

THE POLICY RELEVANCE OF THE CONSCISE PROJECT AT INTERNATIONAL, EUROPEAN AND NATIONAL LEVELS: SOME INDICATIONS

The CONSCISE Project is now over two years into its programme (2000-2003) and there is a growing awareness among those involved in the project of the relevance of the work of the project to a range of policies at International, European, National, Regional and Local levels. The purpose of this paper is to indicate key policy areas where the emerging findings and work of the CONSCISE Project has already or may in the future be directed.

INTERNATIONAL POLICY:

The World Bank has for some time pursued the refinement of social capital as a tool for development at a global level. The Social Capital Initiative was set up by the World Bank, with financial support from the Danish government, in 1998 to carry out 12 projects to help define, measure and monitor social capital. The stated aim of the World Bank in this is to "operationalise the concept of social capital and to demonstrate how and how much it affects development outcomes" (Foreword to Social Capital Initiative series of working papers). The web site (WWW.worldbank.org/poverty/scapital/) is a rich source of research and policy development in social capital.

The Organisation for Economic Co-operation and Development (OECD) an international organisation the stated aim of which is to help governments tackle the economic, social and governance challenges of a globalised economy, has also been active in defining and measuring social capital at country level across the world.

The International Labour Organisation (ILO) has established an integrated programme called STEP - "Strategies and Tools against Social Exclusion and Poverty" and one of its baseline documents ("Social Exclusion: A Conceptual and Strategic Essay") serves as a guide for projects to combat social exclusion and utilises the concept of social capital. One of the CONSCISE partners (Gabinet d'estudis Socials) has contributed to the STEP document.

EUROPEAN POLICY

Article 6 Local Social Capital (LSC) is a pilot programme of the European Social Fund under the direction of the Employment and Social Affairs DG of the European Commission. The LSC programme identifies Intermediary Bodies in each of the localities it operates in (some 32 projects have been involved) and the role of these Bodies is to establish and resource local projects which build local social capital. Ongoing external evaluation of LSC is being carried out by the London based LRDP organisation and contact has been made with LRDP regarding exchange of information. CONSCISE have also made contact with DG Employment and Social Affairs with a view to attending the Steering Group for the evaluation of the LSC pilot programme. The ESF Policy Co-ordination Unit for Employment and Local Development (Unit A4) of the Employment and Social Affairs DG of the European Commission are currently making preparations for completing this programme and are aware of the CONSCISE Project and the potential for contrast of research findings that it provides.

Acting Locally for Employment - A Local Dimension for the European Employment Strategy (COM (2000) 894) is an EC Communication that promotes the mobilisation of structures at local level for the development of employment under the ESF programme for 2000-2006. The communication highlights the requirement for further methodological work on indicators and benchmarks, and identification of good practice and exchange of experience (COM (2000) VI 29),

which CONSCISE is actively involved in. The EC also conceive an important role for the Third System within Acting Locally for Employment, and the focus of the CONSCISE Project is in this specialism. Furthermore, TECHNET, a partner in the CONSCISE Project, co-ordinated a project called RISO (The Role of Intermediary Support Structures Promoting Employment in the Third System at Local Level) as part of the pilot action.

The EC communication of November 2001 on "Strengthening the Local Dimension of the European Employment Strategy" makes the point that "member states increasingly address the social economy as an important factor for local development along with enterprises and an appropriate institutional framework" (EC COM (2001) 629 final, p.6). The ongoing understanding that the CONSCISE Project research provides about social capital use and generation by the social economy is important in this respect. It also is part of an ongoing concern to clarify understanding of the nature and role of the social economy in Europe. As the EC communication states, "the National Action Plans 2001 show widely differing understanding of the meaning of social economy" among the members states (EC COM (2001) 629 final, p.6).

EQUAL

The ESF EQUAL Programme tests new ways of tackling discrimination and inequality experienced by those in work and those looking for a job. One of the thematic fields of the programme under which appropriate development partnerships can bid for funding is "D. Strengthening the social economy (third sector), in particular the services of interest to the community, with a focus on improving the quality of jobs". This is situated in the programme under the second pillar of the European Employment strategy - "Entrepreneurship" (the others are employability, adaptability and equal opportunities for women and men).

Both the understanding of how the social economy uses and generates social capital as an important component of local development and the specific profiling and audit tools used in the CONSCISE Project are of importance to development partnerships working to strengthen the social economy. Two partners of the CONSCISE-project (CBS Network and TECHNET) are engaged as experts in two EQUAL development partnerships for this reason.

DG Enterprise and "Co-operatives in Enterprise Europe"

DG Enterprise produced a Draft Consultation paper on "Co-operatives in Enterprise Europe" on 7/12/01. Sections of the paper where the CONSCISE Project can provide direct and relevant input are as follows:

- The paper makes the point that "Co-operatives as associations of people and/or enterprises and as equitable and democratic economic associations are an important means of creating the necessary building blocks of social capital" (section 2.2). The CONSCISE Project provides an important analysis of how that function of co-operatives and other social enterprises can be harnessed in policy and development.
- The paper indicates that "in many of the candidate countries co-operatives play an important role in the development of a sustainable market economy and democratic institution. In central and eastern Europe they can have a particular contribution to make both as schools of entrepreneurship and of civil society" (section 2.2). The CONSCISE Project research provides an understanding of how social capital used and generated in the social economy connects these two 'schools'.
- The paper suggests that measuring the success of co-operatives should not be "only on the basis

of indicators such as returns on investment or market share" (section 2.5). The CONSCISE Project research has developed and augmented specific profiling and audit tools, which will be of assistance in this regard.

- The paper lists ways in which co-operatives may be suited as a vehicle for achieving diverse European Community objectives (section 4.1). The CONSCISE Project research would support an addition to this list that "Co-operatives and other social economy organisations generate appropriable networks for future forms of economic development which are effective in combating social exclusion".

Combating Social Exclusion

Article 137 of the Treaty of Amsterdam prioritises efforts and preparatory measures to combat social exclusion and the work of the CONSCISE Project contributes to the development of knowledge for such efforts. The ways in which local social capital is both used in and further produced by local social enterprise is a focus of the CONSCISE Project and an important aspect of the development of measures to develop social inclusion. In this way CONSCISE connects closely to the aims of the LOCIN Project, funded by the Research DG under the Human Potential and Mobility programme.

The European Research Agenda:

The Improving Human Potential Programme of Framework V has initiated a series of **dialogue workshops** and a future workshop in this series will focus on **new models of development**. The CONSCISE Project identifies that the further refinement and development of local profiling and social audit methodologies incorporating measurable indicators of social capital are important tools in the creation of **new models of development**. CONSCISE intend to participate in the planned workshop on this.

The European Research **Framework VI** has as two of its thematic priority areas 'sustainable development and global change' and 'citizens and governance in the European knowledge-based society'. The work of the CONSCISE Project on the dynamics of social capital has a specific pertinence for both of these areas. Firstly in recognising the need to shift the sustainable development debate beyond the environmental and on to the social and economic sustainability arenas. Secondly, in the importance of social capital in the debate over the development of modern democracy, citizenship and governance in an expanded Europe.

NATIONAL AND REGIONAL POLICIES

At the **National** level in....

- **England**, the Government has launched its National Strategy for Neighbourhood Renewal, which gives a prominence to the role of social enterprise and the development of local social capital in combating social exclusion. CONSCISE members at the ISSR have worked with colleagues at Middlesex University's Centre for Enterprise and Economic Development Research to advise the Government's Small Business Service on its new brief to support the development of social enterprise in disadvantaged localities arising from the National Strategy and have prepared a report entitled "Researching Social Enterprise". In addition research reports to date have been requested by the Department of Trade and Industry's new Social Enterprise Unit. The Active Community Unit of the UK Government's Home Office is also taking a lead on promoting social enterprise, particularly by establishing a programme to develop its asset-base. The Government's Cabinet Office Performance and Innovation

Unit is also involved in promoting the building of social capital. A further consequence of the National Strategy for Neighbourhood Renewal has been the involvement of the Office for National Statistics in defining and measuring social capital via the refinement of survey instruments.

- **Scotland** CBS Network has just completed an Interim Evaluation of the Local Social Capital Pilot Project (funded under Article 6 of the European Social Fund) being implemented by the Scottish Council for Voluntary Services as the "intermediary body". CBS Network make direct reference to the CONSCISE Project in the evaluation and remark on methods of measuring local social capital. As part of the evaluation CBS interviewed representatives from the Scottish Executive and ESF Objective 3 Partnership. The Scottish Executive has commissioned a report on a strategy for the social economy in Scotland and its publication is awaited.
- **Germany** The CONSCISE partner TECHNET have been asked by regional authorities in Brandenburg to advise on the evaluation of local social capital projects there. Additionally the Berlin Senate department responsible for the ESF has approached TECHNET for consultation in preparing the Operational Programme of LSC for the next period.
- **Sweden** both the development of the Social Economy and the role of local social capital within that have gained a higher profile since the Swedish Government created in 1997 a working group at the Ministry of Culture to report on the Social Economy. The report was published in April 2000 and the recent Swedish presidency hosted the 7th European Conference on the Social Economy in June 2001 at Gävle at which the CONSCISE Project was represented. In addition to the CONSCISE project, the Swedish studies on the importance of the social capital for the local development were presented. Moreover, a workshop about social audit was carried out at the conference in Gävle. Several co-operative development agencies in Sweden (among them NÄTVERKET in the county Västerbotten) have worked with matters concerning both social enterprises and social capital and the method of social audit.
- **Spain** the concept of Social Capital is still very new, but it has started to be featured in some of the most influential mass media (the newspapers El País and La Vanguardia). As far as Spain is concerned, it is expected that the dissemination of the results of the CONSCISE Project will contribute to raising awareness, both at the political and technical levels, of the role played by Social Capital in the development of Social Economy. A recent development is that the Spanish government has adopted an Action Plan for Social Inclusion in Spain (June 2001 to June 2003). Action 6 of the fourth aim of this Action Plan explicitly includes the development of social capital as one of its main tools to attain social inclusion of excluded populations.

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