

SOCIAL INNOVATION AND PUBLIC POLICY

Public policy and social innovation are both about changing resources, life chances and burdens, hopes and aspirations of people and places. Public policy stimulates social innovation in four different ways shaped by different ways of conceiving and practicing public governance and social change.

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INTRODUCTION

Social innovation and public policy both address social change by solving social problems and meeting social aspirations. Social innovation offers a space for interaction between government and society. There are four different ways of relating public policy to social innovation. Each way is a carrier of meanings, discourses and practices. Accordingly, they are shaped by different ways of conceiving and practicing public governance and social change. This variation is reflected in the discourses that envision social innovation as taking place with no or only little interference of government to those that conceive the enabling role of public policy and are connected to public sector innovation and democratization.

HISTORY OF PUBLIC POLICY AND SOCIAL INNOVATION

Already in 1959, Richard Titmuss, in a speech to the Fabian Society, pointed out that the welfare state, he so vigorously had supported, needed social innovation. Despite of being one of the chief architects of the universal welfare state after the Second World War, Titmuss early on saw that it catered better to those who needed it least than to those who needed it most. In the speech, he called for massive investments in social innovation. He spoke about the intrinsic relation between public policy and social innovation in a way that serves as a milestone even today: “[T]he quality of education, housing and medical care of the poorest third of the nation calls for an immense amount of social inventiveness: for new institutional devices, new forms of co-operation, social control, ownership and administration. Social ideas may well be as important in Britain in the future as technological innovation” [1, p. 150].

Almost 60 years have passed since Titmuss gave his speech, and the problems have only intensified requiring determined and targeted public policy for social innovation at all levels. Today, as a global citizenry, we face a complex and multi-dimensional crisis that is in an almost desperate need for sustainable answers. When looking at the workings of the conventional economic model, Joseph Stiglitz argues that it is not serving the majority of the global population. Accordingly, he even claims that economic growth as a paradigm for wealth lacks both credibility and legitimacy and thus, social innovation is as important today as technological innovation.

However, when looking at the subject of social innovation as a global phenomenon, it becomes visible that the relation between innovators and the governors of public policy was always a fundamental and transversal issue throughout the change of time and context. At its historic origin, innovation as such was largely about social innovation, and it stood in an intrinsic relation to public policy since the origin in Ancient Greece. Benoit Godin even argues, “for most of history, innovation has nothing to do with economics (technology) or with creativity. Innovation is a political concept” [2, p. 5].

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More recently, in all parts of the world, social innovation has been an object of huge policy interest. In the EU, several programs to facilitate a variety of interventions related to research, learning, urban regeneration, public procurement and rural development have been areas of institutional

interest and public concern for at least two decades. In a policy paper for the EU, Frank Moulaert and colleagues document that “most policy recommendations clearly go beyond individualistic solutions” [3, p.43]. Rather it is a transversal tendency among EU funded research projects that they recommend governments to promote socio-ecological grassroots initiatives as well as a more socially inclusive society.

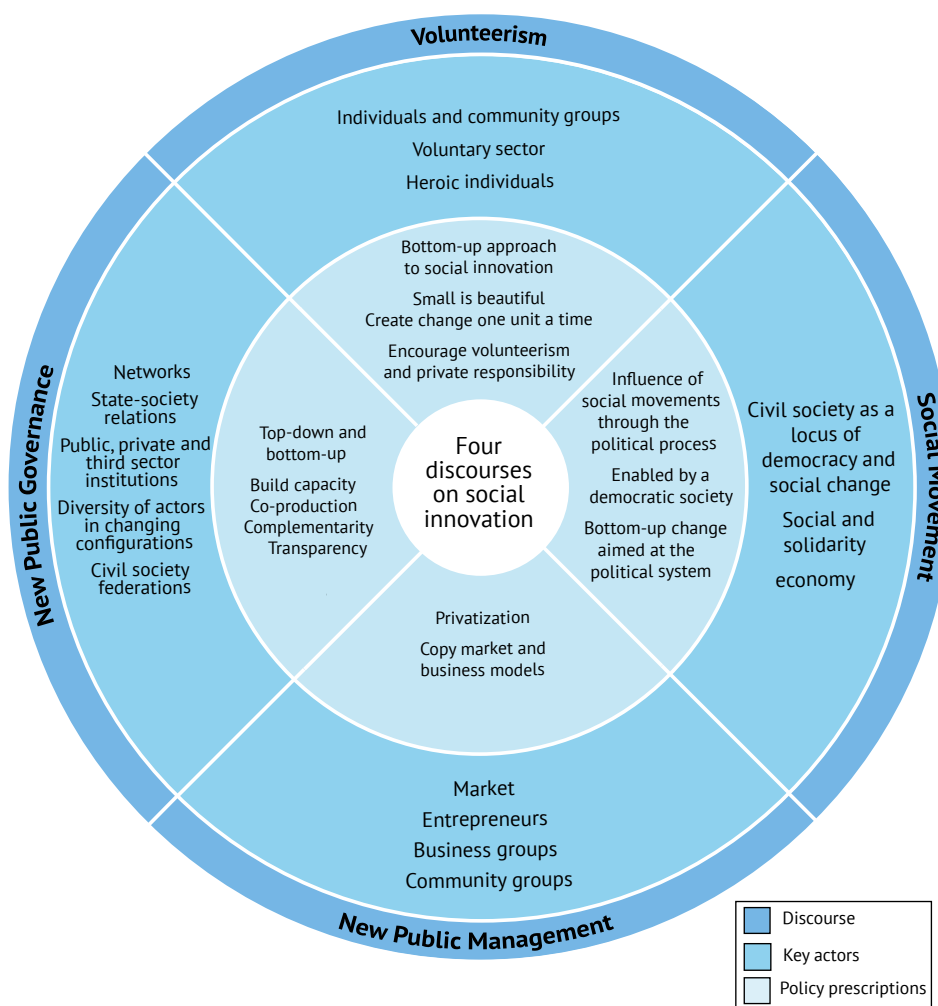
FOUR DISCOURSES ON SOCIAL INNOVATION

Public policy is in essence concerned with change; change of burdens, change of life chances, change of power. Without an ambition to affect change, the notion of public policy does not make sense, and thus public policy and social innovation is intrinsically related. Consequently, public policy is never neutral in its relation to social innovation, and it makes sense to address a few of the different ways in which public policy can stimulate, influence and collaborate with social innovation. The infographic depicts four different perspectives on the public policy and social innovation relation. Obviously, such a

visualisation will never be fair to local and regional contexts of policy regimes. However, the four trajectories addressed have all been influential to the contemporary social innovation agenda that has an impact on the world of today.

THE VOLUNTEERISM DISCOURSE

The Volunteerism Discourse (VD) emphasizes the role of voluntary individual action in social innovation. It complies with the Mark I entrepreneurship model used by Joseph Schumpeter to emphasize how innovation was the act of heroic individual entrepreneurs. In accordance with the volunteerism view, policy makers claim that local action and outstanding individuals are fundamental to restoring civic engagement, local community, welfare and a fair market model. Policy prescriptions within this approach to social innovation state that change must happen one unit at a time: one child at a time, one family at a time or one local community at a time. The one-unit at a time metaphor is a guideline in the formulation of communitarian and voluntarist social innovation strategies, in which key stakeholders are



committed local community builders accompanied by concerned business groups and catalytic philanthropy for concerted action. Particularly the social entrepreneurship agenda within social innovation is a powerful symbol of the voluntary act. “I” is the start of innovation, when social entrepreneurs claim, “I can bring Africa out poverty in 15 years”, or “I will create one million workplaces for people with autism”. In the VD, social innovation emerges, when strong individuals engage in change for a social purpose, as suggested by Pamela Hartigan, former CEO of the Schwab Foundation, when she argued that a social entrepreneur is what you get when you cross Richard Branson with Mother Teresa.

The state, or government sector, is the only societal sphere that seems to be out of business in the volunteerism approach to social innovation. In this discourse, the role of public sector is at best to act as a humble, responsive servant to the private enterprise of individuals.

THE SOCIAL MOVEMENT DISCOURSE

The Social Movement Discourse (SMD) on social innovation is partially related to the volunteerism (communitarian) discourse, as it embraces agents from civil society as crucial for social change. The SMD precedes the recent interest on social innovation and it remains an important part of a public-policy making framework. Social movements have impact on legislation and the fight for rights and in society by changing cultural codes [4]. The project TRANSIT – Transformative Social Innovation – gives a relevant place to counter-narratives and counter-movements in transformative social change. Social movements have influenced the welfare state innovations, particularly since the 1970s in issues such as disability, gender equality, racism, but also in issues related to the participation of users in the definition and delivery of welfare services, as found in the institutionalization of social enterprises in Europe. Third sector organizations are a public policy innovator through their role in experimentation, demonstration, advocacy and participation in the policy process. In the project WILCO – Social Innovations for Social Cohesion – social innovation by local communities and organizations require the action of state actors and public administration in order to be scaled.

In SMD, social innovation emerges from social movements, civil society and community organizations, while the role of public policy is to create the conditions for a flourishing civil society and active citizenship and to scale these social innovations. One eloquent example dating back to the XIX-XX centuries is the invention of social insurance by workers mutual societies, which inspired national public social security systems. The Civil Rights Movement in the USA is another important example of a rights-oriented social innovation targeting public policy. When Rosa Parks in December 1955 decided to refuse to take her assigned seat in

a bus in Montgomery, USA, she was active in a civil rights movement integrating a variety of objectives and means in a struggle for civil and political rights. Accordingly, the iconic photo of Rosa Parks, the determined individual, in the bus, only makes justice to history when related to another photo of her together with other prominent members of the civil rights movement, such as Pete Seeger and Martin Luther King gathered at Highlander Folk School in Tennessee.

Another more recent example of movement-led social innovation in public policy is the case of the National Secretary of Solidarity Economy, led by Paul Singer, himself a scholar and an activist in the solidarity economy movement. In collaboration with the movement, he promoted a wide range of public policies to foster the Solidarity Economy in Brazil.

THE NEW PUBLIC MANAGEMENT DISCOURSE

In New Public Management Discourse (NPMD), social innovation and public sector innovation happens through bringing in private sector practices and market rationality to the public and civil society sectors. The public sector, with its bureaucratic structure, hierarchical decision-making process, standardized solution, heavy auditing and accountability processes and lack of individual career rewards is considered a hindrance to social innovation. Thus, the model for innovation is that of business and commercial innovation. Social innovation is the utility function of new services and activities responding to a social need or problem better than existing solutions. Innovation may happen by bringing in internal competition in public services, quasi-markets, contracting out to the private and third sectors, choice by citizen-clients. Public sector and the third sector leaders must learn from business management. Within this perspective, the technological and business innovation frameworks are often imported into social innovation planning and tools, like the cycle of social innovation, that allow to conceive the process of social innovation from emergence to systemic change through scaling. Thus, social innovation is a planned process along a set of stages within an induced and supportive social innovation ecosystem. Public policies to promote social innovation include those that can enhance competition between providers, supporting social innovation ecosystems, including new funding sources inspired by market tools and agents, such as Social Impact Bonds. One example of public policy promoting this model is the pilot Portugal – Social Innovation, an EU funded program, which aims at developing a social investment market to generate and sustain social innovation to solve social problems. Within this perspective, social innovation is blurring boundaries between institutional logics in the sense that business and commercial models inspire the public and social sectors. In turn, commercial businesses are considered to be concerned with social problems and social responsibility.

THE NEW PUBLIC GOVERNANCE DISCOURSE

This discourse stresses a complex relationship between state, market and civil society aimed at reinforcing partnership and network-based social innovation across sectoral divides. The New Public Governance Discourse (NPGD) is rooted in institutional and network theory and notions of the pluralist state. Instead of giving up the state as a generator of social innovation, this perspective aims at reforming the state towards shared governance through inter-organizational networks [5]. Accordingly, network governance affects the organizational divide within the public sector. Social innovation is the outcome of the meeting and mix between actors of the different sectors. This form of governance has many names and shapes involving multi and cross-sector public governance (network governance, joined up government, whole-of-government). ICT and co-creation with end users are drivers of public innovation. In cross-sectoral network governance, the public sector plays the role of *primus inter pares* and of enabler of governance and innovation. The arguments in favor of New Public Governance itself include its capacity to promote social innovation. From a complexity perspective, it is argued that problems are multidimensional and complex, and to find and implement solutions to these problems knowledge, skills and competencies of public, nonprofit and for-profit sector agents and citizens and communities are necessary. Public policies promoting social innovation through shared governance have been prominent, often focusing on integrated territorial development. Since the mid-1990s, many countries experimented with governance through partnerships in areas such as education, social welfare, environment and local development [6]. The EU EQUAL Initiative was particularly oriented to promote social innovation in Europe, with patient funding requiring work in cross-sectoral and multidisciplinary partnerships.

Social innovation is ultimately a change in power relations since the problems we are aiming at overcoming are anchored in existing institutional practices.

CONCLUSION

Public policy is a dynamic activity. It is about change. Following the classical thinking of Richard Titmuss, public policy is about changing resources, life chances, burdens, hopes and aspirations of people and places. Public policy aimed at generating welfare and wellbeing for citizens is difficult to imagine without such a dynamic approach to change. This is an important parallel to social innovation. However, public policy affects social innovations in at least four different ways as highlighted in this chapter. We find all four strategies present at the same time in most countries. When public policy engages in social innovation it is crucial that partners and collaborators from other societal domains and sectors emphasize the processual aspect as much as the final product, and conceive participation as part of the process of empowering people. In this regard, the NPG discourse shares with the SMD the idea that social innovations emerge through participatory processes in society. Social innovation is ultimately a change in power relations since the problems we are aiming at overcoming are anchored in existing institutional practices.

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