TRANSFORMATIVE SOCIAL INNOVATION AND ITS MULTI-ACTOR NATURE

Transformative social innovation is a multi-actor phenomenon where we can see the emergence of a hybrid sector that blurs and challenges the boundaries between the traditional sector logics, including new elements, roles and challenges from all of them.

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Discourses on social innovation – both academic and public – display a strong tendency to associate social innovation with civil society. Mulgan et al., for instance, define social innovation in terms of "innovative activities and services that are motivated by the goal of meeting a social need and that are predominantly developed and diffused through organisations whose primary purpose is social" [1]. Considering social innovation as changes in social relations, involving new ways of doing, knowing, organising and framing, we decouple it from its origin, motive, intention or type of actor [2]. This allows us to consider a diversity of empirical phenomena as social innovation, including for instance the global Ecovillage Movement (community-oriented), the Social Entrepreneur Network Impact Hub (market-oriented) as well as the international phenomena of Participatory Budgeting (government-oriented) [3].



TRANSFORMATIVE SOCIAL INNOVATION

In the project TRANSIT "Transformative Social Innovation Theory", we are interested in transformative social innovations (TSI). TSI refers to the process by which social innovation contributes to transformative social change. As part of TRANSIT, we completed in-depth studies of 20 transnational networks (see infographic on the TRANSIT project), including over 100 local initiatives spread across 25 countries, primarily in Europe and Latin America. One of the observations in the comparative analysis across cases [4] is that all cases include a myriad of different types of sectors and actors in different roles. In the following, we outline the Multi-actor Perspective, a heuristic framework to disentangle actors, their roles and their (shifting) relations in social innovation.



Multi-actor Perspective: level of sectors (Adapted from Evers & Laville [6])

A MULTI-ACTOR PERSPECTIVE

The Multi-actor Perspective (MaP) [5] distinguishes between four actor categories along three axes: 1) informal – formal, 2)

for profit – non-profit, and 3) public – private (see figure on level of sectors):

- The **state**: non-profit, formal, public
- The market: formal, private, for-profit
- The **community**: private, informal, non-profit
- The **Third Sector**: an intermediary sector in between the others

The Third Sector includes the non-profit sector, but also many intermediary organisations that cross the boundaries between profit and non-profit, private and public, formal and informal. It includes phenomena such as social entrepreneurship, 'notfor-profit' social enterprises, and cooperative organisations.

The MaP also distinguishes between the levels of sectors, individual actors (e.g. entrepreneur, consumer, policy maker) and collectives (e.g. organizations, groups). At the level of sectors, the distinction is based on general characteristics and 'logic' (i.e. formal vs. informal, for-profit vs. non-profit, public vs. private). Sectors and other collectives are often referred to as 'actors', in the sense of being viewed as entities that hold agency (e.g. "the government is responsible"). While sectors in themselves can be considered 'actors', they can also be seen as specific 'institutional logics' in which more specific collective or individual actors operate and interact. From this perspective, sectors are sites of struggle and/or cooperation between different individual actors (e.g. the state as interaction between voters and policy makers, the market as interaction between consumers and producers). Individual actors often play multiple roles in different sector

> logics; e.g. a policy-maker is also a neighbour, consumer and possibly a volunteer in his free time (see figure on the level of individual actors).

A MULTI-ACTOR PERSPECTIVE ON TRANSFORMATIVE SOCIAL INNOVATION

We argue that social innovation can be initiated by any kind of actor, at any level of aggregation, with any kind of motive or intention. At each level, actors may be involved in initiatives (projects, programmes, partnerships) and networks, which – intentionally or unintentionally – contribute to

social innovation. Moreover, the shifting relations between actors, and the shifting boundaries between different institutional logics, are a manifestation of transformative social innovation in themselves.



Multi-actor Perspective: level of individual actors

Many social systems (e.g. in energy, housing, education, health, food, transport) in Western societies have been dominated by a two-sector state-market logic during the last decades, while the influence of the community and the Third Sector have been underestimated (see figure on dominance of state-market actors and PPPs). Increasingly, welfare states have out-sourced services to the market, resulting in a wide variety of 'public private partnerships' (PPP) and wide-spread neo-liberal discourses in which state-driven bureaucratic logic, combined with an economic market logic, has been increasingly applied to all dimensions of life and society.



Dominance of state-market actors and public-private partnerships (PPP)

However, along with the interest in social innovation, there is a renewed interest in the Third Sector as "a way out of the stalemate that has resulted from a decade and more of management-driven public sector 'reforms'" [7]. It is expected to combine the efficiency of private firms with the social commitment of public services, and to democratize the relationship between owners, consumers and workers. We also observe a new surge of 'community-based' initiatives, and a state that is increasingly calling upon 'the community' to take over public services. This is especially apparent in discussions on welfare state reform such as the 'Big Society', as part of which governments are re-organizing their responsibilities and tasks vis-à-vis their citizens. This raises a bewildering amount of challenges and questions on how and why 'the community' is supposed to take over in a world where state- and market-logics have prevailed for decades. If we reflect on the power relations, as illustrated in the figure on power struggles and politics, a 'retreat' by the (welfare) state in order to make space for the community could also lead to the market (rather than community) logic taking over.

With transformative social innovation, we refer to the process by which social innovation challenges, alters and/or replaces dominant institutions [8]. From a Multi-actor Perspective, this raises the question how and to what extent social innovation challenges, alters and/or replaces the dominant institutional logics of, within and across the state, market, community and the Third Sector.

With societal challenges and trends such as the economic crisis and changing welfare states, it seems that a 'hybrid sector' is emerging, challenging existing institutional boundaries.

COMPARING AND DISCUSSING THREE SOCIAL INNOVATION CASES FROM A MULTI-ACTOR PERSPECTIVE

We explore three distinct cases: networks that work with social innovation and have transformative ambitions, which represent different orientations in terms of the main institutional logic in which they operate:

- Impact Hub network of social entrepreneurs (mostly market-oriented) [3]
- Global Ecovillage Network (mostly community-oriented) [3]
- Participatory Budgeting (mostly state-oriented) [3]

The graphic of the MaP on Impact Hub, Ecovillages and Participatory Budgeting provides a short summary introducing each of the three networks.

Comparing the three networks under study using the MaP, we observe the following. First, all display a remarkable multi-actor and institutional diversity. Often, they are formalised as non-profit associations or foundations, and as such are part of the non-profit sector. However, they also operate at the intersection of different sectors and institutional logics to redefine and renegotiate sector boundaries. As such, sector boundaries are not a static given – they are very much blurring, shifting, contested and continuously negotiated by these networks.

Second, these networks **challenge existing social relations and reshape the roles of individual actors**. For instance, participatory budgeting challenges the relation between citizens and local governments, the Impact Hub strengthens the role of social entrepreneurs, and ecovillage reconfigures the relation between the individual and the community. In assuming different roles across sectors, individuals act as crucial nodes that translate, spread and connect social innovations across different sectors and localities.



A Multi-actor Perspective on Impact Hub, ecovillages and participatory budgeting

Third, the networks have transformative potential by challenging, altering and replacing institutional boundaries. In the case of the Impact Hub, the boundaries between forprofit and non-profit logics are challenged, in ecovillages between formal housing regulations and informal community-led settlements, and in participatory budgeting, between local governments and citizens. This manifests in confrontations between initiatives and authorities, and often leads to legal or political discussions on adapting regulations. As such, the networks play an important role in (re)negotiating institutional logics. In doing so, however, there is also a risk that network ideas are (ab)used to legitimise the dismantlement of the welfare state and subsequent budget cuts. One could argue that such unintended effects weaken their transformative potential, as these effects contribute to actually reproducing a dominant, institutionalised trend of neo-liberalisation.

Many critical debates and concerns about social innovation relate to the unequal power relations between different sectors and institutional logics. The state logic and in particular the market logic have become very dominant in the past decades. With societal challenges and trends such as the economic crisis and changing welfare states, it seems that a 'hybrid sector' is emerging, challenging existing institutional boundaries. This could be seen in terms of an integrating, hybrid domain, which is transcending the traditional separations by blurring and mediating the boundaries between the traditional sector logics, as well as including new elements, roles and challenges from all of them.

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