

**DEFINING THE BOUNDARIES OF THE  
SOCIAL ECONOMY AND THE CONTEXT  
FOR A SOCIAL ENTERPRISE**

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## **Abstract**

*This paper contributes to the theory and practice of social economy, presenting the results of a three-phase research project in Winnipeg's inner city. The social economy encompasses four patterns – two formal (free market and redistribution) and two informal (reciprocity and domestic administration). For marginalised settlements, the third sector and informal economy play an essential part in a system of welfare pluralism. Giving value to informal activity incrementally alters development discourse and reveals the socio-political role of the third sector. Community Research Hub members are building a collective enterprise based on surveying and facilitation skills and insider knowledge of the inner city. The research method combines market survey, co-development of training modules, interviews with Hub Workers and clients and study group learning. The research project contributes to systems transformation and demonstrates that “the informal” is an incubator of socially embedded development.*

## **1.0 Introduction**

This paper contributes to understanding of theory and practice in the social economy, presenting analysis based on the three-phase Spence Neighbourhood Research Project. The research grew out of community economic development efforts lead by a neighbourhood development corporation in Winnipeg's inner city. The broadest objectives of the Project are to increase community power in accessing resources and to widen residents' sphere of control over their livelihoods. It represents development practice in the form of action research that promotes employment, training, self-reliance and transformative learning. The focus in this paper is on the third phase, the Community Research Hub an initiative which exemplifies social mobilization. The experience of the Hub, an emerging social enterprise provides a case for analysis of development practice in the social economy.

Two theoretical approaches have been integrated within the Project and provide guidance to the research and analysis: the social learning approach and Polanyi's embeddedness approach. Frameworks provided by these two approaches are outlined below and information collected in interviews, focus groups and learning circles is presented within these frameworks.

Allen and Thomas (2004) following Karl Polanyi, have described globalisation as a second "Great Transformation", leading to social tensions and disembeddedness of the same intensity as was experienced during the industrial revolution. Marginalised populations, like others seek to adapt to the extension of market relations through

processes of reciprocity and redistribution. This paper recommends that any analysis of the social economy encompass activities and relationships beyond the boundaries of a third sector of “cooperatives, mutuals and associations”. In order that the process of re-embedding for inner-city populations can be acknowledged, understood and integrated into development planning, a broader framework of reference – that of the informal sector -- is necessary, taking in what de Romana labels the common realm. As Williams observes in his analysis of the evaluation of the Third Sector, our focus on organizations “privileges a culture of community involvement that very few can engage in ... disregarding informal acts of one-on-one engagement. (Williams 2004, 729) The danger, if the social economy is defined more narrowly (is that populations within the inner city will continue to experience the tensions and hardships that accompany the spread of market relations.

The focus of this research is on the practice of social learning, toward social mobilization. Through Community Learning Circles, the Research Hub membership is evolving a social enterprise that acknowledges adaptive processes of society through redistributive means and processes of inner-city people through less visible processes of reciprocity.

## **2.0 Description of the Spence Neighbourhood**

The perception among residents in the Spence Neighbourhood is that this is a community that has many assets. One source of wealth is the culturally diverse population. In the 2001 Census, 32% of the population was Aboriginal. People who identified themselves as belonging to a visible minority made up 33% of residents. Of these, the top three ethnic

groups represented were Filipino, Southeast Asian, and Chinese. Linked to this diversity are the many restaurants and small shops that are the economic base of the area. Spence is centrally located on the main route between the airport and city centre and is in close proximity to downtown Winnipeg. The Spence Neighbourhood also experiences a number of significant challenges. Safety is an on-going concern for residents. Spence has a high incidence of crime against persons, a more frightening statistic than crimes against property, which are also prevalent in the community. Recent problems with drugs and prostitution also contribute to safety concerns. The neighbourhood has a low level of average income and employment. Sixty-two percent of all households in Spence neighbourhood live below the poverty line according to the 2001 Census – that percentage is triple the rate for the city as a whole. In 1996, the unemployment rate was 30%, almost four times the rate of the rest of the city. By 2001, the rate had dropped to 13.9% in Spence and 5.7% in Winnipeg.

The challenges of safety and housing are currently being addressed through specific committees and strategies of the Spence Neighbourhood Association (SNA). This community-university research aims to address the challenges of low levels of income and employment in the neighbourhood by building on existing community strengths. The SNA in 2003 held community meetings focussed on Community Economic Development (CED) to generate ideas for economic growth community. Proposals were made for new businesses, based on perceptions of existing community skills. However, when these ideas moved to the stage of feasibility studies, it was difficult to identify people in the community with interests and skills that matched the business concepts. Through these

meetings, the SNA prioritised the need for a systematic process to uncover skills and capacities and assign them to particular individuals in the community.

The Capacity Inventory Project highlighted a significant number of people with interviewing and facilitation skills. From this foundation, the concept of an inner-city enterprise to provide research services is gradually taking shape.

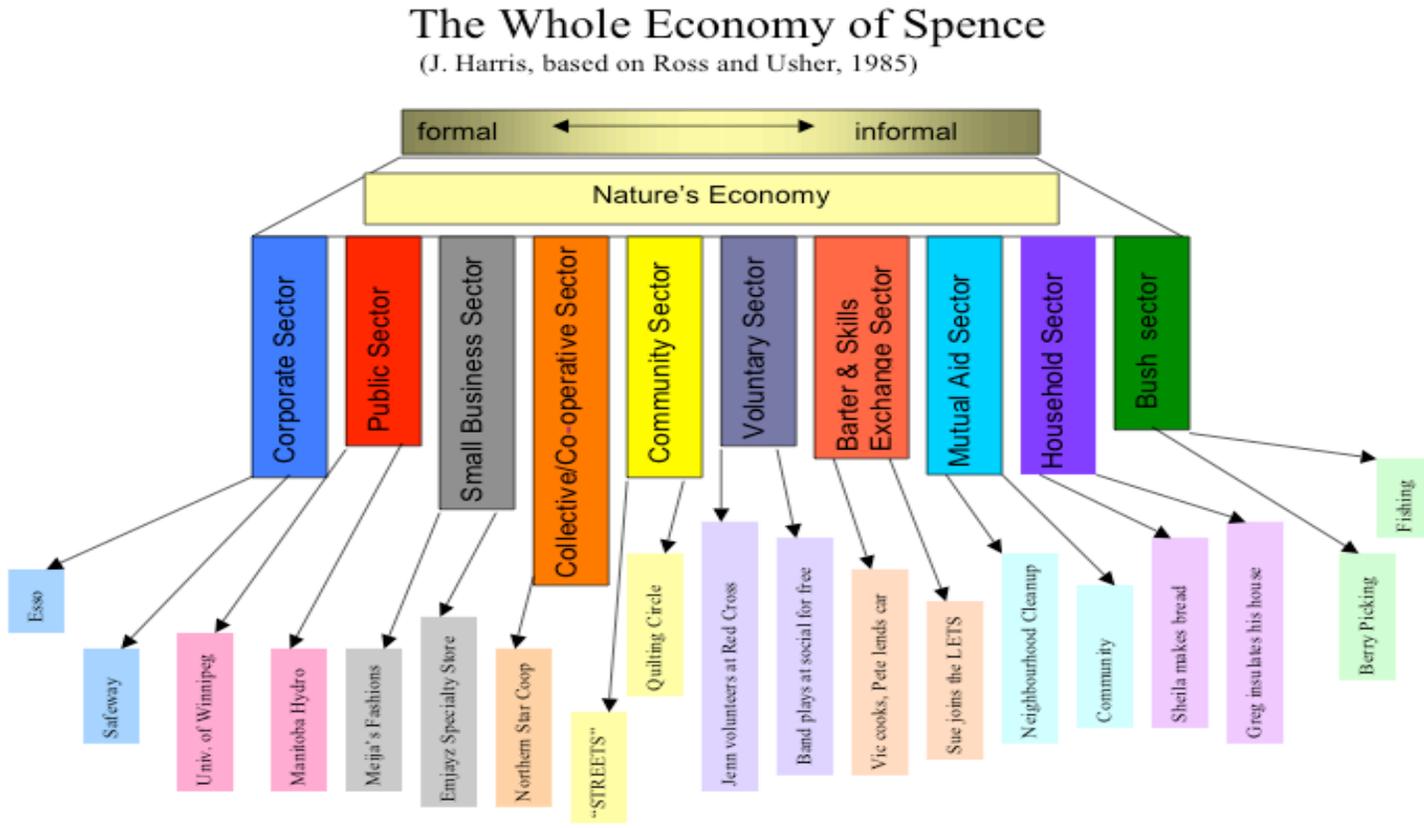
### **3.0 Models of Economy**

In neighbourhoods where residents have low incomes, and where social capital is in greater supply than financial capital, increases in wellbeing can be achieved through informal, non-market transactions. The informal economy incorporates many legal, productive activities although residents of the Spence Neighbourhood may also receive substantial sums of money through illegal activity. Informal activities such as mutual aid, barter, voluntarism, and household production produce and distribute goods and services of considerable value. These sectors of what Ross and Usher refer to as the “whole economy” (1986) contribute to basic needs and may even provide people with items that are luxuries when acquired through the formal market (examples are hand-knit sweaters, musical performance or organic produce). Many suggest that self-reliance at the community level can help to “plug the leaks” (Nozick 1992) where salaries and profits in low income areas are removed by those who work elsewhere or by banks and firms that invest elsewhere. This action research not only identifies work opportunities and training needs for the formal economy but also acts as a reminder of and a means of promoting

“trade“ in non-market items that can provision residents who have more time and creativity than money.

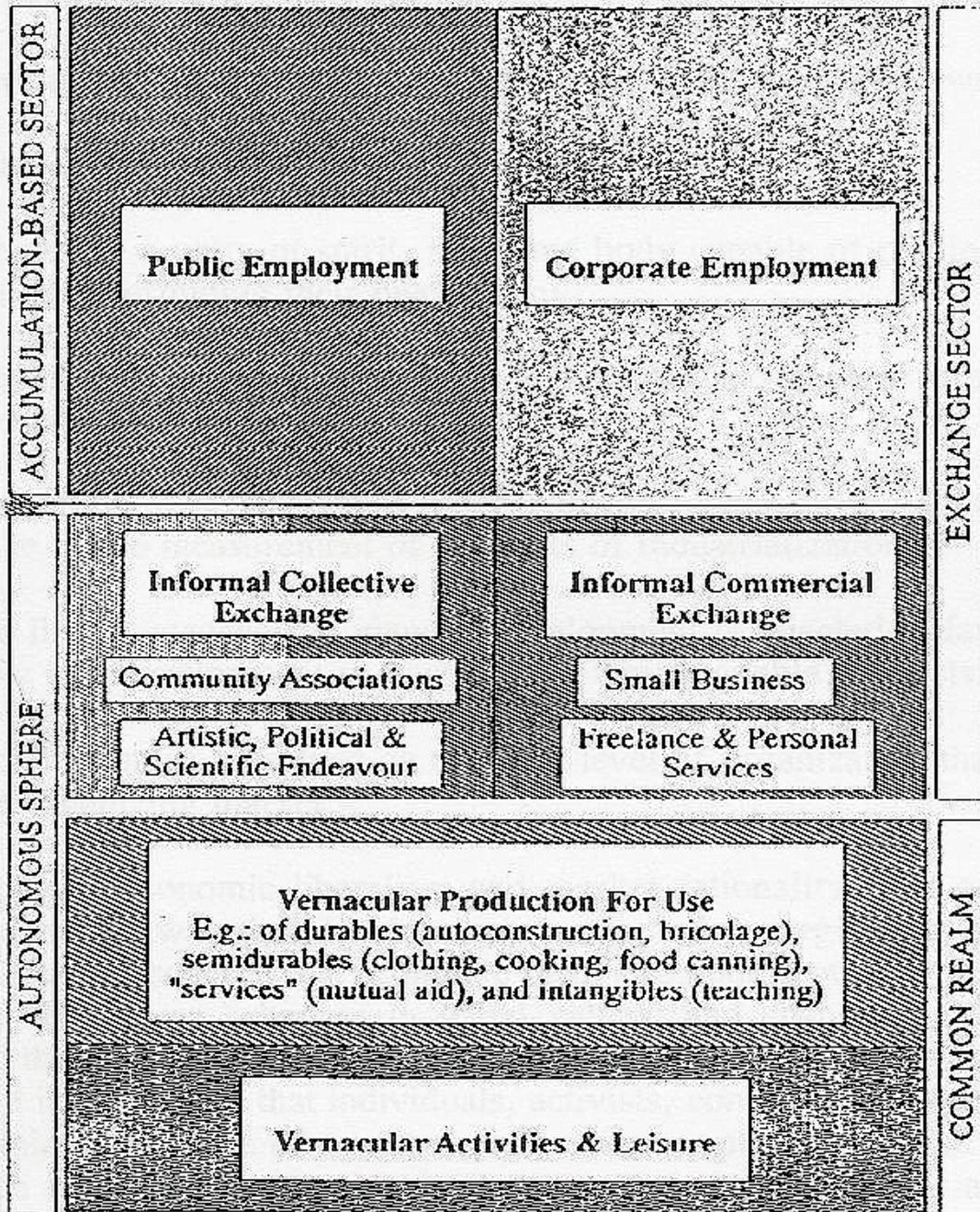
Figure 1 provides a representation of the economy that goes beyond what is produced in the formal, money-based market. The informal sector is more creativity intensive and is based on trust, reciprocity and altruism. The formal sector is capital intensive and is based on values related to profit maximization and individualism. The model below, adapted from Ross and Usher (1986), is fundamental to the notion of community development and social economy as they are defined in this project. Activity in all sectors, if it meets a need is valued and when an activity keeps wealth in the community, it may be more valuable from a community development perspective.

Figure 2 illustrates de Romana’s model of the economy. Here the third sector includes informal activity that involves exchange and vernacular activity within the autonomous sphere.



**Figure 1: Ross and Usher's Model Applied to the Spence Neighbourhood**

Figure 2: de Romana's Model of the Economy (1989a)



#### **4.0 Relations between Informal Economy and Social Economy**

The social economy has had multiple meanings since interest in the 19<sup>th</sup> century concept was re-energized in the 1970s. Social economy, literally suggests all aspects of the economy that serve social needs, so clearly all economic activity is part of the social economy. As Polanyi notes, the economy is, in its normal state, embedded in social relationships. For practical purposes, there has been an attempt to set criteria for organizations that are considered part of the social economy. Marie Bouchard (2006) in line with others provides the following characterisation of the social economy:

- it designates organizations: cooperatives, associations, non-profit organizations, and mutual societies
- the organizations operate under certain values, principles and rules
- it links social and economic development
- it is positioned between and transforms both the public sector (e.g. networks of public policy, sustainable development) and the private sector (e.g. participatory management, corporate social responsibility, social auditing)

A broader, definition of the third sector as in European definitions “highlights an important element that is often overlooked by the various exponents of the American school, namely the role of informal and semiformal communities and in particular that of the family at the core, as a constituent part of a “mixed economy of social welfare”.

(Laville et al 1999)

According to Karl Polanyi, the economy can be defined by **four patterns** – two formal (free market and redistribution) and two informal (reciprocity and domestic administration). Social entrepreneurs and social development practitioners must consider the realities of local livelihoods as expressed in these four patterns. Within marginalised communities, adaptation to the spread of market relations takes place largely in the informal economy, through redistribution, social enterprise, and reciprocal relations. The Community Research Hub project, through interviews and learning circle discussions will begin to describe a process of re-embedding in the Spence Neighbourhood.

This paper argues that social economy organizations such as the Community Research Hub must respond to the many ways in which residents of the Spence Neighbourhood adapt to the spread of market relations. This involves linking the social economy to the solidarity-based economy. Social enterprise builds on the cooperative principles that link the informal sector to public and corporate sectors. The lessons of successful cooperatives focus attention on cooperative and participatory values.

## **5.0 The Social Learning Approach**

The Spence Neighbourhood Project, which works within and seeks to understand the workings of the social economy, is an experiment in social learning and mobilization as

defined by John Friedmann (1987):

Phase I, 2003-2004: The Capacity Inventory Project was descriptive, presenting an overview of skills and aptitudes that have the potential to meet the needs of society, the community and the household.

Phase II, 2004- 2006: The Skills Bank Project focused on analysis of the experience of an odd jobs employment intermediary that utilised the Skills Bank database established in Phase.

Phase III, 2006- 2008: The Community Research Hub is documenting the experience of local workers in establishing a social enterprise that provides research services, identified as a core area of capacity in Phase II.

Over the past five years, social learning has been prioritised in a number of ways:

1. transactive planning based on a university-community partners' sharing of theoretical and experiential knowledge
2. community discussion at meetings of the Spence CED committee which has acted as a steering committee for the Spence Project

3. meetings of workers in focus groups and at “meet and greet” sessions with neighbourhood businesses

4. community learning circles, the first of which was established in January 2007 to focus discussion on the nature of a new social enterprise that will supply research services

The Community Research Hub is an experiment in social economy. The social dimension of this enterprise can be described in terms of values and principles that guide decision-making, relationships among workers and clients, and understanding of the role of the economy in service of society. Each of these dimensions underscores the importance of social learning as an approach to community development. Social learning informs the approach to establishing and building the Community Research Hub.

Friedmann (1987) characterises social learning as an effective alternative to mainstream planning and community development practice. Mainstream planning and community development are based on hierarchical structures that emphasise the knowledge and work of the expert and perceive the process as linear and the problem as technical rather than social in nature. Cooperatives such as the Mondragon Cooperative in Basque and those established by Moses Coadie (Alexander) in depression-plagued maritime Canada, both highlighted education and learning as the key to social change for communities that faced social exclusion. The social change model followed by the Landless Peasants Movement

(MST) in Brazil, likewise, prioritises education for all involved, for men and women, young and old. (Robles)

Friedmann's analysis of social learning is an essential resource for those who seek to uncover the secrets of an approach that is at the same time both simple and complex, much like bread-making: it is clearly a staple, a basic necessity in effective development; it is part of the daily menu in all countries and contexts; it is produced in great variety through minute changes in ingredients and method; and successful practice hinges on technique and experience.

Social learning, as a development approach, is purposeful activity that is defined by the following components: 1. action and the action-learner, 2. political strategy and tactics, 3. theories of reality and practice, and 4. values and vision that inspire (Friedmann, 181-223). The learning is the practice and the practice is the learning – they are simultaneous, cannot be separated, and are mutually enriching. Practitioners acknowledge that social learning takes time to allow for group understanding and transformation.

Social learning's roots are in the work of John Dewey, the American philosopher who applied this method to social services. It has been further developed by Mao Tse Tung whose motives were nationalistic, by Lewis Mumford for communitarian ends and by Kurt Lewin who established the field of group dynamics. In the following section, each of the four components above, is examined by summarizing and building on Friedmann's analysis of the contributions of these leading philosophers and practitioners. This

provides a framework for examining the context of the Spence Project and for identifying options in developing the Community Research Hub as a social enterprise.

### **5.1 A Social Learning Framework based on Friedmann's Analysis**

**A. Action-Learning and the Actor-Learner:** The action that arises from social learning brings about a major change in our practice and is undertaken by an actor independently, for the group or community. The action is not for someone else, thus the actor is at the centre of the action. Action inevitably faces resistance so strategies and tactics are needed. It follows that an essential task is the collecting and sharing of information to inform the action.

At the same time, informal learning arises from practical activity. Sharing of knowledge takes place between those with formal knowledge and those with informal knowledge. A transactive relationship develops and mutual learning is the result. Learning may lead to changes in values and beliefs, referred to as double-loop learning.

The actor, in the social learning approach is the task-oriented group numbering from 2 to 12 people. For Mao Tse Tung, the group formed among the peasant masses, while for Lewin the group might be the work team on the factory floor. Mumford's task-oriented action group was drawn from the neighbourhood. In any case, the actor for each of these authors was, simultaneously, the learner. The key understanding was that "we learn by doing" – all valid knowledge, according to Dewey, comes from people interacting with

their environment. This knowledge grows, during any activity, within group collective memory.

### **B. Strategies and Tactics: within the group and beyond**

Learning in the group takes place face-to-face, through dialogue. Group members must have or must receive training in inter-personal skills such as the art of listening, the ability to trust others and make oneself vulnerable to them, a willingness to suspend rank and material power, and a responsiveness to others' needs.

Group objectives can take some time to be formulated and they gradually emerge through group action. Changes in values and beliefs require a long, sometimes painful process of transformative learning in which members willingly give up their attachment to personal theories and allow themselves to be open to group learning.

In explaining and evolving a practice of social learning, Dewey emphasised that “through experience we not only come to understand the world but also to transform it.” (quoted in Friedmann, 189) Through authentic dialogue, through communication, sharing and expression of ideas, the wealth of knowledge contributes to the “Great Community”. To reach this democratic idea of the Great Community we must begin at home in the neighbourly community. Friedmann is concerned that, in the end, Dewey evaded the question of how local groups would deal with more powerful experts who try to control decision-making from above. Mao took a realist view of the world and saw the need to bring local practice into conformity with the laws of the objective external world.

Mumford the communitarian supported the “restoration of the human scale in government” and promotion of “political life as a constant in everyday living” (Friedmann 199). Whereas Mao was revolutionary, Mumford like Dewey was more utopian, but in contrast to Dewey, he situated authority in the community. He envisioned a learning society supported by an educational system teaching humanist values and co-operation.

### **C. Theories of Reality and of Practice**

We are all guided by our own theories on how the world changes and how we personally came to be in our current state. Dewey was among the last of the philosophers to hold to the theory that society tends to progress upward and onward led by technical expertise and scientific knowledge.

Pragmatists like Dewey believe that we learn from success and failure, uncovering the new and leaving behind the old, that is those methods that fail in practice. We are guided by our understanding of what is normal and appropriate practice in any situation. These theories are influenced by one’s class, education, and work experience and are supported by our peers.

### **D. Values and Visions that Inspire Us**

Action groups are formed to act on an issue but the behaviour of the group also is affected by the personal needs and values of the members. The dynamics of the group are influenced by how the group and the wider community responds to members’ needs for

love, esteem, and self-expression and to what extent the values of group members are respected.

Lewis Mumford, writing about the tasks to be undertaken in community and regional planning emphasises the need to survey people's current needs, ideals, goals, and values.

## **5.2 The Embeddedness Approach**

Throughout the course of the three project phases, the relationship between economy and society has been based on a broader definition of economy such as that offered by de Romana, encompassing “all human activities involving the conscious organization of the sustenance of life (1989, 27). The analytical foundation for all three phases of the project is represented by the “Embeddedness Approach” as explained by Ghezzi and Mingione. The concept of embeddedness was identified by Polanyi but has roots as well in the work of Durkheim and Weber.

During the Great Transformation of the industrial revolution, commodification of land, labour and money created tensions that persist in modern society. Regulative institutions emerge to counter the negative impact of diffusion of market relations – that is to counter the process of “disembedding”.

These institutions arise out of three economic sectors: the informal sector, which through reciprocity favours reproduction of the group over self-interest; the public sector through

redistribution takes resources from some to benefit others; and the private sector which operates through market exchange which is not compatible with social systems.

Social institutions are founded on different cultures, contexts and histories. Social institutions in the informal sector are founded on various household and kinship relations; in the public sector, on different redistribution principles; and institutions also arise to make the market system more compatible with society, for example legal systems, labour markets, and financial and monetary controls.

Embeddedness expresses the notion that social actors can be understood and interpreted only within relational, institutional and cultural contexts and cannot be seen as atomized decision-makers maximizing their own utilities.

Embeddedness approaches, prioritize the different conditions within which social action takes place. They challenge the utilitarian, ‘undersocialized’, neoclassical position.

The concept of embeddedness is based on several assumptions about society:

- a). the actor is not an atomized individual;
- b). immediate utility cannot explain the full meaning of social relations;

c). logics underlying the formation of institutions and their norms of behaviour cannot be removed from the contexts of social interaction within which these institutions exist. (from Ghezzi and Mingione 2007, 11)

Ghezzi and Mingione observe that regional and local characteristics persist despite pressures to converge. They emphasise that this is not just a “residual phenomenon” that can be labelled tradition.

The embeddedness approach calls for analysis of behaviour arising out of historical, spatial and cultural elements. At each phase lessons from this inner city project reinforce the need for capacity-building that extends beyond the third sector to incorporate adaptation to change or “re-embedding” that takes place in the “vernacular sector”. Development of social enterprise must show awareness of adaptation in this sector since for those who are excluded socially and economically, Polanyi’s re-embedding process may take place largely through reciprocity and redistribution rather than through market exchange.

Particularly in the inner city, development practice that overlooks informal activity is ethnocentric and ignores a rich reservoir of inventive capacity. The Spence Project is providing an opportunity for analysing the process of re-embeddedness, which for marginalised groups is happening in the broader informal economy, including both the third sector and the vernacular sector.

## **6.0 Observations From Phases I and II.**

The long-term goal of the Capacity Inventory Project was to strengthen participation in community economic development. There are signs that the Skills Bank is being used by members of the community to connect with jobs, volunteering, training and trading opportunities. Residents and businesses have shown interest in employing people for odd jobs and trading of skills. By focussing on these two key forms of work, the Skills Bank can function in a way that engages many residents in a manner that's appropriate for "where they are at" in terms of job preparedness.

The importance of odd jobs and traded work should not be underestimated as ways in which people can gain experience, soft job skills, exposure, job satisfaction, and even long term permanent employment. Odd jobs can provide much needed cash but with the added advantage that they do not interfere with social assistance.

The Skills Bank has been concerned with more than finding jobs. The objective of increasing informal trading requires good communication and networking – in short, a greater supply of social capital and trust than currently exists in the Spence Neighbourhood. There are a number of factors that affect the supply of social capital in the SN. The level of petty crime in the neighbourhood generates distrust. On the other hand, people are very tolerant of difference, a positive characteristic of the old inner-city neighbourhoods and one that may be lacking in suburban or higher income areas. On an institutional level, there are strong partnerships among organizations such as SNA, HOO,

the West End Women's Project, St. Matthews Maryland, *West Central Streets*, West End Biz and many others.

The Spence Project has taken a participatory action research approach, nurturing the growth of social capital. It has invested in community events, an unconventional research tool, to reach various segments of the population, to keep people informed, to put money into the area and to provide an opportunity for feedback. The use of CED principles also has strengthened networks. As relations among people, organizations and local businesses within the Spence Neighbourhood steadily multiply, people begin to recognise their neighbours and eventually know each other better. Building social capital is a long-term undertaking but the good news, as with financial capital, is that the more you invest in it, the faster it grows.

The skills that *do* exist, as illustrated in Figure 3 below, represent a response to real resident needs — especially areas such as family support, health care, and home maintenance. By including non-marketed skills in our view of the Spence Neighbourhood economy, the spontaneous dynamics of the “whole economy”, that is, *real supply and demand*, is starkly evident. These are examples of ways in which residents embed the economy. Residents have skills in areas of need – child care, elder care, listening or counselling, The hopeful idea that need motivates supply is supported by this whole economy view.

The Skills Bank continues to stretch the boundaries of CED by nurturing growth in alternative means of meeting needs -- more skills posted in *West Central Streets*, more involvement in the Local Exchange and Trading System (LETS), increased neighbour to neighbour trading and voluntarism. Skills Bank members will continue to receive free business cards. As unmet training needs arise, the Skills Bank will identify and conduct training sessions that are of interest to the community. This could include further computer courses, driver's license training, Aboriginal language instruction, and food handling certification.

Figure 3: Summary of Capacity Inventory

SKILLS	No.	%	SKILLS	No.	%	SKILLS	No.	%
<b>ART</b>			<b>RECREATION</b>			<b>SMALL REPAIR</b>		
Dancing	94	30	participate in	188	60	jewellery	42	14
Singing	97	31	lead activity	106	34	radios	50	16
playing	77	25	<b>MAINTENANCE</b>			TVs	52	17
making jewellery	71	23	cleaning	280	90	VCRs	58	19
graphic arts	73	24	washing	144	46	motor vehicles	82	26
leather/beadwork	125	40	snow		71	household	30	10
stained glass	26	8	fix drain	139	45	washers/dryers	43	14
Pottery	49	16	fix leaky faucet	133	43	heating/cooling	37	12
Painting	116	37	caulking	142	46	elevators	9	3
Sewing	129	41	floor sanding	129	41	<b>FOOD</b>		
Writing	161	52	wood stripping	111	36	cooking	254	81
Knitting	70	22	painting	217	70	food for 10+	131	42
Drawing	117	38	wall papering	148	47	catering	91	29
Photography	111	36	fix porch	107	34	bartending	82	26
<b>FAMILY SUPPORT</b>			fix fence	131	42	butchering	70	22
visit the lonely/ ill	228	73	fix locks	98	31	baking	184	59
Listening	257	82	garage	87	28	<b>OFFICE</b>		
care: children	263	84	furniture repair	98	31	typing	186	60
care: babies	236	76	<b>RENOVATIONS</b>			operate equip.	80	26
care: special	170	55	tiling	99	32	business	139	45
Cookrf	196	63	drywall	124	40	tracking	171	55
cared for pet	157	50	plumbing	88	28	bookkeeping	117	38
<b>HEALTH CARE</b>			electrical	72	23	directing office	130	42
Elderly	163	52	bricklaying	54	17	budgeting	140	45
mentally ill	112	36	cabinet making	53	17	interviewing	130	42
Sick	171	55	insulating	112	36	<b>COMPUTERS</b>		
Disabled	145	46	plastering	106	34	word	192	62
Feeding	144	46	soldering	72	23	data entry	136	44
Bathing	102	33	laying concrete	84	27	internet	196	63
Companionship	182	58	floor coverings	92		excel	122	39
<b>COMMUNITY WORK</b>			chimneys	39	13	access	80	26
change a law	72	23	heating/cooling	36	12	web design	59	19
conduct a survey	121	39	siding	85	27	<b>SECURITY</b>		
contact people	147	47	windows	99	32	guarding	69	22
organize meeting	148	47	Swim. pools	17	6	traffic control	56	18
write grant	60	19	<b>GARDENING</b>			Install alarms	22	7
committee partic.	130	42	gardening	176	56	<b>MISC</b>		
<b>TEACHING</b>			Yard work	183	59	Driver license	92	30
volunteer:children	93	30	<b>SALES</b>			hair dressing	55	18
Tutor	102	33	cash register	161	52	languages	141	47
Teach	84	27	sales	148	47	supervising	140	45
			small business		16			

## **7.0 Phase III: The CRH -- Drawing on Theory and Practice**

The Community Research Hub is supported through the Linking Learning Leveraging Project situated at University of Saskatchewan and its node at the Winnipeg Inner City Research Alliance. This Canada-wide initiative was established to explore initiatives and policies that support the Social Economy.

The “Community Research Hub”, a social enterprise, is emerging from community awareness of individual and collective capacity. Working members of the Hub, are building a collective enterprise based on local surveying and facilitation skills and insider knowledge of the dynamics of the inner city. While the central motive for establishing the enterprise is financial, the energy for the initiative is drawn from the knowledge that, even in the midst of discrimination and poverty, there is tolerance of diversity and an ethic of mutual aid. The research method combines market survey, co-development of training modules, interviews with Hub workers, and study group learning. The aim of the CRH Learning Circle is to foster social learning and understanding of the social, economic and political context of social enterprise.

### **7.1 The First 8 Months:**

Here we would like to present very preliminary observations from discussions and research contracts held by the CRH enterprise. What have we observed about Social Learning and Processes of Re-embedding? From our market survey, three services are in demand and can be easily supplied by our workers: house-to-house surveys, focus groups and community consultations on research. Telephone surveys are in demand but

call centres are dominant in this area. Call centres have provided training and much needed income and jobs that are valued by people who need additional, occasional work. The CRH realises that it cannot compete with this service. Figure 4 below makes an exaggerated comparison between CRH Jobs and what we refer to as Mc Jobs. Telephone call centres might be located somewhere on this continuum.

FIGURE 4: DIMENSIONS OF SOCIAL ECONOMY: Work Environment

APPROACHES	CRH Jobs	Examples	McJobs	Examples
WORKER ATTITUDE	Indicators <i>Love the work</i>	<b>- I choose to do this work</b>  <b>- my work makes a difference to me and my community</b>  <b>- I enjoy going to work</b>	Indicators <i>Resent the work</i>	<b>- I would not do this work if I had a choice</b>  <b>- the work I do has no meaning for me or my community</b>  <b>- if I can, I avoid going to work</b>
MOTIVATION	<i>Self-motivated</i>  <i>Earn a fair, living wage</i>	<b>- I work because it is satisfying</b>  <b>- I work to earn enough to meet my needs</b>	<i>Fear of losing job</i>  <i>Maximise income</i>	<b>- If I don't work hard I will be fired</b>  <b>- if I work too fast I won't get overtime pay; the contract will be over too fast</b>
SHORT-TERM GOAL	<i>Get the job done, do a good job</i>	<b>- the work is important so I want to get it done well and on time</b>	<i>Meet set quotas</i>	<b>- if I show up on time and meet my quota I will get paid</b>
ORIENTATION TOWARD WORKER	<i>Restorative, individual growth</i>	<b>- the people I work for/with care about my progress as a person</b>	<i>Authoritative, control of workforce</i>	<b>- the people I work for don't really care about me</b>  <b>- they think they are better than me and like having power over me</b>

	<i>Emphasis on Learning</i>	<ul style="list-style-type: none"> <li>- sometimes it takes time to learn what worked well and what needs to change</li> <li>- value time for learning</li> <li>- we learn from each other</li> </ul>	<i>Emphasis on Short-falls</i>	<ul style="list-style-type: none"> <li>- if there is a weak link in the team that person must be replaced</li> </ul>
SOCIAL RELATIONS	<i>Encompassing social impacts</i>	<ul style="list-style-type: none"> <li>- we are healthier, better workers if work can adjust to personal/family issues</li> </ul>	<i>Narrowly restricted to workplace</i>	<ul style="list-style-type: none"> <li>- personal/ family life should not interfere with work</li> </ul>
ECONOMIC RELATIONS WITH OTHER BUSINESSES	<i>Reciprocal relations</i>	<ul style="list-style-type: none"> <li>- businesses in our field or with our values are allies</li> <li>- we should share the market</li> </ul>	<i>Competitive relations</i>	<ul style="list-style-type: none"> <li>- businesses in our field are competitors</li> <li>- take advantage of opportunities to capture competitors' markets</li> </ul>
FLEXIBILITY	<i>Balances work and worker needs</i>	<ul style="list-style-type: none"> <li>- worker needs are as important as the demands of the work</li> <li>- quality of life includes work as well as home life</li> <li>- payment of wages is compensation but does not mean wholesale purchase of the worker</li> <li>- the relationship between</li> </ul>	<i>Business, owner needs take precedence</i>	<ul style="list-style-type: none"> <li>- when you are at work, the prime consideration is maximizing profit</li> <li>- wages are payment for worker's complete time and attention</li> <li>- your employer owns your time except at lunch and break time</li> </ul>

<p>ACCOUNTABILITY</p>	<p><i>To individual, community</i></p>	<p><b>the worker and the business is reciprocal: successful business benefits the worker; healthy worker benefits the business</b></p> <p><b>- workers owe business good work</b></p> <p><b>- workers owe society commitment to work that enhances life</b></p> <p><b>- workers must be true to themselves</b></p>	<p><i>To owners</i></p>	<p><b>- the worker must be on time, able to work</b></p> <p><b>- the employer owes the worker wages and benefits required by law</b></p>
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## **Preliminary Observations on Social Learning**

### **A. Action-learning and the Actor**

- Workers decided that there is a need for a manager to organize the workers
- a participant with research skills suggested that there be a management committee
- the hiring of the manager included discussion among workers who reviewed the resumes of the applicants
- actors face resistance: for example those on assistance must inform case workers of the nature of their work and payments received
- Community-University partners meet weekly to share understanding of the skills bank issues and the CRH
- Sharing of academic and experiential knowledge: academics understand better the role of odd jobs; community members understand how work in a co-operative differs from work in a call centre
- The task-oriented group: the community learning circles focus discussion; the group is influential, there is shared learning
- At the general meeting of the group, roles and salaries of those who have been organizers were shared with the group to demonstrate transparency

### **B. Strategies and Tactics**

- we have identified courier service as a need but will not focus on that service because of solidarity with the Bike Couriers at Natural Cycle

- we will not conduct telephone surveys because the business is very competitive and we cannot ensure good quality of work
- some workers combine part-time work elsewhere with work at the CRH
- workers will be drawn from the inner-city; we will employ people in surveying outside of their neighbourhood to avoid friends interviewing friends

### **C. Theory of Reality and Practice**

- there is a need for training to develop listening skills and trust
- many people expect there to be distance between employer and employee
- all need to suspend rank; yet this is not what the dominant work environment teaches us to do
- group members need to give up their attachments before transformation can take place

### **D. Values and Vision that Inspire**

- members' needs for love, esteem, and self-expression
- the values of group members are respected
- The CRH will work with the whole person; members have been asked what they would personally like to learn, skills that may not be related to the research work

## **Preliminary Observations on re-embedding**

### **1. The Welfare Assistance as Redistribution or as a “Trap”**

- Life on welfare is passed on through generations
- Debts to the government develop when people make the transition to work
- If mistakes are made by government offices and there is an overpayment, the welfare recipient bears the cost
- Welfare recipients must take any job, the first one that's available
- Recipients need a good cash payment to get ahead in order to get off of welfare
- Some case workers have denied training because the claimant was not referred to the program by their office
- Aboriginal people who have status cards are denied blue cross by new employers, even if they offer to pay for coverage
- Bands will pay for college and university education but it is competitive
- If Status Indians have children who are 12 and over, they do not receive living expenses from the band because the children are expected to work

### **2. Adaptive processes in the Informal Sector**

- Linkages to home: return home for healing and observing funeral rights; go home to fish, to canoe, to live on the land in the summer; send money home; do business by trading goods between the home and city
- Gangs provide protection from racism
- Public Schools may provide security for family: jobs as assistants in schools lead to other employment

- Churches and CBOs provide programs: food banks, nutrition, training, relief from isolation, recreation, advocacy, counselling
- Health system is part of everyday life for inner-city people who have had poor nutrition or addiction
- Networks of volunteering provide self-esteem and keep people informed
- Bingo is a form of entertainment and socialising

### **3. Additional Observations on Processes of Re-embedding**

- Given financial pressures they face, inner-city residents need to see tangible results if they are to make a commitment to a community development project
- It is not necessary to pay low income people to attend meetings since they are motivated, and looking for experience and training
- Social enterprises must ensure that pay will not interfere with Employment Assistance or Welfare
- Clarity in method of payment is necessary
- Low-income people have more skills than outsiders might expect; reasons for unemployment are not always lack of skill or ability
- Work must be flexible to provide time to deal with family and health matters
- Workers need secure sources of income.
- The work place provided by a social enterprise should be a place where people want to be
- Workers want to have a say in what the organization becomes in the future

### **Principles identified by workers at the Community Learning Circle**

1. Fair compensation: Fair wages will be paid and within the organization there should be a small difference between the highest and lowest paid worker
2. Group decision-making: The group should make decisions on who is hired and on problems as they arise. Workers will undertake decision-making on a part-time basis.
3. Size of enterprise: The organization will likely be small at first, for example, 5-8 people.
4. Structure: a manager would be necessary to ensure that there is strong administration of the work and good communication and will keep workers on track. The manager would act as a “gatekeeper”, that is to represent the organization.
5. Hiring: The criteria for hiring would be open for all people who want to become members
6. Relation to a Board: The group reserves the option to function independently of the neighbourhood association board to which the CRH is currently responsible.
7. Membership: Members could come from anywhere in the inner city but must be involved in activities at the community level.

### **8. 0 Concluding Ideas: Balances For Social Enterprise**

After eight months of discussion and one month with our CRH manager in place, we are not at a point where we can state any conclusions. The following are some balances that must be struck as workers define the nature of the new social enterprise.

1. Taking the time necessary to learn and trust but demonstrating how the organization can address critical needs now.
  
2. Recognizing that people need security but acknowledging that members live under conditions of uncertainty that affect everyone: the individual, the family and the community.
  
3. Providing workers with guidance but also allowing them the freedom to choose.
  
4. Honouring the fact that although issues related to low income are de-energizing and oppressive, many individuals, elders and families are protectors of “fires of hope” that will provide a foundation for community development.

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