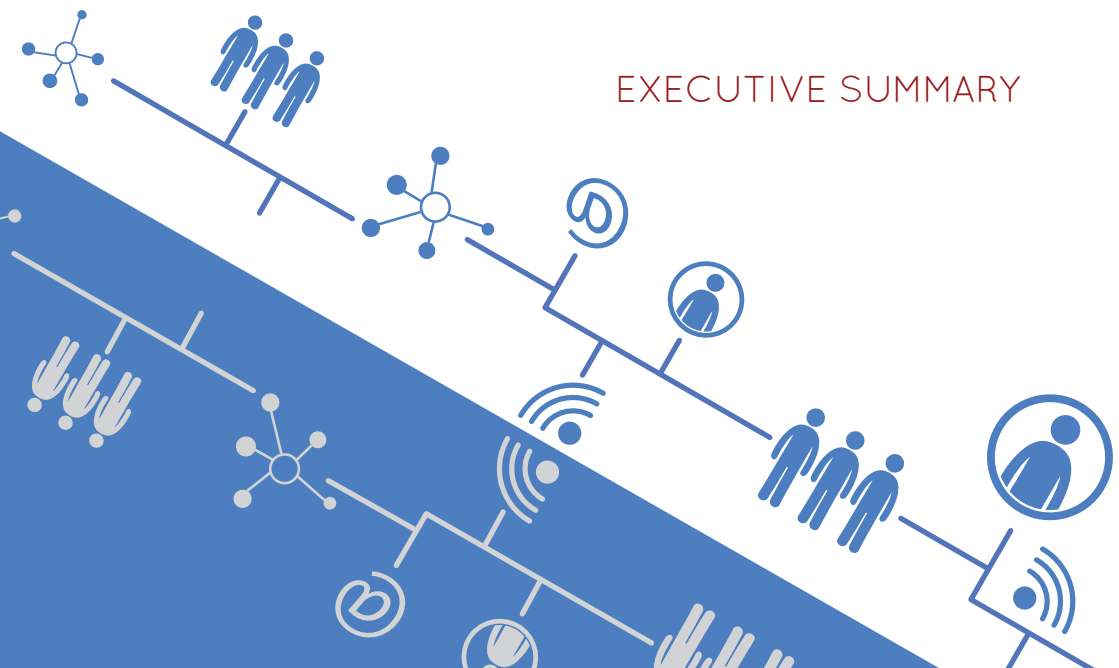


diesis

SOCIAL ECONOMY ENTERPRISES AND CULTURAL AND CREATIVE INDUSTRIES

OBSERVATIONS AND BEST PRACTICES

EXECUTIVE SUMMARY



OBSERVATIONS

The Cultural and Creative Industries (CCIs) have steadily acquired relevance in recent years as well as Social Economy sectors for their contributions to smart and inclusive grow of the European economy as a whole.

With more than three million enterprises, the CCIs sector employs over 12 million people, which is 7.5% of all people employed in the economy as a whole¹. The CCIs play an important role in fostering economic growth, job creation and innovation and have been identified by the European Commission as a high-growth sector generating added value as well as a resilient sector in times of economic crises.

The Social economy enterprises (SEEs) provide more than 13.6 million paid jobs (6.3% of the working population of the EU-28). Including both paid and non-paid employment, they have a workforce of over 19.1 million, with more than 82.8

million volunteers, equivalent to 5.5 million full-time workers. Cooperatives, mutuals and similar enterprises have more than 232 million members².

The SEEs are recognised as a vehicle for social and economic cohesion across Europe and they help to build a pluralistic and resilient social market economy.

The CCIs and the SEE can foster spatial and sectorial clusters, such as that taking an ecological approach to cultural cooperation and territorial development.

Their concrete objective is the mutualisation of means and skills so as to cope better with the numerous hazards to their survival and development that each of them is confronted with. This very pragmatic goal takes a variety of forms such as sharing information, experience, opportunities and means.

In very uncertain socioeconomic environments, given the fragility of the organisations, their limited financial contributions and weak balance sheets, the development

1 KMU Forschung Austria and VVA Europe, Boosting the competitiveness of cultural and creative industries for growth and jobs, Executive Agency for Small and Medium-sized Enterprises, 2016

2 CIRIEC International for EESC, Recent evolutions of the Social Economy in the European Union, 2017

of the members' activity along with their pooling of economic and financial resources is a decisive issue for the future.

Moreover creativity is an input of innovative technological processes and therefore has an impact on innovation, on demand and on competitiveness. Finally, creativity tends to reorganise enterprises around the model of a community of practice (Wenger, 1998). The fundament of a community of practices is sharing, networking and cooperation to achieve common objectives as social economy enterprises teach.

We have observed the role of social enterprises involved in the CCIs across Europe.

We were looking for to understand how social economy enterprises can contribute to cultural and creative industries and how together they are able to foster spatial and sectorial clusters, such as one taking an ecological approach to cultural cooperation and territorial development.

One of the main things that links all good practices analysed is the

strong will to deal with issues of their territory through creative and cultural solutions which are able to boost community involvement.

The experiences of the SEEs operating in the CCIs collected represent tools for inclusion and social participation, vehicles of innovation and strategic factors in the development of territories. As an area for research, policy and practice social economy enterprise involved in creative cultural industries may set to become increasingly important in future.

This project is composed of three parts: a review of evidence, a workshop and an empirical component (case studies). From these parts have emerged certain key features, which are outlined below and linked with the case studies presented in the final report.

MAIN MESSAGES

1. CCI and SEEs contribute to social well-being

Various social enterprises involved in the arts and creativity reported that the individuals they supported felt more empowered as a consequence of their activities, including through enhanced knowledge and skills or through the meaningful work provided by work integration social enterprises. The third sector and other 'non-obvious' actors may have an important role to play in addressing contemporary and future public health challenges. The interface between social enterprises, creative and cultural sectors and public health is becoming a field of scientific enquiry with significant scope for future research activities.

2. CCI and SEEs contribute to sustainable development

More than a fourth pillar, culture can be considered as a transversal dimension of sustainability. In addition to creating economic benefits, the

cultural and creative industries support people-centred value, sustainable urban development and the development of creativity and culture, and contribute to the achievement of the 2030 Agenda for Sustainable Development.

Culture is both a driver and an enabler of human and sustainable development. It empowers people to take ownership of their own development, and stimulates their innovation and creativity, which can drive inclusive and sustainable growth (SDGF, 2017).

At the same time, social economy enterprises are able to generate sustainable solutions to issues affecting people's lives. They emphasise the development of efficient, affordable and cost-effective solutions.

They are actors that are capable of understanding their territories and finding solutions through an integrated approach, in a cooperative manner between the community and social economy organisations.

3. CCIs and SEEs are able to promote smart and inclusive growth.

CCIs are an important contributor to the economy, creating 5.3% of the total EU gross value added (GVA). In 2015, 11.2 million people aged between 15 and 29 were working in the cultural and creative sectors, and young people represented 18% of all cultural jobs, which was very close to this age group's share in overall employment (19%)¹.

Like the creative cultural sector, also the social economy workforce has revealed resilience to the economic crisis: it has dropped only from 6.5% to 6.3% of the total European paid workforce from 14.1 to 13.6 million jobs².

Thus, beyond their direct contribution to growth in quantitative terms, social economy enterprises as well as the cultural and creative

sector should be recognised for their qualitative dimension. Innovation, inclusion and creativity can remodel our economies and civil societies to develop inclusive growth, which creates opportunity for all and distributes the dividends of increased prosperity, in both monetary and non-monetary terms, fairly across society.

Both are able to promote inclusive growth through creating jobs, strengthening skills and employability, especially for disadvantaged, youth and marginalised people.

4. CCIs, SEEs and their multiplier effect.

The economic multiplier effect requires all sorts of actors and assets to develop or to build enterprise and capacity in an area.

The multiplier effect presents an opportunity to reap local benefits in cultural, social and economic terms and raise the international profile of a city.

¹ Data source: Eurostat - http://ec.europa.eu/eurostat/statistics-explained/index.php/Culture_statistics_-_cultural_employment

² EESC - by CIRIEC - International - "Recent evolutions of the Social Economy in the European Union", 2017

This is particularly true where creative and cultural sectors meet with measures which help to build stronger, more resilient communities with community capacity and improved relationships between all sectors and individuals within them.

Social economy enterprises are able to build community capacity, to rebuild capacity in deprived cities and regions, and to sustain such activity in difficult economic times.

Cultural and creative industries put new life into local assets and traditions, give direction and coherence to disparate activities, and develop a local community identity.

The importance of creative and cultural activities in synergy with social economy enterprises in addressing multiple and complex issues should not be underestimated.

5. CCIs, SEEs contribute to local development

From an empirical perspective, various links appear between local development and the social economy.

For example due to their

very nature, social economy organisations can adapt flexibly to local development needs.

Not committed to maximising financial profit, social economy organisations can take into consideration the values and expectations of actors in the field of local development, and the long-term effects of decisions, as well as define actual development strategies.

Creative activities often generate positive impacts in the areas where they are located, because their openness and interaction with other activities give rise to agglomeration and cluster effects and they tend to generate a high proportion of total value added locally.

CCIs and the SEE can foster spatial and sectorial clusters, such as that taking an ecological approach to cultural cooperation and territorial development.

For an ecological system, learning and adaptation are two crucial abilities any species needs to survive and sustain itself. This is also true for creative industries and social economy enterprises, which must keep learning and maintain an adaptive mind.

METHODOLOGY

Literature review: Analysis and synthesis of existing data through desk research in three different areas: the potential of the cultural and creative industries, the social economy and the cultural and creative sectors, and clustering and regional strategies in the development of the cultural and creative industries.

Interviews with experts: The experts were identified mainly through the network of DIESIS, one of the widest at EU level, bringing together national networks and support structures of social economy enterprises, incubators etc. The experts have a policy background in social economy and/or specific knowledge in cultural and creative sectors. We asked them to identify good practices of social economy enterprises in the cultural and creative sectors in their country.

Workshop: Clusters! Social Economy Enterprises and Cultural and Creative Industries: DIESIS organised a workshop involving EU institutions, social economy and cultural and creative industries experts,

case study presenters, local authorities and policy-makers to discuss how social economy enterprises contribute to the cultural and creative industries and how together they are fostering spatial and sectorial clusters, such as that taking an ecological approach to cultural cooperation and territorial development. The study used the workshop to obtain its evidence and debate the findings in order to provide real insights. The materials from the workshop are appended in the full report

Good practices, analysis and conclusion: So far we have collected 50 examples of social economy enterprises involved in the cultural and creative industries in various European countries. We present some of them in the full report.

DEFINITIONS

Cultural and Creative Industries

In general, CCIs refers to a range of economic activities which transform cultural and creative inputs into goods and services embodying both cultural and economic values.

This working paper uses the EU definition updated by the European Statistical System Network on Culture (ESSnet Culture) in 2012, which includes ten cultural domains³: heritage, archives, libraries, books and press, visual arts, performing arts, audio-visual and multimedia, architecture, advertising and art crafts.

At a more peripheral level, many other industries are to some extent interdependent with the CCIs.

For example *“Sports and Recreation and Tourism are not always considered cultural activities; [...] they represent activities that may have a cultural character but their*

³ The definition of CCIs in the EU was established by ESSnet Culture (2012). This was later used to define eligible sectors in the Creative Europe programme. (ESSnet Culture, 2012, pp. 44-45).

main component is not cultural” (UNESCO FCS, 2009, p. 28)⁴.

The notion of so-called transversal or cross-sector domains was also used for activities linked to education, training and trade.

Social Enterprises

In the Social Business Initiative⁵ the European Commission proposed the following operational definition of a social enterprise:

“an operator in the social economy whose main objective is to have a social impact rather than make a profit for its 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

⁴ The 2009 UNESCO Framework for Cultural Statistics replaces the 1986 UNESCO Framework for Cultural Statistics (1986 FCS), http://www.uis.unesco.org/Library/Documents/FCS09_EN.pdf

⁵ European Commission, Social Business Initiative. Creating a favourable climate for social enterprises, key stakeholders in the social economy and innovation, 2011 http://ec.europa.eu/internal_market/social_business/docs/COM2011_682_en.pdf

responsible manner and, in particular, involves employees, consumers and stakeholders affected by its commercial activities”.

The Commission uses the term ‘social enterprise’ to cover the following types of business:

- Those for whom the social or societal objective of the common good is the reason for the commercial activity, often in the form of a high level of social innovation;
- Those where profits are mainly reinvested with a view to achieving this social objective;
- Those where the method of organisation or ownership system reflects the enterprise’s mission, using democratic or participatory principles or focusing on social justice.

CLUSTERS⁶

Clusters can be connoted as

geographical concentrations

of economic actors from the same or interrelated sectors. Clusters emerge based on geographical proximity, develop over time, boost competition and collaboration resulting in innovation, and potentially create greater economic benefits through higher productivity, better knowledge management, and entrepreneurial opportunities (Chuluunbaatar et al., 2014).

In more general terms, clusters can be defined as economic entities, enterprises and institutions that are located near each other, and have developed specialised expertise, services, resources, suppliers and skill.

They embrace much more than a conventional supply chain because they also includes academic institutions providing training, research and consulting services.

⁶ For more information on cluster definitions see: European Commission, Smart Guide to Cluster Policy, 2016; European Commission Staff Working Document, The concept of clusters and cluster policies and their role for competitiveness and innovation: Main statistical results and lessons learned, 2008.

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