

“EUROPEAN SOCIAL ECONOMY SINGLE MARKET AND THE DIGITAL ERA”

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The Greek Contribution

Impact investment is now thriving in Greece. With vision for social economy and expertise in social enterprises, we are bringing social entrepreneurship into the national public agenda. We envisage expanding on the discourse now revolving around two key terms coined by our recent research work:

- “Social Economy Single Market” and
- “Digital Social Economy”.

Indeed, there seems to emerge a prosperous horizon for social innovation in Europe based on EU integration in all market fields and the construction of a market sector based on social excellence in the semantic web (Web 3.0).

The European Social Economy Single Market

A Social Economy Single Market is emerging in the European Union. Turning point has been the deployment of “Social Business Initiative” by the European Commission. There is now committed effort by COM and its Group of Experts on Social Entrepreneurship (GECES) to identify, synchronize and build capacity for the third sector in the EU; Social Economy sector is now on the central political agenda and this is of historical value.

Special attention should be focused on lessons derived from the ongoing building of the European Union Single Market. Convergence of national Social Economies should accordingly overcome the perils of uneven development. National peculiarities might eventually lead to investment “bubbles” especially in the social cooperative sector. Superficial replication

of conventional market practices by the Social Economy sector might entail substantial negative externalities. Special attention should be given: both the cooperative sector (cooperative banks, agricultural cooperatives and major civil cooperatives) along with the mutual funds’ sector are interconnected to income savings’ policies and pension systems—a very serious thing to tamper with. It is now more than evident that regulation, monitoring and auditing of both the financial (ESA S.12) and non-financial sector (ESA S.11) has presented alarming deficiencies across Europe:

- Concrete statistical data pooling is still a question at EU and in many cases at national level.
- Governments and Central banks have not operated optimally in regulating and monitoring the banking sector.
- Inconsistent audit of the mutual and cooperative insurance sector might jeopardize the future of incomes, savings and pensions, in times of intense budgetary crises.
- Non-public, or private subsidiary insurance and pension schemes are not full-heartedly adopted or are straightforwardly impeded in certain national contexts.

Structuration of the Social Economy Single Market should build upon policies recently adopted for the integration of the European banking system. A unitary banking system and universality of auditing mechanisms are key to consistency, transparency and trust. There can be no Social Economy Single Market without these elements.

The Digital Social Economy

Collective digital content management is emerging as an already dynamic trend. For example, communities are formed with the primary aim to create and disseminate software or scientific knowledge liberally licensed to grant the right of users to use, study, change, and improve it through the availability of the needed data. Such networking efforts when undertaking an officially recognized organizational identity may constitute Digital Social Economy actors.

The term “Digital Social Economy”, as coined in our homonymous paper, describes a rising sector inside conventional Social Economy. This digital part is constituted by organizations involved in digital content management and related service provision for public or collective benefit: unions, foundations, social enterprises, crowd-funding platforms and cooperatives.

Though essentially collective, and even though it might share most of its fundamental aspirations, Digital Social Economy is not identical to participative web. For Digital Social Economy, internet may be a decisive means but its activities are not only internet-embedded; it also involves local networks

along with other non-networked activities, conventional, social and productive ones. Furthermore participative web may involve groups or communities of individuals. Internet activity may not be geographically embedded or bound; on the other hand, every Digital Social Economy organization is at least bound to country-specific applicable laws according to its place of establishment.

The point of focus on Digital Social Economy is in the dramatic economic value and social potentials of the cyberspace and activities related to digital content creation and dissemination; Social Economy potentials and value-adding contributions such as autonomy, participation, diversity, are now parametrically enhanced by computer technology and networking.

Moreover the inherent openness of the internet and the collectivization of digital technology through user-created content emerge as key comparative advantages of this field. Digital Social Economy involves collective digital content management in all its forms and only a part of it is user-created. Nevertheless its overall economic impact and the importance of differentiating value-chains through user-created content are pronounced. Such content is autonomously and directly created and distributed. Many start-ups and non-commercial sites are involved in its dissemination. Nevertheless an increasing interest is now being expressed by commercial firms to participate.

A new constantly innovative, decentralized market environment is emerging. New added-value models compete with traditional ones challeng-

ing conventional scale advantages through individual or collective initiatives. What is intriguing is that user-created content often emerges as competing to products and services supplied by Digital Social Economy organizations such as professionals’ cooperative schemes.

Emergence of this Digital Social Economy is inevitably bound to the same or even more complex challenges faced by activities in the cyberspace: exclusion, cultural fragmentation, accuracy and content quality, privacy, impacts of intense internet use along with regulation, taxation and competition issues, including authorization and

digital rights management. The way forward is open and full of challenges. Digital Social Economy is already here.



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