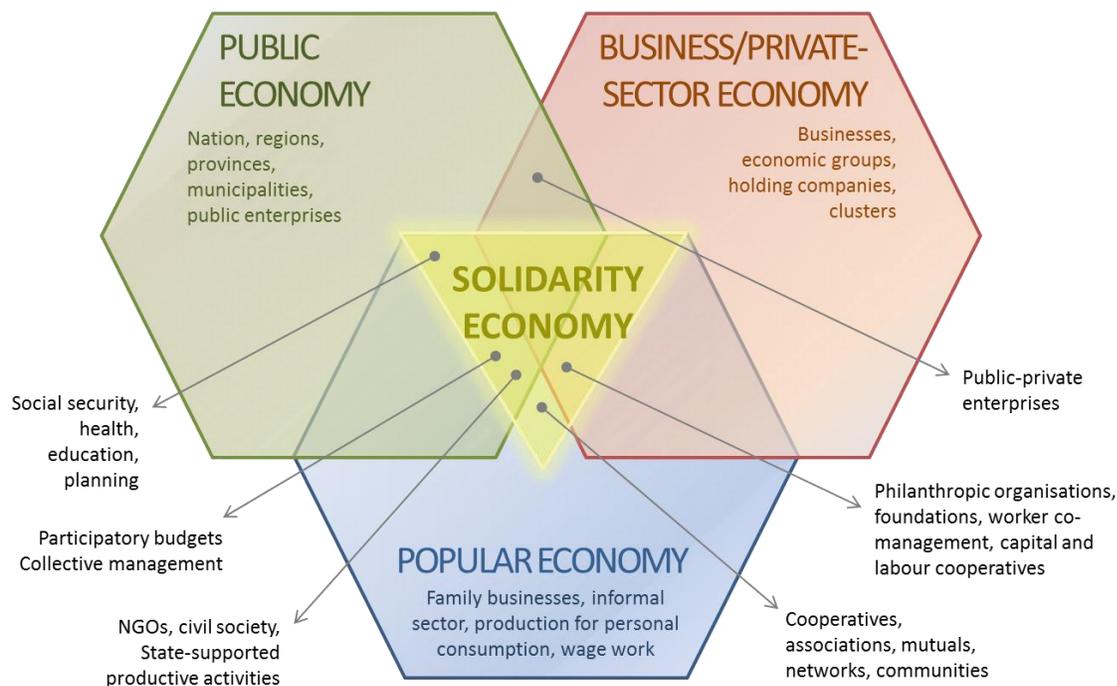
and bureaucracies, and the efforts of economic and political elites to accommodate or coopt oppositional forces for diverse reasons, not least legitimacy and stability.<sup>9</sup>

Mainstreaming, then, can open up important opportunities in terms of laws, policies, programmes, regulations and institutional reforms that can mobilize resources and create standards and regulations beneficial to SSE. But it can also cause SSE to deviate from its foundational principles. Such opportunities and risks are the subject of the section that follows.

## II. Mainstreaming SSE: Opportunities and Risks

How SSE is situated in the broader economy is depicted in Figure 1.<sup>10</sup> Here it is apparent that SSE organizations and enterprises interact with other (state/public, private and popular) sectors of the economy. As SSE is scaled up and enters the mainstream, its interactions with state and private actors and institutions intensifies.

**Figure 1: Situating SSE in the Broader Economy**



Source: Based on Coraggio 2015

Such relations have implications for how SSE is understood and interpreted, as well as for determining entry points for action and support. This is apparent in several respects. First, the focus of attention may shift towards particular types of SSE organizations. This is currently

<sup>9</sup> Utting 2015: 7

<sup>10</sup> While applicable more generally, this figure is drawn from the Latin American context where SSE is often referred to as ‘solidarity economy’. The umbrella term ‘popular economy’ is used to refer to family, community and informal economy and wage work.

occurring, for example, as policy interest in social enterprise and social entrepreneurship increases. A less cumbersome term than SSE, ‘social enterprise’ resonates with mainstream actors and efforts to reform ‘business-as-usual’ and promote small- and medium-sized enterprises and entrepreneurship. Using more amenable terms can have its advantages, not least for gaining access to policy makers and raising the visibility of SSE within policy circles. But it should not detract from other organizational forms associated with SSE. Social enterprise is also a term that sits uncomfortably within some hispanophone or lusophone knowledge circles where *empresa social* is associated with corporate social responsibility (CSR), often involving transnational corporations (TNCs).

Second, new or different types of organizations may be associated with ‘social economy’. This is particularly apparent in relation to the so-called fourth sector approach that subsumes SSE organizations under an umbrella that also includes socially-responsible business, including TNCs, financial institutions or investors practising some form of CSR or social impact investing.

Third, SSE can be instrumentalized by governments and others to achieve basic development objectives, including the provision of social services, which some would argue is the responsibility of the public sector. Another concern is that policy supporting SSE within the framework of poverty reduction may start to look and feel more like social assistance, involving transfers to the poor rather than policies that effectively empower disadvantaged groups through capacity building and collective action. Such a framework can also divert attention from the fact that SSE is comprised of a diverse range of organizations and enterprises, some of which do not fall into the category of the poor.

But instrumentalization also has its advantages. Governments and political parties are more likely to take an interest in SSE when they see that it can help them achieve basic development objectives. In a context where governments around the world have shifted their attention to the Millennium and Sustainable Development Goals (MDGs and SDGs), in general, and poverty reduction and employment generation, in particular, a vital space has opened up for connecting SSE with such goals and thereby harnessing support from policy makers. Furthermore, if it can be shown that SSE works for achieving basic development goals that are adhered to by different political parties, and that support is not simply part of an ideological agenda of one party, then SSE may stand a better chance of garnering broad-based political support and being institutionalized over the long term. This, for example, has been the experience of SSE in Quebec, Canada. This is particularly important given the difficulties that often arise of sustaining government support when pro-SSE political leaders or parties in power leave office.<sup>11</sup>

Fourth, a risk that arises with mainstreaming is that some of the defining characteristics of SSE, such as collective action, ‘associative economy’, active citizenship, democratic self-management and cultural change may get lost in translation, while other characteristics, such as social and environmental considerations, become the be all and end all of SSE.

Herein lies what is perhaps the most obvious pitfall when mainstreaming occurs. The definitions of social economy, SSE or social enterprise put forward by international or supranational

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<sup>11</sup> Utting 2016

organizations tend to limit the core characteristics to the ‘eco-social’ dimension (that is the combination of economic, social and environmental objectives or orientation) and the element of participatory or democratic governance at the level of the enterprise. This is apparent in definitions employed, for example, by the European Commission (EC), the International Labour Organization (ILO) and the Organization for Economic Cooperation and Development (OECD). More expansive definitions are generally found in those put forward by the leading SSE networks, such as the Chantier de l’Économie Sociale, RIPESS and the Rencontres du Mont-Blanc (RMB). In addition to the eco-social and micro governance dimensions, these definitions generally refer to other elements related to collective action, participation or active citizenship at the meso level and cultural change. (See Box 1)

### **Box 1: Institutional definitions**

**European Commission:** “A social enterprise is an operator in the social economy whose main objective is to have a social impact rather than make a profit for their owners or shareholders. It operates by providing goods and services for the market in an entrepreneurial and innovative fashion and uses its profits primarily to achieve social objectives. It is managed in an open and responsible manner and, in particular, involves employees, consumers and stakeholders affected by its commercial activities.”

**ILO:** “a concept that refers to enterprises and organisations, in particular cooperatives, mutual benefit societies, associations, foundations and social enterprises, which specifically produce goods, services and knowledge while pursuing economic and social aims and fostering solidarity.” (Fonteneau et al., 2011, p. vi)

**OECD:** “Social economy -- also known as 'non-profit' or 'third sector' -- organisations have grown in number and relevance, contributing to employment, social inclusion, democratic participation and community building.” (Noya and Clarence 2007) “An entire segment of the economy is composed of entities that aim to increase social inclusion and reduce inequalities, while simultaneously creating economic value. Social economy organisations [include] different types of cooperatives, associations, foundations, mutuals and social enterprises (which are businesses of various legal forms using an entrepreneurial approach in order to respond to an increasing number of social and environmental challenges) ....”

**RIPESS:** “This social and solidarity economy values work over capital. It aims at satisfying the needs of individuals and communities rather than seeking to maximize profit or financial gains. Solidarity-based economic units rest upon a model of democratic decision-making and a participatory and transparent management system, which aims at ensuring collective ownership and responsibility for the outcomes of economic activities, as well as ongoing mobilisation and contributions to ensure their success.”

**Rencontres du Mont-Blanc:** “SSE is doing business together and in solidarity for a fairer world by sharing principles of democratic governance, fairness and solidarity from a humanistic vision. SSE is co-operatives, mutuals, social enterprises, non-profit organizations and foundations from

all sphere of activity across the 5 continents. SSE is the choice of social, civic, environmental and economic collective efficiency for ... sustainable and inclusive development.”

**Chantier de l'Économie Sociale:** “... building a plural economy that aims to produce returns for the community and protect the common good, in function of communities' needs and aspirations. Social economy enterprises are collectively controlled, and contribute to ensuring the ongoing economic, social and cultural vitality of communities.”

Source: Unless otherwise indicated, websites of the relevant organizations.

Given the advantages of mainstreaming noted above, there should be no purist answer to this dilemma or shying away from relations, partnerships and alliances with international organizations and governments that, to a considerable degree, are on the same page as key intermediary organizations promoting SSE. But it is important to be aware of the tensions and possible contradictions that can arise and not to lose sight of other core dimensions, attributes and potentials of SSE.

### **Isomorphism in practice and discourse**

To understand the risks of mainstreaming, it is instructive to consider the issue of ‘isomorphism’. As defined by the Merriam-Webster dictionary ‘isomorphism’ refers to the “similarity in organisms of different ancestry resulting from evolutionary convergence”. Closer interaction between organizations associated with different sectors of the economy tends to produce some element of convergence. Such a process is encapsulated in the cumbersome term ‘institutional isomorphism’. As applied to SSE, it suggests that SSE entities may assume some of the characteristics of the mainstream actors and institutions with which they associate. This may be in terms of organizational characteristics or the agenda of change. Regarding the latter, for example, SSE involvement in providing social services may help to fill gaps in service provisioning but may also draw SSE into a neoliberal or privatization agenda centred on subcontracting and the commercialization of social services hitherto provided by public institutions.<sup>12</sup>

As SSE becomes immersed in market relations and interacts more with private sector firms within its orbit, changes in organizational form may also occur. Two well-known examples relate to micro-credit and large cooperatives. In some countries, the scaling up of micro-credit has been associated with its commercialization and the growing indebtedness of clients rather than the empowerment of the disadvantaged. It also tends to focus on individuals as clients rather than groups as agents of change.<sup>13</sup> Another example relates to what Defourny and Delvetere (1999) have called ‘coopitalism’. Like private sector firms, large cooperatives often adopt more hierarchical governance structures and managerial practices that may favour the criterion of efficiency over equity. In some cases they may even begin to outsource work under conventional labour relations. In the case of Mondragon it has been argued that some of its practices deviate

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<sup>12</sup> This issue is discussed by Rossel (2015) with reference to the case of Uruguay.

<sup>13</sup> Bateman and Chang 2012; Nelson 2015

from cooperative principles and start to resemble more those associated with CSR.<sup>14</sup> Such developments can extend into the realm of advocacy. In several countries and regions large cooperative institutions have not identified or sided with, or indeed opposed, advocacy by and for SSE.

A sort of conceptual isomorphism also appears to be taking place whereby certain interpretations of SSE start to look and feel like reformist perspectives related to the mainstream private sector or capitalist economy. Three examples illustrate this point. The first relates to the growing attention to, or bias towards, social enterprise and social entrepreneurship within mainstream knowledge and policy circles. The second has to do with the rise of the so-called fourth sector approach, comprising ‘blended value’ or ‘for-benefit’ organizations’ that adopt a variety of objectives associated with financial, social, environmental dimensions, as well as ‘good governance’ and managerial competency. This applies, for example, to NGOs that are transitioning from a reliance on grants to income streams based on market exchange, as well as more conventional professionalized management methods. It also refers to private sector firms, for example, transnational corporations, that adopt principles and practices associated with corporate social responsibility or corporate sustainability.

Central to such developments is the notion that organizations and enterprises are adopting a triple bottom line, comprising multiple objectives considered conducive to sustainable development, given their focus on financial, social and environmental dimensions. Because SSE entities inherently have multiple objectives it is assumed that all such entities adopting a triple bottom line or blended value approach or that are concerned with social impact investing can be lumped together.

A third example, relates to reducing the notion of solidarity to philanthropy which, as Jean-Louis Laville explains, tends to narrowly interpret “the social question in terms of the fight against poverty and assume[s] that voluntary social action [is] key for improving the fate of the poorest. In a nutshell, it prefers individual engagement and ethical awareness over norms emanating from public authorities and political questions.” (2015: 54)

Conceptual isomorphism raises several major concerns. One concerns false equivalency or comparing apples with oranges. Just because fourth sector enterprises claim to be addressing multiple objectives does not mean they are on a par. If we think of the triple bottom line in terms of a three-legged stool, in the case of SSE it stands a much better chance of being a relatively stable stool with three legs of roughly similar proportions. In contrast, as applied to corporations, the triple bottom line tends to produce a very uneven stool where one leg – the financial/economic – is far longer than the others.

Another concern relates to diluting the agenda of change. With the triple bottom line and blended value approach, the agenda for change focuses on one main reformist element, namely the need to address negative (social and environmental) externalities associated with economic activity and business behaviour. This is indeed a worthy objective but it is one that downplays, if not

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<sup>14</sup> Altuna-Gabilondo2013

ignores, several other core features of SSE. These relate to political, cultural and structural change.

A core aspect of SSE relates to effective democracy, participation or active citizenship, not only at the micro level of decision-making and governance processes within organizations or enterprises but also at the meso level of intermediary organizations and networks and their participation in claims-making and governance in local, national and international arenas. Another important distinction between SSE and other fourth sector organizations is how SSE tends to connect with social movements.

SSE is also about cultural change in lifestyles, consumption patterns, patterns of human interaction and our rapport with the environment or Mother Earth. The Andean indigenous concept, known in its Spanish form of *Buen Vivir*,<sup>15</sup> – which emphasizes living in harmony with others and nature, and collective well-being – sums up several such aspects. So too do aspects of so-called post-industrial identity politics with its emphasis on environmentally- and socially-conscious production and consumption patterns; active community engagement; bio-, social- and ethnic-diversity; gender equality and so forth. Such aspects are not usually at the forefront of progressive business-related models of change. The key point here is that SSE is as much a politico-cultural project as it is an eco-social<sup>16</sup> one. And by subsuming SSE within the fourth sector approach, the former aspect tends to get lost.

Finally, as noted above, SSE is also about structural change related to commodification, concentration, regressive patterns of income distribution and capital flight from either developing countries or the local economies where production or sourcing takes place. But aspects of the fourth sector approach may actually reinforce such processes. This is particularly apparent in the case of market-centred approaches to transitioning towards a ‘green economy’<sup>17</sup>. ‘Selling nature to save it’<sup>18</sup> or extending property rights over natural resources (which in practice tends to favour elites) may be consistent with a ‘blended value’ approach but can undermine common pool resources and result in further dispossession of the poor. Similarly, the so-called Bottom of the Pyramid approach<sup>19</sup>, associated with corporate sustainability or social impact investing, may address some issues of concern to the poor or local communities but it is problematic from the perspective of other principles guiding SSE. The notion that the world’s poor can be lifted out of poverty via their insertion in the value chains dominated by transnational corporations, either as suppliers or consumers of products geared to their limited purchasing power, generally tinkers with dominant market processes. Apart from the question of what sort of consumption patterns are being promoted, it tends to ignore key issues such as the (generally weak) bargaining power of producers at the bottom end of global value chains and the skewed distribution of both income and value within such chains.

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<sup>15</sup> See Gudynas 2011.

<sup>16</sup> ‘Eco-social’ refers to **e**conomic, environmental or **e**cological and **s**ocial.

<sup>17</sup> Cook et al. 2013

<sup>18</sup> McAfee 2011

<sup>19</sup> Prahalad 2006

### **III. Strategic Implications**

#### **Implications for advocacy**

What, then, are the implications of this analysis for SSE advocacy and strategy in general, and for the UNTFSSSE in particular? As noted in the introduction, advocacy for SSE confronts a fundamental dilemma. While the challenge of crafting a more enabling policy and market environment for SSE requires closer interaction with mainstream organizations and institutions, such relations can dilute and distort the meaning of SSE and its agenda of change.

The positioning of SSE in the broader economy (figure 1) and its interactions with both the state and private sectors of the economy admit the possibility of significant complementarities and partnerships that can be beneficial to SSE in terms of resource mobilization, capacity building, participation and regulation. And employing terms such as social enterprise and adopting instrumentalist interpretations of SSE that focus on its actual or potential contribution to such goals as poverty reduction and employment generation can play a key role in raising the visibility of SSE in policy circles and legitimizing policy approaches that mobilize resources for SSE and level the playing field.

As RIPESS points out, however, it is important to clearly demarcate SSE's core constituency from other stakeholders and potential partners or allies.<sup>20</sup> As noted above, it is problematic to lump together under one category of 'blended', 'for-benefit', 'fourth sector' organizations or 'social impact investment' SSE and other enterprises or forms of investment that address social and environmental concerns.

The argument has been made that SSE organizations and enterprises are conceptually distinct from the entities typically associated with the conventional private sector, even in contexts where such enterprises are trying to grow the triple bottom line. It has also been argued that core elements of SSE related to the reconfiguration of power relations and cultural and structural change tend to be sidelined when convergence with other sectors or isomorphism occurs. It is crucial that advocacy for SSE and policy responses do not lose sight of its transformative ethos and potential.

#### **Implications for the UNTFSSSE**

What are the implications of this analysis for the Task Force and its role as both a knowledge and advocacy hub for SSE and a facilitator of social dialogue and learning among different stakeholders? In its first three years of existence the UNTFSSSE has focused its attention of raising the visibility of SSE in international policy circles with a view to engaging governments and international organizations. Important in this regard has been its work identifying how SSE can contribute to the SDG agenda. As the Task Force enters its fourth year, it is important to adapt this role in various respects. The above analysis has important implications for how the UNTFSSSE relates to mainstream actors and institutions, as well as to the SDG agenda. In light of the discussion regarding the opportunities and pitfalls of mainstreaming, the following points

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<sup>20</sup> See RIPESS 2015

seem pertinent. One set relates to the role of the UNTFSSSE in engaging policy makers through dialogue, knowledge transfer and advice; another to advancing the SDG agenda.

### *Engaging the mainstream*

1. Engaging policy makers, international development organizations and governments, constitutes the central role of the UNTFSSSE. This task, however, needs to extend beyond so-called best practice learning and highlighting opportunities for interaction. It must also involve identifying tensions and contradictions affecting SSE relations with other sectors as well as the means of addressing such challenges. In other words both **best practice learning and critical inquiry** should be the hallmarks of the UNTFSSSE's role as a knowledge hub. The work of UNRISD on SSE, in general, and that of the ILO SSE Academy on public policies for SSE, more specifically, set an example in this regard.
2. In a context where SSE is gaining visibility in different regions and where an increasing number of governments are adopting or considering pro-SSE initiatives the UNTFSSSE can **extend the field of action beyond the international level** and enhance its engagement with organizations and governments at regional and sub-regional levels. Here the Task Force can play a role in clarifying definitions and promoting cross-regional and cross-country learning and knowledge sharing on SSE. Integrating all the UN regional commissions in the work of the UNTFSSSE is important in this context.
3. While resource limitations may preclude extensive engagement of the UNTFSSSE at the national level, there is a case for **engaging with a number of governments** that are in the process of adopting significant policy or legislative initiatives to support SSE. Such governments often face considerable challenges or opposition. Interaction with the UNTFSSSE could enhance the legitimacy and effectiveness of such initiatives.
4. In its **relations with organizations promoting a fourth sector** or social impact investment approach, or narrow interpretations of 'social enterprise', the UNTFSSSE needs to adopt a cautionary approach to efforts that place SSE under such an umbrella. The UNTFSSSE needs to be cognizant of the distinctiveness of SSE and not lose sight of core attributes of SSE that differentiate it from private sector entities or the mainstream economy.

### *Realizing the transformative potential of the SDGs*

Regarding the SDG agenda, a key role for the UNTFSSSE to date has been to highlight the relevance of SSE for the SDGs.<sup>21</sup> Clearly this role needs to continue so that policy makers better understand the connections and employ such knowledge as a basis for policy support. But the work of the UNTFSSSE in this regard can push the envelope of development thinking and practice. References to

'transformation' infuse the SDG agenda. There is considerable confusion, however, as to what this actually means. The danger is that 'transformative change', as it relates to the economy, is reduced to piecemeal improvements in enterprise practices *ala* triple bottom line and incrementalism or attaining isolated goals. Such approaches tend to ignore the structural determinants of poverty, inequality and social and environmental injustice. As suggested by

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<sup>21</sup> See the Position Paper (2014) and Position Statement (2016) of UNTFSSSE.

UNRISD in its flagship report, “Policy Innovations for Transformative Change”<sup>22</sup>, the transformative potential of the SDGs relates not simply to incremental improvements in specific aspects of development but also to deeper changes in patterns of production, consumption and redistribution, as well as changes in power relations and cultural change that unsettle and transform the structures that underpin exclusion, inequality and unsustainability. This suggests that:

5. the UNTFSSSE can play a role in ensuring that the SDG agenda is not diluted or deviates from its original intent. Pertinent here is the need to go beyond a focus on poverty reduction and employment generation – the two goals that often attract most attention – by **focusing on multiple issue areas**, including gender equality, local development, accessible and affordable healthcare, sustainable cities and settlements, solidarity finance and fair trade.
6. **gaps in agency representation within the UNTFSSSE need to be filled.** The above issue areas point particularly in the direction of agencies such as the UNWomen, UNDP, WHO, UN-HABITAT, UNEP and UNCTAD, some of which are not particularly active in the Task Force.
7. the UNTFSSSE can assist in realizing the transformational vision of the SDGs. Relevant in this regard is the usefulness of SSE for **highlighting biases in the international development agenda**. Amongst others, these include the tendency to focus on i) the economic empowerment of producers, women, entrepreneurs or small- and medium-sized enterprises as individual change agents, rather than groups or collective action; ii) economic empowerment as opposed to economic AND political empowerment; iii) social and environmental protection and to downplay equality, emancipation and cultural change. The work of the UNTFSSSE in relation to the SDGs needs to highlight BOTH the instrumental role of SSE in achieving specific goals AND its transformative potential. This relates to changes in power relations and in the structures that perpetuate social exclusion, inequality and unsustainable production and consumption patterns. Herein lies the importance of insisting on the role of collective action in development, participation and active citizenship not simply at the micro level but in the broader polity, and cultural change in lifestyles and patterns of consumption and human interaction with others and the environment.
8. the fact that the leading SSE networks and intermediary organizations tend to emphasize such aspects, underscores the **important ongoing role of such civil society organizations as ‘active observers’** in the UNTFSSSE.
9. in its role of attempting to overcome blockages in the SDG agenda, the UNTFSSSE can also point to another attribute of SSE that can usefully inform development thinking and practice more generally. This relates to **the need for a shift in the normative hierarchy** of the three core elements (economic, social and environmental) that make up the concept of ‘sustainable development’. Whereas fourth sector or CSR approaches aim to upgrade the social and environmental elements, a normative hierarchy that prioritizes the economic tends to remain intact. SSE points to the possibility of inverting the hierarchy so that the economic is subordinate to or serves social and environmental objectives.

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<sup>22</sup> UNRISD 2016

10. more specifically, when addressing the means of implementation of the SDGs – particularly aspects related to **partnerships and participation** – the work of the UNTFSSSE can help correct two biases that often arise in policy dialogue and actions related to these dimensions. One relates to the tendency to focus on public-private partnerships with conventional for-profit or socially-responsible enterprise. The other relates to the tendency to dilute the notion of participation to that of ‘consultation’ with selected stakeholders. By bringing SSE into the agenda, the UNTFSSSE can help correct such biases by i) highlighting the need to broaden the notion of partnerships to embrace public-civil or public-community partnerships, and ii) insisting that effective participation requires more than ‘consultation’: it demands transformations in governance and power relations and forms of participation and active citizenship that to some extent at least characterize SSE.

The above recommendations can serve to clarify and energize the role of the UNTFSSSE in raising the visibility of SSE, engaging and advising policy makers, promoting partnerships conducive to the development of SSE and encouraging research on the opportunities and challenges of scaling up SSE and its role in transformative change. In summary, as an increasing number of organizations and networks interact with the UNTFSSSE, there is a need to introduce safeguards to ensure that the meaning and purpose of SSE are not diluted or distorted. Furthermore, within the context of the SDGs, the focus of policy attention should be not only on the role of SSE in relation to specific goals but also how SSE can contribute to deeper transformational change and address the structural blockages that prevent such change. Finally, recognizing both the opportunities and challenges of mainstreaming can provide a more solid basis for policy advice to international and regional organizations and national governments regarding the role of public policy and partnerships in crafting an enabling environment for SSE.

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